FRANCHISE DISCLOSURE DOCUMENT

Sharkey's Cuts for Kids International Co., LLC
A Connecticut limited liability company
37 Highland Road
Westport, Connecticut 06880
(203) 637-8911
www.sharkeyscutsforkids.com
info@sharkeyscutsforkids.com

The Franchise offered is for a hair salon furnished and designed to attract children and families using the names "Sharkey's Cuts for Kids".

The total investment necessary to begin operation of a Single Sharkey's Cuts for Kids (A-Package) franchise is $199,960 to $341,035. This includes $179,990 that must be paid to the franchisor and/or its affiliate. The total investment necessary to begin operation of a Single Sharkey's Cuts for Kids (B-Package) franchise is $199,960 to $308,535. This includes $179,990 that must be paid to the franchisor and/or its affiliate.

The total investment necessary to begin operation of a 2-Pack of Sharkey's Cuts for Kids (A-Package) franchises is $346,930 to $629,080. This includes $306,990 ($153,495 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate. The total investment necessary to begin operation of a 2-Pack of Sharkey's Cuts for Kids (B-Package) franchises is $346,960 - $564,930. This includes $306,990 ($153,495 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate.

The total investment necessary to begin operation of a 3-Pack of Sharkey's Cuts for Kids (A-Package) franchises is $504,900 to $928,125. This includes $444,990 ($148,330 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate. The total investment necessary to begin operation of a 3-Pack of Sharkey's Cuts for Kids (B-Package) franchises is $504,900 to $830,625. This includes $444,990 ($148,330 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate.

The total investment necessary to begin operation of a 6-Pack of Sharkey's Cuts for Kids (A-Package) franchise is $977,820 to $1,824,270. This includes $858,000 ($143,000 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate. The total investment necessary to begin operation of a 6-Pack of Sharkey's Cuts for Kids (B-Package) franchises is $977,820 to $1,629,270. This includes $858,000 ($143,000 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its 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 the disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Scott Sharkey at 37 Highland Road, Westport, Connecticut 06880 and (203) 637-8911.

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

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

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

Issuance Date: April 20, 2026

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 I and Exhibit J.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Sharkey's Cuts for Kids business in my area?	Item 12 and the "territory" provisions in the franchise agreement and multi-unit operator agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Sharkey's Cuts for Kids franchisee?	Item 20, Exhibit I and Exhibit J 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 that 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 you 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 State 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 agency information in Exhibit G.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and multi-unit operator addendum require you to resolve disputes with the franchisor by arbitration and/or litigation only in Connecticut. Out-of-state 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 Connecticut than in your own state.

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

3. **Financial Conditions.** 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.

4. **Inventory Control.** You must maintain inventory of at least $4,500 at all times, even if you do not need that much. Your inability to make these purchases or to maintain inventory levels at all times may result in termination of your franchise and loss of your investment.

5. **Minimum Mandatory 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.

6. **Unopened Franchises**. The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you may also experience delays in opening your outlet.

7. **Turnover Rate**. During the last 3 years, a large number of franchised outlets (37) were transferred to new ownership, terminated, reacquired by the franchisor or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

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

TABLE OF CONTENTS

ITEM 1: THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES 7
ITEM 2: BUSINESS EXPERIENCE 9
ITEM 3: LITIGATION 10
ITEM 4: BANKRUPTCY 11
ITEM 5: INITIAL FEES 11
ITEM 6: OTHER FEES 12
ITEM 7: ESTIMATED INITIAL INVESTMENT 16
ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 24
ITEM 9: FRANCHISEE'S OBLIGATIONS 26
ITEM 10: FINANCING 28
ITEM 11: FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING 28
ITEM 12: TERRITORY 34
ITEM 13: TRADEMARKS 35
ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION 37
ITEM 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 38
ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 38
ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION 38
ITEM 18: PUBLIC FIGURES 38
ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS 43
ITEM 20: OUTLETS AND FRANCHISEE INFORMATION 53
ITEM 21: FINANCIAL STATEMENTS 60
ITEM 22: CONTRACTS 60
ITEM 23: RECEIPTS 60

Exhibits:

EXHIBIT A: Financial Statements
EXHIBIT B: Application for Franchise
EXHIBIT C: Franchise Agreement
EXHIBIT D: Grand Opening Advertising
EXHIBIT E: Personal Guaranty of Principals
EXHIBIT F: Form of General Release
EXHIBIT G: List of State Franchise Administrators and Agents for Service of Process
EXHIBIT H: Operations Manual Table of Contents
EXHIBIT I: Outlets as of the date of this Disclosure Document
EXHIBIT J: Franchisees Who Have Left the System
EXHIBIT K: State Addenda
EXHIBIT L: Form of Restrictive Covenant
EXHIBIT M: Hair It Is FDD Supplemental Addendum
EXHIBIT N: Acknowledgement Statement
State Effective Page
EXHIBIT O: Receipt

Item 1: THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The Franchisor is Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company formed on April 30, 2013, and is referred to in this Disclosure Document as "we," "us," "our" or "Sharkey's." We refer to the person or entity that will be signing the Franchise Agreement (defined below) as "you," or "your". If you are a corporation, limited liability company, partnership or any type of legal entity, the provisions of the agreements described in this Disclosure Document also apply to your owners by virtue of our requirement that all owners personally guaranty, and be personally bound by, your obligations under the agreements.

Our principal business address is 37 Highland Road, Westport, Connecticut 06880. We are a franchising company that sells and develops franchises for hair salons ("Salons") which operate under the mark "Sharkey's Cuts for Kids" or and the additional principal service marks, trademarks, trade names, logos, emblems and indicia or origin identified in Item 13 of this Disclosure Document (the "Marks" or "Proprietary Marks").

We have never offered franchises in other lines of business. We do own a business of the type being franchised which has been in operation since 2013. We have been offering franchises for Salons, a business of the type being franchised since June 2013.

The principal business address of our agents for service of process is 37 Highland Road, Westport, Connecticut 06880, and the state agency addresses shown on Exhibit G.

Our Parents, Predecessors and Affiliates

We have a predecessor. Our predecessor is Sharkey's Franchising Co., LLC, a Connecticut limited liability company formed on July 8, 2003 ("Predecessor"). Their business address is 37 Highland Road, Westport, Connecticut 06880. Our Predecessor offered franchises for Sharkey's Cuts for Kids salons since July 2003. Our Predecessor is the current owner of all of our trademarks. Our Predecessor has not offered franchises in any other lines of business.

We have an affiliate Sharkey's Franchise Offering Co., LLC, a Connecticut limited liability company formed on April 2, 2013 ("Affiliate"). Their business address is 37 Highland Road, Westport, Connecticut 06880. Our Affiliate offers franchises for Sharkey's Hair IT IS since May 2013 under a separate Franchise Disclosure Document. This Affiliate has never offered franchises in any other line of business.

Sharkey's Franchise Offering Co., LLC, operates a hair salon designed to attract children and families, and which offers a full-service family salon under the name "Sharkey's Hair It Is".

Description of Franchise

Franchise Agreement

You will operate a salon, which is a hair salon furnished and designed to attract children and families, salon and which offers its services to children of all ages and adults, a full-service family Salon under the name "Sharkey's Cuts for Kids". Our Salons provide haircuts in a family friendly environment featuring decorative chairs, video games, televisions, and movies. Each Salon has a minimum of eight

cutting stations and employs four to six stylists. Each stylist is your employee and does have to provide their own cutting equipment. Some of our Salons, depending upon the size of the salon, also offer "Glamour Girl" birthday party events where children celebrate their birthday while getting their hair done and dressing up in princess/diva gowns with friends in a private "Glamour Room."

All Salons are established and operated under a comprehensive and unique system (the "System"). The System includes distinctive signage, interior and exterior design, décor, color scheme, furnishings and fixtures; distinctive products and services; uniform standards, specifications and procedures for operations; quality and uniformity of products and services offered; inventory, management and financial control procedures; training and assistance; and advertising and promotional programs; all of which we may change, improve and further develop, at our discretion. We recommend your salon be 950 to 1,400- square feet for a franchise. Details of the System are described in this Disclosure Document and our Confidential Operations Manual. We have 2 package types depending on the location you choose for your Salon. If the leasehold improvements needed to convert the selected location into a salon will be handled by you and your team, you will be signed under the A-Package. If your landlord will be handling the leasehold improvements for your location, you will be signed under the B-Package. These packages cannot be determined until after a location is selected so there is no substantial difference in the Franchise Agreement. For further details on the pricing of each package please refer to item 7 of this Disclosure document.

We offer the right to establish and operate a Salon under the terms of a single unit franchise agreement (the "Franchise Agreement"), the current form of which is attached as Exhibit C to this Disclosure Document. If you wish to own or operate more than one Franchised Business, you may be required to purchase a Multi-Unit Addendum. When signing a Multi-Unit Addendum you will be agreeing to either the A-Package or B-Package when signing much like you would when signing the Franchise Agreement alone. If you purchase a Multi-Unit Addendum, you must sign a single Franchise Agreement in addition to our Multi-Unit Addendum which will be included as Attachment 7 to the Franchise Agreement. The Multi-Unit Addendum is attached to this Disclosure Document as part of the Franchise Agreement. If you choose to sign the Multi-Unit Addendum, you will need to sign a then-current Franchise Agreement upon the commencement of each outlet in the development schedule. Please be aware, over the course of opening each unit under the Multi-Unit Addendum, the Franchise Agreement may go through material changes and each Franchise Agreement should be reviewed upon each signing.

You may be an individual, corporation, partnership or other form of legal entity. Under the Franchise Agreement, certain parties are characterized as your principals (referred to in this Disclosure Document as "Controlling Principals"). The Franchise Agreement is signed by us, by you, and by those of your principals whom we designate as Controlling Principals. In most instances, we will designate your principal equity owners, executive officers, and certain affiliated entities as Controlling Principals. By signing the Franchise Agreement, your Controlling Principals must be individually bound by certain obligations in the Franchise Agreement, including covenants concerning confidentiality and non-competition, and to personally guaranty your performance under the Franchise Agreement.

Market and Competition

You will offer hair care services to the general public, but primarily children.

The market for the hair care services offered by the Salons is highly competitive. However, we believe our competitive position is enhanced by our operational format and by the various services offered by the Salons. We plan to continue controlled expansion into areas that we determine can support the Salons to improve name recognition and the reputation of the System. The children's segment of the hair care industry represents an opportunity to exploit a substantial market. Competition consists of traditional independent hair care stores, including barber shops, independent hair salons and stylists, day spas and

regional and national chains. The principal bases of competition in the hair care industry have been price, convenience, speed of delivery, quality and name recognition.

Industry Regulations

The Salon's stylists must be licensed in the state in which the Salon is located by the appropriate licensing authorities. There will be industry-specific regulations in your municipality, county or state relating to the operation of a hair care salon. Health and sanitation regulations will require that your stylists maintain their haircutting equipment according to specified standards, including following proper sanitizing and hair disposal procedures. Environmental laws may regulate the way in which certain solutions are used, stored and disposed of in the process of providing services to your customers. Building codes may require special ventilation in your Salon. You must also comply with employment, workers' compensation, insurance, corporate, taxing and other laws and regulations. among the licenses and permits you may need are: zoning or land use approvals, Sunday sale permits, sales and use tax permits, special tax stamps, fire department permits, health permits, alarm permits, county occupational permits, retail sales licenses and wastewater discharge permits. There may be other laws, rules or regulations that affect your Salon, including wage and labor laws along with ADA, OSHA and EPA considerations. You must comply with all laws and licensing requirements related to the operation of your Salon. We recommend that you consult with your attorney for an understanding of them.

Item 2: BUSINESS EXPERIENCE

Founder – Scott Sharkey

Mr. Sharkey has been the Founder and Manager of Sharkey's Cuts for Kids International Co., LLC., in Westport Connecticut, since April 2013. Mr. Sharkey has been Founder and President of Sharkey's Franchise Offering Co., LLC, in Westport Connecticut since our inception on April 2, 2013. He is also the Founder and Manager of Sharkey's Franchising Co., LLC, in Westport Connecticut which was formed in July 2003.

Director of Corporate Operations– Denis Kurdi

Mr. Kurdi joined Sharkey's Cuts for Kids International on May 2017.

VP of Real Estate – Michael Cohen

Michael Cohen joined Sharkey's Cuts for Kids International in August 2018. Prior to working for Sharkey's, Mr. Cohen was President of Darby Litho, in NYC, a position he held since 1999 for the company which began in 1927.

Director of Franchise Support & Salon Operations – Jamie Raney

Jamie Raney joined Sharkey's Cuts for Kids International in February 2022.Prior to joining us, Jamie worked as a Franchise Business Consultant and Performance Manager for Regis Corporation in Nashville, Tennessee.

Franchise Development Executive – Allie Berger

Ms. Berger joined Sharkey's Cuts for Kids International in March 2024. Prior to joining our team, Ms. Berger was a Senior Director of Marketing at Beauty Quest Group from October 2020 to May 2022 in

Stamford, Connecticut. From October 2015 to March 2020 Ms. Berger served as an Executive Director of Marketing, COLOR WOW for FEDERICI BRANDS, LLC in Wilton, Connecticut.

Franchise Development Coordinator – Vanessa Finnerty

Vannessa Finnerty joined Sharkey's Cuts for Kids International in March 2025. Prior to joining our team, Vanessa was Chief of Staff for Archie Group from October 2023 to September 2024. Vanessa was the Director of Operations for Scorpio Labs from November 2020 to February 2023. Vanessa was a Certified Child Life Specialist at Tale New Haven Hospital from October 2016 to September 2020.

Director of Marketing – Lacy Altenhofen

Lacy Altenhofen has served as Director of Marketing since November 2025. Lacy joined Sharkey's Cuts for Kids International within the corporate team in October 2024. Lacy has been a Sharkey's Cuts for Kids franchisee since 2019 in Odessa and Midland Texas. Lacy was an Executive Account Manager at Xerox Corporation from July 2011 to April 2022.

Franchise Support – Felicia Johnson

Felicia Johnson joined Sharkey's Cuts for Kids International in April 2023. Previously, Felicia was a Regional Director and Franchise Direction at Regis Corporation from February 2011 to March 2023.

Franchise Support – Caitie Philhower

Catie Philhower joined Sharkey's Cuts for Kids International in March 2024. Catie was a Color and Curl Concierge with CosmoProf from November 2022 to March 2024. Catie was a Talent Acquisition Manager with CHP Salons from October 2021 to June 2022. Prior to that, Catie was an Operations Manager with GHP Salons from October 2020 to October 2021 and a Salon Manager with Regis Corporation and CHP Salons from May 2016 to June 2022.

Franchise Support – Trudy Tyler

Trudy Typer joined Sharkey's Cuts for Kids International in April 2026. Trudy was a Salon Owner and Stylist at Platinum Hair Salon from 2008 to 2026.

Senior Director | Franchise & Retail Development – Todd Spears

Todd Spears is the Senior Director of Franchise & Retail Development. For Sharkey's Cuts for Kids International. Todd is a Sharkey's Franchise Owner from 2007 to Present. Previously Todd was the Manager of IT Procurement from 2003 to 2026 at Valero. Todd also worked as a Real Estate Advisor from 2020 to 2026.

Purchasing – Kevin Raney

Kevin Raney joined Sharkey's Cuts for Kids International in February 2026. Kevin was the Assistant Director of Water and Sewer for the City of Manchester in Tennessee from 2000 to 2025.

Item 3: LITIGATION

Marion Edward Myrick a/k/a Ed Myrick vs. Sharkey's Cuts for Kids International Co., LLC (Case No. 01-22-0004-7039).Claimant, a former franchisee of three franchises, filed a statement of claim against

Sharkey's Cuts for Kids International Co., LLC ("Sharkey's Cuts for Kids") on November 7, 2022. The statement of claim sought a return of the initial fees paid, alleging breach of the duty of Franchisor's pre-opening obligations. In December 2022, the parties reached a mutual settlement to resolve the arbitration, without any liability or admission of wrongdoing, and Sharkey's Cuts for Kids took action to terminate and remove the Claimant from the system and refunded the initial franchise fees paid by Claimant.

No other litigations are pending or required to be disclosed in this Item.

Item 4: BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5: INITIAL FEES

Franchise Agreement

If you purchase a Salon franchise, you must pay us an Initial Franchise Fee of $45,000 along with an Initial Turn-Key package fee of $119, 990, and a Grand Opening Advertising fee of $15,000. The total amount paid to us for the right to establish a single Salon under the Franchise Agreement is $179,990 (timing of payment may vary for SBA lending).

The cost of the following equipment and supplies is included in the Initial Franchise Fee for a Sharkey's Cuts for Kids franchise: desk, base cabinets, adult styling chairs, kids styling chairs, station vanities, Xbox 1 consoles, flat panel televisions, television wall brackets, shelves for display, shelves and racks for in-store display, stools, monogrammed fixtures for vanities, assorted mirrors, manicure station, waiting area stools, chalk buckets, slop sink, mobile cart, electronic hair removal machines (eye-vac), vacuum, donation chips & boxes combs, brushes, flat iron, curling irons, blow dryers, clippers, buzzers, towels, capes, aprons, sanitizing jar and sanitizing liquid, hair washing stations, hair washing chairs, booster seats, monogrammed lampshades, Sharkey dollars, Sharkey bookmarks, Sharkey 1st haircut certificates and baggies, telephone, assorted wall hooks, *Dippin' Dots Freezer, retail, glamour dresses, nail polish and rings, balloons and stand, desk accessories, picture printer, princess clip containers, monitoring camera, triple gumball machine, and lollipops. As part of your initial franchise fee, we will also create a website for you and will supply you with a domain name. The website will be similar in appearance to our own website (www.sharkeyscutsforkids.com). The hosting fee is included in the Initial Franchise Fee.

In the event that you are purchasing a 2-Pack of Sharkey's Cuts for Kids franchise, the initial franchise fee plus initial turn-key package and grand opening advertising shall be $306,990 that must be paid to the franchisor and/or its affiliate $153,495 per franchise, $306,990 due at signing (timing of payment may vary for SBA lending). (Franchisee is given 2 years to open 2 Sharkey's salons. Franchisee awarded the rights to two designated territories of their choice)

In the event that you are purchasing a 3- Pack of Sharkey's Cuts for Kids franchise, the Initial Franchise Fee plus initial turn-key package and grand opening advertising is $444,990 that must be paid to the franchisor and/or its affiliate $148,330 per franchise, $444,990 due at signing (timing of payment may vary for SBA lending). (Franchisee is given 3 years to open 3 Sharkey's salons, Franchisee awarded the rights to three designated territories of their choice).

In the event that you are purchasing a 6-Pack of Sharkey's Cuts for Kids franchise, the initial franchise fee plus initial turn-key package and grand opening advertising shall be $858,000 that must be paid to the franchisor and/or its affiliate $143,000 per franchise, $858,000 due at signing (timing of payment

may vary for SBA lending). (Franchisee is given 6 years to open 6 Sharkey's salons. Franchisee awarded the rights to two designated territories of their choice).

All Franchise fees are non-refundable.

If certain items included in the above list are not available at the time we supply your franchise, we will replace any item that is of equivalent value and serves the same or similar purpose. The Franchise Equipment being delivered will give you between 8-11 cutting stations.

Additionally, you will receive training further described in Item 11.

Grand Opening, Re-Grand Opening& First 5 Month Advertising Campaign

We will conduct on your behalf a grand opening, or re-grand opening if you acquired an existing salon, advertising campaign to advertise the opening or acquisition, of your Salon from day of Grand Opening, or acquiring an existing salon, through month number five (5). We will collect $15,000 per agreement ($12,500 for existing salons) when you sign your Franchise Agreement, to conduct your advertising campaign on your behalf, along with setting up your Social Media pages and more. You are permitted to spend any additional monies as you see fit.

There are no other payments to or purchases from us or our affiliates that you must make before your Salon opens for business.

Item 6: OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty Fee[1]	$1,000 per month for months 4-12; $1,250 per month for months 13-24; $1,500 per month for months 25-36, $1,750 per months commencing month 37and for the remainder of the term	1st of each month, or the next business day if the 1st is not a business day	Your royalty payments will be paid via electronic funds transfer or Credit Card, or Paypal, or any other method chosen by Franchisor

Name of Fee	Amount	Due Date	Remarks
Ad Fund Contribution	1% of your Gross Sales, subject to increase up to 3% of Gross Sales.	1st of each month, or the next business day if the 1st is not a business day	Your royalty payments will be paid via electronic funds transfer or Credit Card, or Paypal, or any other method chosen by Franchisor
On-Site Consulting Fees[2]	$75 per day, plus travel, lodging and meals	30 days after billing	As part of your Initial Franchise Fee, we provide certain pre-opening consultations. See Items 5 and 11.
Successor Agreement Fee[2]	$2,500	At least six months before Successor Term	Your Successor Agreement fee will only be due if you wish to enter into a Successor Agreement for your franchise after your initial10 year term or any subsequent successor term
Relocation Fee[2]	$2,500	Upon our approval of relocation	As stated in the Franchise Agreement, your ability to relocate your franchise is limited and subject to this fee
Transfer/Assignment Fee[3]	$15,000	Upon submission of the request for transfer and all pertinent terms of the transaction	This is a fee in the event that you sell your franchise. There is no charge if your franchise is transferred, one time only, to a corporate entity which you control.
Interest[4]	18% per annum (or, if less, the highest amount permitted bylaw)	On demand	Due on any royalty and other payments not made by you when due, or on amounts paid by us on your behalf
Late Fee	Fifty dollars ($50.00) per day, as well as a one time late fee per incident of $125.	On Demand	In addition to the overdue amount
Liquidated Damages Upon Breach of Restrictive Covenant[5]	$20,000 plus 10% of total sales[5] for each site operated in breach	As incurred	This fee is only applicable if you breach the restrictive covenant of the Franchise Agreement
Local Advertising[6]	3% of Gross Sales	Established by franchisees	Payable to your local advertising vendors. All advertising you propose to use must be pre-approved by us

Name of Fee	Amount	Due Date	Remarks
Interim Operating Fee	As determined by us not to exceed $5,000 per month	As incurred	This fee is only applicable if you abandon or otherwise fail to operate your franchise
Arbitration Costs	To be paid by the non-prevailing party as determined by the arbitrator	As incurred	Under the Franchise Agreement, if there is an arbitration, the costs of the arbitration will be paid by the party that is determined by the arbitrator to be the non-prevailing party
Additional Training[7]	$125 per hour	As incurred	See note 7
Annual or Every 2 Years Conference	$750 - $1,750 per person (Franchisee & salon manager required to attend) plus food, travel and lodging.	As incurred, annually or every 2 years	Payable to us, the franchisor, does not include Food, travel and/or lodging expenses
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Due when you do not comply with the Franchise Agreement
Liquidated Damages Upon Termination[8]	Will vary under circumstances	Upon demand	See note 8
Audit or inspection cost	Cost of audit	Upon demand	You must pay the cost of an audit, inspection, and reasonable professional fees if we inspect your books and find a discrepancy of 5% or greater in any data reported by you, or an underpayment of 2% or more of any fees due
Monthly Software fee[9]	$165.00	Payable monthly	This is the fee you must pay the hosting company
Monthly Media Player Fee	$35 to $45	Payable monthly	This is the fee you must pay the third party vendor
Loyalty/Rewards Program[9]	$0	Payable Monthly	Included with the Monthly software fee.

Name of Fee	Amount	Due Date	Remarks
Remodeling, Refurbishment, New Equipment and/or New Furniture	Not to exceed $25,000 in a 5year period	As incurred	We may require you to remodel, refurbish or update your Salon to meet our then-current image for Sharkey's Salons. The costs for the remodeling, refurbishment or updating will be paid to us, approved suppliers and your contractor. We will not make this request more frequently than every five years, at a maximum amount of $25,000
Lease Review Fee	$500	Within 15 days after we consent to your proposed site	You must provide us a copy of the lease for your proposed salon premises for our review and consent before your sign it. Our review is limited to brand protection provisions only. We do not review and negotiate lease terms on your behalf.

Notes:

1. Royalty payments to be automatically deducted via electronic funds transfer, ACH on the first day of each month or via Credit Card or via Paypal, plus 3% as determined by us. If the first day of any month is not a business day, the Royalty fee is due on the next business day. If the Royalty Fee, Brand Fund, Internal Systems Fee, any other fee due and payable to Franchisor, or any Net Sales Reports are not received by Franchisor as required by this Agreement or the Franchise Agreement, Franchisee shall pay to Franchisor, in addition to the overdue amount, a daily late fee of fifty dollars ($50.00) per day, as well as a one time late fee per incident of $125. This late fee is reasonably related to Franchisor's costs resulting from the delay in payment and/or receipt of any report, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement for Franchisee's failure to pay amounts to Franchisor and/or submit Net Sales Reports in accordance with the terms of this Agreement. Payments not received on time, or after notice, may result in an interruption of business services provided by Franchisor or any of its providers, partners, vendors, etc. (example: Software provider, marketing provider, but not limited to.)

2. All fees are uniformly imposed by us and are payable to us, except as otherwise noted. All fees are non-refundable.

3. Fee is refundable, minus out-of-pocket expenses incurred by us, only in the event that we do not approve the transfer contemplated by the request.

4. Interest begins to accrue from the date of the payment is due or the date on which we make a payment on your behalf.

5. For purposes of the liquidated damages provision, total sales includes sales from all services and products sold and any other fees collected at the site operated in breach of your obligations. Total sales does not include sales tax or use tax.

6. Under the Franchise Agreement, you have an obligation to spend a minimum of 3% of your Gross Sales per month on advertising. For purposes of your advertising obligations, "Gross Sales" shall mean sales from all services and products sold and any other fees (i.e., "Glamour Party" costs) collected by you at your Salon minus all sales tax and/or use tax. "Gross Sales" does not include (i) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (ii) properly documented refunds to customers, and (iii) properly documented promotional discounts (i.e. coupons) Gross Sales does not include gift card purchases, at the time of purchase, but Gross Sales does include the redemption amount of purchases made by gift card. All advertising must be pre-approved by us and must include the phrase "Franchises Available. Call 203-637-8911 for more information."

7. We may offer mandatory and/or optional additional training programs from time to time. If we require it, you must participate in additional training, including attendance at a national business meeting or annual convention, for up to five (5) days per year, at a location we designate. Franchisor may require addition training be completed at Franchisee's expense. Additional training may be conducted virtually. We reserve the right to impose a reasonable fee for all additional training programs, including the national business meeting or annual convention. You are responsible for any and all incidental expenses incurred by you and your personnel in connection with additional training or attendance at Franchisor's national business meeting or annual convention, including, without limitation, costs of travel, lodging, meals and wages.

8. If we terminate your Franchise Agreement for cause, you must pay us within 15 days after the effective date of termination liquidated damages equal to the then-current monthly Royalty Fee multiplied by (a) 24 (being the number of months in two full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is higher.

9. As part of your initial franchise fee, we will create a web page for you and will supply you with a domain name. The website will be similar in appearance to our own website (www.sharkeyscutsforkids.com). Franchisor will pay for the web page hosting fee directly to the hosting company. Currently, the fee is approximately $165.00 per month for your software and loyalty/rewards program which will be paid by franchisee directly to the software company.

Item 7: ESTIMATED INITIAL INVESTMENT

Single Unit A Package

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE (A-PACKAGE)				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$45,000	One payment	On signing the Franchise Agreement	Us
Initial Turn-Key Package	$119,990	One Payment (timing of payment may vary for SBA lending)	On signing of the Franchise Agreement	Us
Rental – 1 months (1)	$2,250 to $6,500	Per lease	Per lease	Landlord

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE (A-PACKAGE)				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Leasehold Improvements (1b)	$0 to $62,500 (After TI reimbursement)	As arranged	As arranged	Contractor
Professional Fees (2)	$0 to $4,000	As incurred	As incurred	Attorney
Blueprints and Plans (3)	$0 to $5,000	As arranged	As arranged	Architect; Government Agencies
Computer Systems & Software, Indoor & Outdoor Signage, Lighting, Tile, Paint, Washer/Dryer	$13,500-$24,000	As arranged	Before Opening	Third party vendor
Insurance Premiums – Per Month (4)	$175 to $250	Lump sum	Before opening	Insurance Companies
Security Deposits	$2,250 to $6,500	Lump sum	Before opening	Landlord; Utility Companies
Grand Opening Advertising (5)	$15,000	Lump Sum	On the signing of the Franchise Agreement	Us
Main TV Advertising Media Player Installation and First Month	$795	Lump Sum	Opening	Third party vendor
Permits and Licenses (6)	$250 to $750	As incurred	Before opening	Governmental Agencies
Additional Funds – Three Months (7)	$0 to $50,000	As incurred	As incurred	Suppliers, Employees, etc.
TOTAL (1b) & (7)	**$199,960 to $341,035**			

None of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable and the initial franchise fee is partially refundable in certain circumstances (see Item 5). We do not finance any portion of your initial investment.

Single Unit B Package

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE (B-PACKAGE)				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$45,000	One payment	On signing the Franchise Agreement	Us
Initial Turn-Key Package	$119,990	One payment (timing of payment may vary for SBA lending)	On signing of the Franchise Agreement	Us
Rental – 1 months (1)	$2,250 to $6,500	Per lease	Per lease	Landlord
Leasehold Improvements	$0 - $35,000	As arranged	As arranged	Contractor, Real estate broker and Attorney
Professional Fees (2)	$0 to $2,500	As incurred	As incurred	Attorney
Blueprints and Plans (3)	$0	As arranged	As arranged	Architect; Government Agencies
Software, Hardware, Indoor & Outdoor Signage, Lighting, Tile, Paint, Washer/Dryer	$13,500-$24,000	As arranged	Before Opening	Third party vendor
Insurance Premiums – Per Month (4)	$175 to $250	Lump sum	Before opening	Insurance Companies
Security Deposits	$2,250 to $6,500	Lump sum	Before opening	Landlord; Utility Companies
Grand Opening Advertising (5)	$15,000	As arranged	On the signing of the Franchise Agreement	Us

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE (B-PACKAGE)				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Recruiting Technology Fee	$750	As arranged	At Lease signature	1-year subscription to recruiting technology powered by third-party vendors
Main TV Advertising Media Player Installation and First Month	$795	Lump Sum	Opening	Third party vendor
Permits and Licenses (6)	$250 to $750	As incurred	Before opening	Governmental Agencies
Additional Funds – Three Months (7)	$0 to $50,000	As incurred	As incurred	Suppliers, Employees, etc.
TOTAL (7)	**$199,960 to $308,535**			

None of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable and the initial franchise fee is partially refundable in certain circumstances (see Item 5).

ESTIMATED INITIAL INVESTMENT

2 Pack Franchise Package A

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE A				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$90,000	Lump sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$186,990	Lump sum (timing of payment may vary for SBA lending)	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1& #2	$69,940 - $352,090	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE A				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Total	**$346,930 - $629,080 ($173,465-$314,540 per unit)**			

2 Pack Franchise Package B

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE B				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$90,000	Lump sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$186,990	Lump sum (timing of payment may vary for SBA lending)	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1& #2	$69,940 - $287,090	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
Total	**$346,930 - $564,080 ($173,465-$282,040 per store)**			

ESTIMATED INITIAL INVESTMENT

3 Pack Franchise Package A

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE A				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$135,000	Lump Sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$264,990	$194,990 Due at Signing, $35,500 Due at Lease Signing of Salon #2 & #3	Upon signing of the Franchise Agreement	Us

Other Expenditures for Salon #1, #2&# 3	$104,910-$528,135	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
Total (1b)	**$504,900 - $928,125 ($168,300-$309,375 per store)**			

\

3 Pack Franchise Package B

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE B				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$135,000	Lump Sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$264,990	$194,990 Due at Signing, $35,500 Due at Lease Signing of Salon #2 & #3	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1, #2&# 3	$104,910-$430,635	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
Total	**$504,900-$830,625 ($168,300-$276,875 per store)**			

ESTIMATED INITIAL INVESTMENT

6 Pack Franchise Package A

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE A				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$270,000	Lump Sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$498,000	Lump sum (timing of payment may vary for SBA lending)	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1, #2, &# 3	$209,820 -$1,056,270	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
Total (1b)	**$977,820 - $1,824,270 ($162,970-$304,045 per store)**			

6 Pack Franchise Package B

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE B				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$270,000	Lump Sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$498,000	Lump sum (timing of payment may vary for SBA lending)	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1, #2&# 3	$209,820 -$861,270	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE B				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Total	**$977,820 - $1,629,270 ($162,970-$271,545 per store)**			

Notes:

1. If you do not own adequate shop space, you must lease or buy the land and the building for your Salon. Typical locations will be in residential and suburban areas. We recommend your salon be 950 to 1,400 square feet for a franchise. Rent is estimated at about $3,200 to $5,500 per month for a franchise, which will be paid to your landlord (if you rent) or your mortgage company (if you purchase), but can vary depending on any number of factors, including the size of your Salon, the market conditions in the location you select and the terms you negotiate with the landlord/seller. Additionally, you will most likely have to engage a designated real estate licensing company or broker (Sharkey's will provide you one) which is included in the initial Franchise Fee. You will also need a local attorney to assist you. The attorney is an additional cost you must pay and is not included in the initial franchise fee. Finally, while we will provide a representative that will create specifications for your Salon, you must engage and pay fora contractor to perform renovations. The cost of the renovations will vary depending on the condition of the property and the contractor you select. We suggest you obtain a minimum of five to ten competitive bids before you select your contractor. All construction costs in this estimate are subject to local market conditions in your area and will vary or possibly exceed average estimates depending on the city and state you choose for your franchised salon and supply chain conditions.

1b. If you are able to secure a Turn-Key package from your landlord, which Sharkey's recommends, you will save up to approximately $32,000 in lease hold improvements, per franchise, and not have to pay for a contractor. When the landlord handles the buildout or under special conditions you may have with contractors in your area, this can result in no charges during your leasehold improvements.

2. You may incur professional fees depending on the scope of work performed, which may include legal and accounting fees to review franchise documents and costs of forming a separate legal entity and/or obtaining zoning approval. This list is not exhaustive. This amount will vary greatly depending on your specific needs and location. We strongly recommend however do not require that you seek the assistance of professional advisors when evaluating this franchise opportunity, this disclosure document and the Franchise Agreement. The low range of this initial investment assumes you have chosen not to seek the assistance of professional advisors. It is also advisable to consult these professionals to review any lease or other contracts that you will enter into as part of starting your franchise.

3. If your location's landlord decides to handle the necessary buildout or you have an arrangement with local contractor in your area this could result in no charges incurred during the blueprints and plans portion of your salon opening process.

4. You must, at your sole expense, obtain and maintain during the term of the Franchise Agreement, a comprehensive general liability insurance policy and business interruption insurance. The general liability and business interruption insurance policies must name us as an additional insured. All insurance policies must be in a form that is acceptable to us and may not be subject to cancellation or any material change except after 30 days' prior written notice to us. The insurance policies must provide that your failure to comply with any term, condition or provision of the contract, or other conduct by you, will not void or otherwise affect the protection afforded to us under the policy. Within sixty days after the execution of the Franchise Agreement and as may otherwise be requested by us, you must provide us with a Certificate of Insurance naming us as an additional insured on the general liability and the business interruption policies.

5. We will conduct on your behalf a grand opening, or re-grand opening if you acquired an existing salon, advertising campaign to advertise the opening or acquisition, of your Salon from day of Grand Opening, or acquiring an existing salon, through month number five (5). We will collect $15,000 per agreement ($12,500 for existing salons) when you sign your Franchise Agreement, to conduct your advertising campaign on your behalf, along with setting up your Social Media pages and more. You are permitted to spend any additional monies as you see fit.

6. You must obtain and pay for all licenses and permits you will need to perform the necessary construction and operate your business. This includes but is not limited to a Cosmetology license as required by your state. These fees may vary significantly depending on your location.

7. This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Business during the first three (3) months after commencing operations. We cannot guarantee that you will not incur additional expenses in starting the business that may exceed this estimate. This estimate includes such items as rent, utilities, internet service, initial payroll and payroll taxes, Royalties (as described in this disclosure document), Marketing Fund Contributions, repairs and maintenance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, and other miscellaneous items.

8. We relied upon the experience of our U.S. franchisee-owned Sharkey's outlets and the average costs that they incurred in establishing their locations in accordance with our standard site development plans to compile these estimates. These figures are estimates, and are by no means all-inclusive of the extent of possible expenses. We cannot guarantee that you will not have additional expenses starting your Franchised Business.

Item 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We have identified various suppliers, distributors and manufacturers of equipment, inventory, and services that your Franchised Business must use or provide that meet our standards and requirements. You must purchase all equipment, fixtures, inventory, supplies and services from our designated suppliers and contractors or in accordance with our specifications.

You must use, at your expense, our designated real estate leasing company for site selection services.

We approve suppliers after careful review of the quality of the products they provide to us and you. To maintain quality and consistency throughout its franchise system, we require you to purchase your ongoing inventory and any replacement equipment (e.g., barber chairs, furniture, etc.), fixtures, décor and signage you may need from us or an approved supplier. The foregoing inventory and/or equipment are the only products and/or services you must purchase from us and/or an approved supplier. We may supply these items to you directly, in which event you will be billed by and pay us. We may derive revenue from approved suppliers based on your purchases from them, up to 10% of total franchisee purchases. There is no restriction on our use of this revenue, although we intend to use it to advertise and promote the Sharkey's System. Throughout the term of the franchise relationship, we reserve the right to require you to purchase your ongoing inventory directly from us. There are no purchasing or distributing cooperatives at this time. You must maintain a minimum of $4,500 wholesale dollars and $9,000 of retail dollars of retail products inside your Salon at all times.

To ensure that the highest degree of quality and service is maintained, you must operate the Salon in strict conformity with the methods, standards and specifications that we prescribe in the Manual or otherwise in writing. You must maintain a minimum of $4,500 wholesale dollars of retail products inside your Salon at all times. You must maintain a minimum of $2,500 (wholesale dollars) Sharkey's hair care products as part of your $4,500 minimum and maintain a minimum of $1,000 (wholesale dollars) of Sharkey's branded items. You must maintain them in sufficient supply and use and sell at all times only those products, materials, supplies and paper goods that meet our standards and specifications. You must not deviate from these standards and specifications by the use or offer of non-conforming items or differing amounts of any items, without obtaining our prior written consent. You must discontinue offering for sale any items, products and services we may disapprove in writing at any time. We can, and expect to, modify our standards and specifications as we deem necessary. We will provide you notice of any changes in the Manual.

If you would like us to consider another item or supplier, you must make such request in writing to us and have the supplier give us samples of its product or service and such other information that we may require. If the item and/or supplier meet our specifications, as we determine in our sole discretion, we will approve it as an additional item or supplier. We will make a good-faith effort to notify you whether we approve or disapprove of the proposed item or supplier within 14 days after we receive all required information to evaluate the product or service. If we do not approve any request within 14 days, it is deemed unapproved. We reserve the right to revoke approval of any item or supplier that does not continue to meet our then-current standards. Our criteria for approving items and suppliers are not available to you. If you request that we approve a proposed item or supplier, we reserve the right to charge an Evaluation Fee equal to our actual costs of inspection and testing.

We maintain written lists of approved items of equipment, fixtures, inventory and services (by brand name and/or by standards and specifications) and a list of designated suppliers and contractors for those items. We update these lists periodically and issue the updated lists to all franchisees.

We may derive revenue from Franchisee required purchases from our designated suppliers. For the fiscal year ending December 31, 2025, our total revenue was $46,979,137.51 and we received $9,567.43 in rebates from Darter, Toysmith, and Dippin Dots as a result of Franchisee purchases which accounts for .0002% of our total revenue. We or our affiliates did not receive any other revenue, rebates, discounts or other material consideration from suppliers based on Franchisee required purchases of products, supplies or equipment.

Currently, we are the approved or designated supplier for the Initial Turn-Key Package and Grand Opening Advertising. None of our officers own any interest in any approved or designated supplier for any product, good, or service that you are required to purchase for the operation of your Franchised Business.

To maintain the quality and consistency of franchisee websites, we require you to use Diversified Solutions to host and maintain your website, or any other company as we may elect to utilize at some later date. We do not earn revenue from Diversified Solutions based on your payment to them for web hosting or maintenance services.

We do not currently provide any material benefits to you based on your use of designated or approved sources. We may negotiate purchase agreements with our suppliers that may result in cost saving benefits to our franchisees.

We estimate that your purchase or lease of products, supplies and services from approved suppliers (or those which meet our specifications) will represent approximately 90-95% of your costs to establish your Franchised Business and approximately 20% of your costs for ongoing operation.

Currently, there are no purchasing or distribution cooperatives. However, we can require that you make your purchases through a cooperative if one is formed.

From time to time, we may negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of all franchisees. As of the date of this Disclosure Document, we have not created any purchasing arrangements with suppliers.

We provide no material benefits (such as the grant of additional franchises) based on your use of designated sources; however, failure to use approved items or designated suppliers and contractors may be a default under the Franchise Agreement. Additionally, when there is any default under the Franchise Agreement, we reserve the right, in addition to other remedies available under the Franchise Agreement, to direct suppliers to withhold furnishing products and services to you.

Before you open your Sharkey's Cuts for Kids Salon, you must purchase and maintain at your sole cost and expense the insurance coverage that we specify. Commercial general liability with limits of not less than $1,000,000;professional liability with limits of not less than $1,000,000; business interruption insurance; contents coverage, including tenant's improvements value, at replacement cost; sewer back-up insurance; workers' compensation, employer's liability and other insurance required by applicable state laws; and any other insurance that may be required according to the terms of the lease for the premises or as may be required by us in the future. You must maintain all required policies in force during the entire term of the Franchise Agreement and any successor terms. We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances. Each insurance policy must name us (and, if we request, our directors, employees or shareholders) as additional insureds and must provide us with 30 days' advance written notice of any material modification, cancellation or expiration of the policy.

Item 9: FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Franchise Agreement – Sections 7(a), 7(b) and Attachment 7	Items 8, 11 and 12
b. Pre-opening purchases/leases	Franchise Agreement – Sections 7(b), 7(c), 7(f) and 7(j)	Items 7 and 8
c. Site development and other pre-opening requirements	Franchise Agreement – Sections 7(c), 7(e), 7(f) and 7(j)	Items 7, 11 and 12
d. Initial and ongoing training	Franchise Agreement – Sections 6(a), 6(b), 6(c) and 7(i)	Items 6, 7, 11 and 15
e. Opening	Franchise Agreement – Sections 6(e) and 8(e)	Item 11
f. Fees	Franchise Agreement – Sections 3(c)(vi), 3(c)(ix), 5, 6(a), 6(b), 8(c), 8(d), 13(f) and Attachment 7	Items 5 and 6
g. Compliance with standards and policies/Operating Manual	Franchise Agreement – Sections 4(c), 6(f), 7(c), 7(d), 7(e), 7(f), 7(g), 7(h), 7(i), 7(j), 7(l), 7(q), 8(a), 8(g), 8(i), and 9	Item 8
h. Trademarks and proprietary information	Franchise Agreement – Sections 4, 7(m), 11(a)(i), 16(a) 16(b), 16(c) and 17(d)	Items 1, 13 and 14
i. Restrictions on products/services offered	Franchise Agreement – Sections 7(f) and 15(a)(vi)	Items 8 and 16
j. Warranty and customer service requirements	Franchise Agreement – Sections 7(i) and 18(e)	Item 8
k. Territorial development and sales quotas	Attachment 7	Item 12
l. Ongoing product/service purchases	Franchise Agreement – Section 7(f)	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Franchise Agreement – Sections 3(c)(iv), 7(a), 7(c) and 7(e)	Items 7, 8 and 17
n. Insurance	Franchise Agreement – Section 10	Items 6, 7 and 8
o. Advertising	Franchise Agreement – Section 8	Items 6, 7 and 11
p. Indemnification	Franchise Agreement – Section 11	None
q. Owner's participation/ management/staffing	Franchise Agreement – Sections 6(a) – (c) and 7(h)	Item 15
r. Records/reports	Franchise Agreement – Sections 8(b), 9(a) and 9(c)	Item 6
s. Inspections/audits	Franchise Agreement – Sections 7(a) and 9(d)	Item 6
t. Transfer	Franchise Agreement – Sections 13 and 17	Item 17

Obligation	Section in Agreement	Disclosure Document Item
u. Renewal	Franchise Agreement – Sections 3(b) and 3(c)	Item 17
v. Post-termination obligations	Franchise Agreement – Sections 16 and 17	Item 17
w. Non-competition covenants	Franchise Agreement – Section 7(n)	Items 15 and 17
x. Dispute resolution	Franchise Agreement – Sections 14(d) and 14(e)	Item 17
y. Liquidated damages	Franchise Agreement – Sections 7.20 and 16	Item 6
z. Guaranty	Attachment 3 and Attachment 6	Item 10, 15 and Exhibit E

Item 10: FINANCING

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

Item 11: FRANCHISOR'SASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Pre-Opening Obligations – Franchise Agreement: Before you open your Salon under the Franchise Agreement, we will:

1. Directly or indirectly provide you with the equipment, inventory, signage, fixtures and supplies we believe will be necessary to open and initially operate a Salon as listed in Item 5. If certain items included in the above list are not available at the time we supply your franchise, we will replace any item that is of equivalent value and serves the same or similar purpose. We do not deliver or install these items. You must maintain the equipment, signage and fixtures and to replenish your inventory and supplies on an as needed basis. (Franchise Agreement – Section 6.3)

2. Supply you with a domain name and create a web page for your specific location. Franchisor will pay the cost of hosting the website, as well as for any updates or changes that may be necessary to keep your web page current to Diversified Solutions or any company determined by the Franchisor. (Franchise Agreement – Section 6.4)

3. Assist you in selecting a business location. If you sign our Multi-Unit Addendum, we will approve or disapprove the site of each additional Sharkey's Cuts for Kids location you propose to develop in accordance with our then-current standards. We do not currently own sites for leasing to Franchisees. We strongly recommend a location that provides you with 950 to 1,400 square feet of useable space for a franchise (but not less than 950 square feet). Your location must have a minimum of seven off-street parking spaces. We will review the on-street parking available at each location to determine if on-street parking is satisfactory. You will submit a list of possible locations to us. In submitting your selections, you should supply us with as much information as you have regarding the location(s) you have selected. Within fourteen days of receiving your information, we will make a recommendation as to the location that we believe is most appropriate for a Salon. Our decision will be based on any number of factors, including the rental/acquisition costs, local population, traffic patterns, proximity of competition advisability you do not

identify a site that meets our approval within one hundred eighty (180) days of signing the Franchise Agreement, we reserve the right to terminate the Franchise Agreement. (Franchise Agreement – Section 6.5, Attachment 7)

4. The location you select and we approve will be purchased or leased by you from independent third parties. You will provide us with a copy of your lease before you sign the lease. Although we have the right to object to the terms of your lease, you must negotiate the terms of any sale or lease of the location. We have the right to object to the location and object to the terms of the lease agreement. If we cannot agree on a proposed site, we may elect to terminate the Franchise Agreement and keep the entire initial franchise fee. We generally do not own the premises and lease it to you. (Franchise Agreement – Section 6.5)

5. Within 30 days of your signing a letter of intent for your location, provide you with our representative who will create written specifications for salon construction or remodeling. You must then hire a contractor, unless you are provided a turnkey solution from your landlord, who will remodel your location to meet the specifications created by us. You must hire and pay for your contractor. You must make sure that your location is remodeled in accordance with the specifications supplied by us and generally conforms to the standards and guidelines established by us. You pay for the construction or remodeling. We assume no responsibility for any loss sustained by because of building design or construction. You will not be allowed to open your business unless the specifications supplied by us are followed in all material respects or any changes are approved by us in writing, before being implemented. In addition, you must obtain any required permits and licenses for the construction or remodeling, and for ensuring that all construction and remodeling meets state and local building and other codes, as well as any other applicable law, such as the Americans with Disabilities Act. (Franchise Agreement – Section 6.6)

6. Before the opening of your business, we will provide you (first training course) and your manager (second training course), a training course given virtually which covers operation and administration of a Salon. The training consists of (i) operations and retail training with a representative from Sharkey's corporate; and (ii) management training conducted by an employee of ours that has at least three years' experience with the franchise system in a management and/or training role. The training course will also cover marketing and advertising suggestions and in-depth discussions of our Manual. The price for this training is included as part of your initial franchise fee. (Franchise Agreement – Section 6.1)

Post-Opening Obligations – Franchise Agreement: During the operation of your Salon, we will:

1. In our discretion, develop new service and product offerings and provide you with information about developments. (Franchise Agreement – Section 6.7)

2. Be available to you (by appointment) for telephone consultations regarding general questions and operational problems you may encounter. (Franchise Agreement – Section 6.7)

3. In our discretion, hold annual or semi-annual conferences or conventions (which will be conducted at our Connecticut headquarters or some other location chosen by us) to discuss sales techniques, advertising, staff training and other business related topics. These conferences are mandatory for franchisees and managers (Franchisor will have the option to not include managers) to attend. Any costs related to attending the conference will be borne by you, including travel, lodging, meals and wages, if applicable. (Franchise Agreement – Section 6.2)

4. Provide advertising on behalf of the entire System, including franchisees. If we conduct System-wide advertising, it will be at our cost and expense (see "System Advertising" below). (Franchise Agreement – Section 6.7) However, most advertising will be conducted by you on a local basis, typically

by local advertising agencies hired by you. Any advertising you propose to use, if not previously approved or provided by us, must be submitted to us for our written approval before you may use it. We will notify you within seven days after our receipt of the proposed materials as to whether the materials have been approved. If we do not provide our specific approval within this timeframe, the materials are deemed not approved. Any advertising developed by or for you must include the terminology as we require. Any advertising materials you submit to us for our review will become our property and there will be no restriction on our use or dissemination of these materials. (Franchise Agreement – Section 8.2)

Advertising (Franchise Agreement – Section 8)

Grand Opening Advertising: We will conduct on your behalf a grand opening, or re-grand opening if you acquired an existing salon, advertising campaign to advertise the opening or acquisition, of your Salon from day of Grand Opening, or acquiring an existing salon, through month number five (5). We will collect $15,000 per agreement ($12,500 for existing salons) when you sign your Franchise Agreement, to conduct your advertising campaign on your behalf, along with setting up your Social Media pages and more (Please place the attachment somewhere in this document to reflect what's included in this advertising package). You are permitted to spend any additional monies as you see fit.

Local Advertising: You must, throughout the term of the Franchise Agreement, conduct advertising for your Salon in your Territory. We must approve all advertising before you use it, as described above. We will offer you a list of pre-designed advertising pieces, such as newspaper ads, coupons and postcards at no charge to you. All advertisements must be completely factual and must conform to the highest standards of ethical advertising. You must pay for your own printing costs. You may use a printer of your own choice or you may use a printer recommended by us. Within 30 days of our request, you must provide us with an advertising expenditure report, including the information as we require, to show that you have complied with the local advertising requirements.

We do not provide for placement of local advertising on your behalf, and we have no obligation to spend any amount on advertising in your area or territory. You are responsible for local advertising placement. If feasible, you may do cooperative advertising with other Sharkey's Cuts For Kids franchisees in your area, with our prior written approval. You may not maintain any business profile on Facebook, Twitter, Instagram, LinkedIn, YouTube or any other social media and/or networking site without our prior written approval.

System Advertising: We may, at no charge to you, periodically conduct promotional campaigns on a national or regional basis to promote the services offered by Salons. You must participate in all promotional campaigns which we may establish for the region in which your business is located. These promotional campaigns may include setting of minimum or maximum prices for certain services and products.

System-wide Brand Fund: You are required to contribute 1% of your Gross Sales monthly to our systemwide Brand Fund. We have the right to increase your contribution to up to 3% of Gross Sales monthly at any time during the term of your Franchise Agreement. Each Sharkey's Cuts for Kids outlet operated by our affiliates or us may, but is not obligated to, contribute to the Brand Fund on the same basis as System franchisees.

The Brand Fund is administered by our accounting and marketing personnel. We may use Brand Fund contributions to pay any and all costs for developing, producing and disseminating advertising, marketing, promotional and public relations materials, programs, campaigns, sales and marketing seminars, and training programs of every kind and nature, through any media we determine; conducting marketing research and customer and or franchise system surveys and employing advertising and/or public relations

agencies; developing, enhancing and maintaining our website, social media platforms, apps, and other technology for the benefit of the Brand image and/or Systemwide improvements; and staff salaries and other personnel and departmental costs for advertising that we internally administer or prepare.

The Brand Fund will not be used to defray any of our other general operating expenses. Brand Fund contributions will not be used to solicit new franchise sales; provided however, we have the right to use the Brand Fund for public relations, to explain the franchise system, and/or include "Franchises Available" or similar language and contact information in advertising produced with Brand Fund contributions.

The Brand Fund collects and expends contributions for the benefit of the System as a whole. We have the right to use the Brand Fund contributions to place advertising in national, regional or local media (including broadcast, print, or other media) and to conduct marketing campaigns through any channel, in our discretion, including but not limited to, internet and direct-mail campaigns. We have no obligation, however, to use the Brand Fund to place advertising or conduct marketing campaigns in any particular area, including the geographical area where your Franchised Business is located.

We have no obligation to make expenditures that are equivalent or proportionate to your Brand Fund contribution or to ensure that you benefit directly or pro rata from the production or placement of advertising from the Brand Fund.

The Brand Fund is not audited. An annual unaudited financial statement of the Brand Fund is available to any franchisee upon written request.

If we spend more or less than the total of all contributions to the Brand Fund in any fiscal year, we may carry forward any surplus or deficit to the next fiscal year. Although the Brand Fund is intended to be of perpetual duration, we may terminate it at any time and for any reason or no reason. We will not terminate the Brand Fund, however, until all monies in the Brand have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions.

No Brand Fund contributions were required, made or expended in our most recently concluded fiscal year.

Cooperatives: There are presently no advertising councils or regional advertising cooperatives. If an advertising cooperative is formed by our franchisees and approved by us, you must agree to contribute to the cooperative the amount agreed upon by a majority of the members of the cooperative, to pay that amount to the advertising cooperative and the times agreed upon by the majority and abide by the cooperative's rules. The cooperative will determine who will administer the cooperative. The written governing documents will be available for review by you. Cooperatives need not prepare annual or periodic financial statements, but if they are prepared, they may be reviewed by you. We will not have the power to require cooperatives to be formed, changed, dissolved or merged. All salons owned by us or our affiliate will not be members nor contribute to the cooperative.

Site Selection; Timeframe for Opening Salon (Franchise Agreement – Section 7.4)

The process for site selection is described above. We estimate that the length of time between signing the Franchise Agreement and the opening of your Salon will be approximately six to ten months. The factors that affect this timeframe are the ability to obtain a lease, financing or building permits; construction time; zoning and local ordinances; weather conditions; shortages; and delayed delivery or installation of equipment, fixtures and signs. Your Salon must be opened and operating within one year of

the date the Franchise Agreement is signed. If you fail to open your Salon within this year, we have the right to terminate the Franchise Agreement without providing you notice or a refund of any portion of the Initial Franchise Fee.

Computer and Cash Register Requirements (Franchise Agreement – Section 7.10)

You must purchase, use, maintain and update computer systems and software programs that meet our specifications as they evolve over time and which in some cases may be available only from designated suppliers. As described in Item 5, your computerized point of sale system and required software is not included in the Initial Franchise Fee. We require you to maintain a high speed internet connection (such as T-1 line, DSL or cable modem). The point of sale system must include a cash drawer, credit card terminals, receipt printers, barcode scanners and the computer that runs software designed to keep track of sales. The POS System allows us to independently and remotely access all of your sales data, including your Gross Revenue, through the Internet. There are no contractual limitations on our right to have full access to this information. We may retrieve, download, analyze and store such information and data at any time. We own all customer data stored in your customer management account. There are no contractual limitations on our access to your computer system. The cost of the computer system and software ranges from $4,000 to $5,000.

There are no contractual limitations on the frequency and cost of upgrades and/or updates to the above-described systems or programs. We have no obligation to maintain, repair, update or upgrade your computer and software. At your cost, you must provide on-going maintenance and repairs to your computer and software. You must upgrade your computer hardware and software as necessary to operate the most current version of the POS System or any replacements thereto.

We reserve the right to require you to maintain on-site hardware and software maintenance contracts. If we require this, we also reserve the right to specify the provider of on-site services or to approve of the provider you select.

You must maintain a dedicated e-mail address for your Salon, through our provider. We expect you to check your e-mail daily, as this is one of the methods by which we communicate with all of our franchisees.

Training (Franchise Agreement – Section 6.1)

We provide a training program for you and one additional person, for a maximum of two people. We will pay the travel and lodging for two trainees, maximum of $1,500, but you must pay applicable wages and other out-of-pocket expenses incurred by you and your trainee. If you wish to send additional trainees to our training program, it will be at your expense. You must complete our initial training program to our satisfaction. Initial training must be successfully completed 30 days before the salon opening. Franchisor has the option to provide this training virtually and therefore would not require any reimbursement if virtual training is completed.

We provide an Employee training program delivered virtually by our Learning Portal. This will be given virtually 0-3 weeks prior to opening your Sharkey's Cuts for Kids Salon. Your employees must complete ourEmployee training program to our satisfaction. Employee training must be successfully completed within 14 days before your salon opening.

Our initial training program & franchisee training program will be conducted at our headquarters in Westport, Connecticut, or at another location we designate, which may include a franchised or affiliate-owned Salon or virtually. Initial training programs will be offered at various times during the year

depending on the number of new franchisees entering the System, replacement operating principals and general managers and other personnel needing training, the number of new Salons being opened and the timing of the scheduled openings of Salons. The initial training program will generally last approximately three days if attended in person or 2-3 day if completed virtually. The instructional material we use in our initial training & manager program includes our Manual, the computer system, and any other materials that we believe will be beneficial to our franchisees in the training process. We currently provide the following training programs:

TRAINING PROGRAMS (2 IN TOTAL)
FRANCHISEE TRAINING

Subject	Hours of Classroom Training (in person or virtual)	Hours of On-the-Job Training	Location
Computer Software	6-8	0	3rd Party
Hair Stylists & General Salon Practice	6-8	0	Westport, Connecticut or Virtually
Retail & Hiring & Business Plan	3-4	0	Westport, Connecticut or Virtually
Desk/reception	2-3	0	Westport, Connecticut or Virtually
Sales & Marketing	2-4	0	Westport, Connecticut or Virtually

Manager Training

Subject	Hours of Classroom Training (virtual only)	Hours of On-the-Job Training	Location
Sales and Hugs	1	0	Virtually
Daily Store Operation - Opening	1	0	Virtually
Daily Store Operation - End of Day	1	0	Virtually

. Our initial training program and Manager Training is overseen by Scott Sharkey or a Sharkey's representative. Scott Sharkey has 20 years of experience in the field and with the franchisor. The minimum experience of the instructors in the field that is relevant to the subject taught and our operations is from one year.

Franchisor may conduct training program virtually. The Initial training program given virtually will be conducted over a 2-3 day period. The Manager training program given virtually will be conducted over a 2-4 hour period.

We may, at our option, conduct an annual conference of franchisees, at which we may offer additional training, advice or discussions of other topics. If we choose to hold a conference, attendance at the conference will be mandatory. Our current fee for attending our annual conference is $750-$1,750 per person. All costs related to attendance, including travel, lodging, meals and wages for you or any employee you may send or bring with you, must be paid by you.

Confidential Operations Manual

The table of contents of our Confidential Operations Manual for our franchisees is attached to this Disclosure Document as Exhibit H. Our franchisee Operations Manual includes approximately 290 pages.

Item 12: TERRITORY

Franchise Agreement

The Franchise Agreement grants you the right to operate a Salon at a single location that you select within the Territory and that we approve. If you sign our Multi-Unit Addendum, we will designate the territory of each Sharkey's Cuts for Kids location you develop in accordance with our then-current standards. Attachment 1 to the Franchise Agreement lists the specific street address of the accepted location. You must operate the Salon only at this accepted location and may not relocate the Salon without first obtaining our written consent and paying our applicable fee (see Item 6). You may not establish or operate another Salon unless you enter into a separate Franchise Agreement. The minimum territory will contain 10,000 kids within a five miles radius of the franchised location.

During the term of the Franchise Agreement, if you are in compliance with the Franchise Agreement, we will not establish a Salon or authorize any other person or entity to establish a Salon within the Territory. The Territory will be described in Attachment 1 to the Franchise Agreement. The size of this Territory will be mutually agreed upon by the parties as soon as practicable after a suitable location has been selected by you and approved by us. The factors that will be used to determine the size of your territory will be the type of area where you locate your business and the population that lives within driving distance of your selected location. In no event will the size of your Territory exceed a radius of five miles around your Salon.

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.

We and any of our current or future affiliates may own, acquire, establish and/or operate, and license others to establish and operate, businesses under other proprietary marks and/or other operating systems, regardless of whether those businesses are the same, similar or different from the Salon, we and any of our current or future affiliates may also offer and sell and authorize others to offer and sell: (i) collateral products, including Sharkey's memorabilia or other products, under the Marks, at or from any location, and (ii) any products or services under the Marks at or through any Sharkey's Salon or other permanent, temporary or seasonal facility providing in whole or in part the products and services offered by a Salon in any Reserved Area (as defined below), and (iii) any products or services under our Marks or any other marks. A "Reserved Area" is defined in the Franchise Agreement as an airport or travel plaza, hospitals, schools, hotels, festivals, fairs and other mass gathering locations or events.

You may relocate your business for a legitimate business reason. Your relocation will be subject to a relocation fee, payable upon our approval of your request to relocate your business. Any relocation of your business will be subject to our approval, which may be granted or withheld, innersole discretion. In addition, you must sign the form of franchise agreement that is being signed by new franchisees at the time

of your relocation and will be subject to the terms of that franchise agreement except for the franchise term. If you do relocate, your existing business cannot be closed for more than 90 days. If we approve relocation of the salon, its new location must be within the designated Territory.

You may sell our products and related merchandise to retail customers and prospective retail customers who live anywhere but who choose to shop in your Salon. You may not engage in any promotional activities or sell our proprietary products or similar products or services, whether directly or indirectly, through or on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system (collectively, the "Electronic Media"); through catalogs or other mail order devices sent or directed to customers or prospective customers located anywhere; or by telecopy or other telephonic or electronic communications, including toll-free numbers, directed to or received from customers or prospective customers located anywhere. You may not place advertisements in printed media and on television and radio that are targeted to customers and prospective customers located outside of your Territory. You have no options, rights of first refusal, or similar rights to acquire additional franchises. You may not sell our proprietary products to any business or other customer for resale.

Although we have not done so, we and our affiliates may sell products under the Proprietary Marks within and outside your Territory through any method of distribution other than a dedicated Sharkey's Salon, including sales through channels of distribution such as the Internet, catalog sales, telemarketing or other direct marketing sales (together, "alternative distribution channels"). You may not use alternative distribution channels to make sales outside or inside your Territory except as described in the following paragraph and you will not receive any compensation for our sales through alternative distribution channels except as described in the following paragraph.

If we engage in electronic commerce through any Internet, World Wide Web or other computer network site or sell through any other alternative distribution channel, and we receive orders for any proprietary products or other products offered by a Sharkey's Salon calling for delivery or performance in your Territory, then we will offer the order to you at the price we establish. If you choose not to fulfill the order or are unable to do so, then we, one of our affiliates or a third party we designate (including another franchisee) may fulfill the order, and you will not be entitled to any compensation in connection with this.

Except for the Salons operated by our affiliates, neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned Salons which sell our products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent.

Item 13: TRADEMARKS

The Franchise Agreement permits you to use the Proprietary Marks only for the purposes and upon the terms and conditions set forth in the Franchise Agreement. Our Predecessor registered the following Proprietary Marks with the U.S. Patent and Trademark Office ("USPTO"):

Mark	Registration Number	Registration Date	Register
Sharkey's Cuts for Kids	2842656	May 18, 2004	Principal

	2894629	October 19, 2004	Principal
	4576920	July 20, 2014	Principal
	6406552	July 6, 2021	Principal

Our Predecessor has filed all required affidavits that have become due as of the Issuance Date of this Disclosure Document. Our Predecessor's registration with respect to the character mark "Sharkey's Cuts for Kids" (U.S. Reg. No. 2842656) was renewed on May 16, 2014. Our Predecessor's registration with respect to the design mark "Sharkey's Cuts for Kids" (U.S. Reg. No. 2894629) was renewed on October 22, 2014. Otherwise, no other registrations have been required to be renewed as of the Issuance Date of this Disclosure Document

The following Proprietary Marks are registered internationally:

Mark	Registration Number	Registration Date
Sharkey's Cuts for Kids	005513056, 005512983	November 12, 2007
Sharkey's Cuts for Kids (Canada)	TMA718138, TMA718185	July 9, 2009

You must notify us immediately when you learn about an infringement of or challenge to your use of the Principal Mark or other Marks. Predecessor and we will take any action we think appropriate and, if you have given us timely notice and are in full compliance with the Franchise Agreement, we will indemnify you for all expenses and damages arising from any claim challenging your authorized use of the Principal Mark or other Marks. Predecessor and we have the right to control any administrative proceedings or litigation involving the Principal Mark or other Mark licensed by us to you. You must cooperate fully with Predecessor and us in defending and/or settling the litigation.

We reserve the right to substitute different Marks if we can no longer use the current Marks, or if we determine that substitution of different Marks will be beneficial to the System. In such event, we may require you, at your expense, to modify or stop using any Mark, including the Principal Mark, or to use one or more additional or substitute Marks.

You must not directly or indirectly contest Predecessor's right, or our right, to the Principal Mark or other Marks.

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the Trademark Administration of any state, or any court relating to the Marks. There is no pending infringement, opposition or cancellation. There is no pending material federal or state court litigation involving the Principal Mark or other Marks.

There are no currently effective agreements that significantly limit Predecessor's or our rights to use or license the use of the Principal Mark or other Marks in a manner material to the franchise.

As of the date of this Disclosure Document, we know of no superior prior rights or infringing uses that could materially affect your use of the Principal Mark.

Item 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

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

There are no current material determinations of, or proceedings pending in, the United States Patent and Trademark Office, the U.S. Copyright Office, or any court regarding any of our copyrights discussed above.

There are no agreements currently in effect that limit your right to use any of our copyrights. As of the date of this Disclosure Document, we are unaware of any infringing uses of or superior previous rights to any of our copyrights that could materially affect your use of them.

You must notify us immediately when you learn about an infringement of or challenge to your use of our copyrights. We will take any action we think appropriate and, if you have given us timely notice and are in full compliance with the Franchise Agreement, we will indemnify you for all expenses and damages arising from any claim challenging your authorized use of our copyrights. We have the right to control any administrative proceedings or litigation involving our copyrights licensed by us to you. You must cooperate fully with us in defending and/or settling the litigation.

During the term of the Franchise Agreement, you may have access to and become acquainted with our trade secrets, including, but not limited to, formulas, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of the Franchised Business; the Manual; methods of advertising and promotion; and any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively called the "Confidential Information"). You agree that you will take all reasonable measures to maintain the confidentiality of all Confidential Information in your possession or control and that all such Confidential Information and trade secrets shall remain our exclusive property. You may never (during the Initial Term, any Successor Term, or after the Franchise Agreement expires or is terminated) reveal any of our confidential information to another person or use it for any other person or business. You may not copy any of our Confidential Information or give it to a third party except as we authorize in writing to you prior to any dissemination. Your personnel who have access to our Confidential Information must sign our Confidentiality/Non-Competition Agreement (Franchise Agreement, Attachment 10).

You must promptly tell us when you learn about unauthorized use of any Confidential Information. We are not obligated to take any action but will respond to this information as we think appropriate. We will indemnify you for losses brought by a third party concerning your use, in strict compliance with the Franchise Agreement, of the Confidential Information.

Item 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement requires that you personally supervise and manage the day-to-day operation of your Franchised Business. You may appoint a non-owner manager of a Franchised Business location. Upon approval, your manager must successfully complete our Initial Training Program and all other training courses we require. Your manager must devote full time to the job and cannot have an interest or business relationship with any of our competitors. If the franchisee is a business entity, your manager is not required to have an equity interest in the franchisee entity but must otherwise meet our approval.

Your manager and all other personnel who will have access to our proprietary and Confidential Information and training must sign our Non-Disclosure/Non-Competition Agreement, which is attached to our Franchise Agreement as Attachment 5. If your Franchised Business is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a Principal. If you are a married individual, your spouse must sign our Spouse Guaranty, which is attached to our Franchise Agreement as Attachment 3.

Item 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Your franchised business is limited by the Franchise Agreement to the operation of a Salon. You may only offer inventory items and services designated by us, and you must offer the full range of services and required inventory authorized by us (see Item 8). Hair and beauty products bearing our Marks are proprietary and must be purchased only from us or sources designated by us because they are associated directly with our Marks and the System.

We may, in our sole and absolute discretion, add additional authorized services or inventory items or require you to change the required inventory items and services that you offer in your Salon. There are no limits on our right to do so, and in this case you must, at your expense, make those changes in the timeframe designated by us.

No other business or activity may be conducted or products or services offered at the Location. Your Salon may only be identified by the name "Sharkey's Cuts for Kids," or another of the licensed Marks designated in writing by us.

We do not impose any other restrictions in the Franchise Agreement or otherwise, as to the goods or services that you may offer or sell or as to the customers to whom you may offer or sell, except for certain restrictions detailed in Item 12 relative to alternative methods of distribution, including the Internet.

Item 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Length of franchise term	Section 3.1	The term continues for 10 years from the date of the Franchise Agreement unless terminated earlier.

Provision	Section in Franchise Agreement	Summary
b. Renewal or extension of the term	Section 3.2	If you are in good standing, and subject to contractual requirements, you may sign a Successor Agreement for an additional term of five years unless we have determined inn our sole discretion, to withdraw from the geographical area where your Salon is located.
c. Requirements for franchisee to renew or extend	Section 3.2	You must give us written notice not less than 90 days, nor more than 180 days before the expiration of the then-current term; repair and update the Salon premises; not be in breach of any agreement with us or our affiliates; have the right to remain in possession of Salon premises; sign the then-current franchise agreement and a general release; comply with current qualification and training requirements; and pay the Successor Agreement fee. The term "Successor Term" means to continue your rights granted under the Franchise Agreement to operate the franchised business for an additional consecutive term. You may be asked to sign a contract with materially different terms and conditions than your original contract, but the boundaries of your territory will remain the same, and the fees upon entering into a Successor Agreement will not be greater than the fees that we then impose on similarly situated renewing franchisees
d. Termination by franchisee	None	You may seek termination upon any grounds available by state law
e. Termination by franchisor without cause	Not applicable	The Franchise Agreement will terminate upon your death or permanent disability and the Franchised Business must be transferred within three months to a replacement franchisee that we approve.
f. Termination by franchisor with "cause"	Sections 15.1 and 15.2	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination; we also have

Provision	Section in Franchise Agreement	Summary
		the right but not the obligation to cancel the Franchise Agreement in certain circumstances.
g. "Cause" defined – curable defaults	Section 15.2	Good cause is a material breach of the Franchise Agreement or any other Franchise Agreement you have entered into with us. Good cause also includes: your failure to comply with the System; your failure to make when due any payment pursuant to any Franchise Agreement, other contract or other obligation payable by you to us; your failure to pay suppliers, landlord, bank or other creditors; your understatement of Gross Sales; and your failure to cure breaches of the Franchise Agreement. You have seven days to cure for non-payment of sums due and 30 days in all other cases (except as described in "h." below).
h. "Cause" defined – non-curable defaults	Section 15.1	We may terminate you immediately if you fail to open the Salon within one year after the Franchise Agreement is signed; impair or threaten to impair the Marks or the System; become insolvent; make an assignment for benefit of creditors; are convicted of an offense; sell unauthorized products or services; abandon or lose right to the Salon premises; are convicted of a felony or other crime that may have an adverse affect on the System or Marks; sell unauthorized products or services; are a danger to public health or safety; transfer any interest without our consent or maintain false books or records; or if your or your owners' assets are blocked under any anti-terrorism law.
i. Franchisee's obligations on termination/non-renewal	Sections 16 and 17	Upon termination or if your decide not to enter into a Successor Agreement, you must cease operating the Salon and using the Marks and System; completely de-identify the business; pay all amounts due to us; return Manual and other proprietary materials; comply with confidentiality and non-competition

Provision	Section in Franchise Agreement	Summary
		requirements; transfer your domain name back to us; and at our option, sell or assign to us your rights in the Salon premises and the equipment and fixtures used in the business.
j. Assignment of contract by Franchisor	Section 13.1	We have the right to transfer or assign the Franchise Agreement to any person or entity without restriction, provided that the assignee agrees in writing to assume all obligations undertaken by us in the Franchise Agreement.
k. "Transfer" by franchisee – defined	Section 13.2	A transfer includes assignment, transfer, sale, gift or other disposition of any interest in the Franchise Agreement, the Salon, the assets or a substantial portion of the assets of the Salon, or the franchise entity.
l. Franchisor approval of transfer by franchisee	Section 13.4	You must obtain our consent before transferring any interest.
m. Conditions for franchisor approval of transfer	Section 13.4	We may require the following conditions for our approval of the transfer: you must pay all amounts due us or our affiliates; not otherwise be in default; sign a general release and pay a transfer fee. Transferee must meet our criteria, attend training and sign the then-current Franchise Agreement.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 12	Within 30 days after notice, we have the option to purchase the transferred interest on the same terms and conditions.
o. Franchisor's option to purchase franchisee's business	Sections 12, 16, and 17	Other than assets on termination, or when you elect to not enter into a Successor Agreement or our right of first refusal, we have no right or obligation to purchase your business.
p. Death or disability of franchisee	Section 13.9	The Franchise Agreement will terminate upon your death or permanent disability and the Franchised Business must be transferred within three months to a replacement franchise we approve.

Provision	Section in Franchise Agreement	Summary
q. Non-competition covenants during the term of the franchise	Section 7.14	You are prohibited from operating or having an interest in a similar business during the term of the Franchise Agreement. Violation of this covenant may result in your payment of liquidated damages to us (see Item 6).
r. Non-competition covenants after the franchise is terminated or expires	Section 7.14	You and your Controlling Principals are prohibited from operating or having an interest in a similar business for three years after the expiration, termination or assignment of the Franchise Agreement within 50 miles of any Salon in the System.
s. Modification of the agreement	Section 18	If you sign another Sharkey's franchise agreement after the date of your original Franchise Agreement, the terms of the subsequent agreement and any previously signed franchise agreements(and/or the documents signed in connection with this agreement and any previously signed franchise agreement) (as the original Franchise Agreement and any previously signed franchise agreement, and/or other documents may be or have been amended) will be automatically amended to be identical to the terms of the subsequent franchise agreement (and/or the documents signed in connection with that subsequent franchise agreement), except that the term of the franchise will be the period remaining under the original Franchise Agreement (or previously signed franchise agreements, as the case may be); we may occasionally change the amount of fees charged under certain circumstances; we may occasionally issue rules, regulations, instructions, policies and procedures without your consent
t. Integration/merger clause	Section 18.2	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to State law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be

Provision	Section in Franchise Agreement	Summary
		enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	Sections 14.2 and 14.3	Except for certain claims (subject to state law), all disputes not resolved internally must be first submitted to non-binding mediation then to arbitration in Hartford, Connecticut.
v. Choice of forum	Section 14.7	Subject to applicable state law, litigation must be commenced in the state and federal courts in Connecticut
w. Choice of Law	Section 14.7	Subject to applicable state law, Connecticut law applies
x. Multi-Unit Addendum (Where Applicable)	Attachment 7	If you sign the multi-unit addendum, (a) you will be required to pay a portion of the initial franchise fee upon execution of the franchise agreement, and a portion of the initial franchise fee when you sign the lease for your second and subsequent Sharkey's Cuts for Kids location(s); (b) you must establish and commence each unit within 12 months of establishing the prior unit; and (c) if you fail to meet the development schedule, we may terminate your rights to establish remaining unopened units.

Item 18: PUBLIC FIGURES

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

Item 19: FINANCIAL PERFORMANCE REPRESENTATIONS

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

This item contains a historic financial performance representation based on our existing franchised outlets in 2025. In the fiscal year ending on December 31, 2025, there were 200 opened franchised outlets

however only 159 were open for 12 months or more. Tables 1- below present information about the Gross Revenue of 159 Sharkey's Cuts for Kids franchised outlets open and operating for at least a full twelve months as of December 31, 2025, for which we have data. Data from locations in operation for less than 12 months as of December 31, 2025, has been excluded, For data to be considered not reliable for this financial performance representation these excluded outlets presented data in format and/or via a system that is not uniform with most Sharkey's Cuts for Kids outlets. At the time of this financial performance representation, the total outlets excluded due a reduction of hours of operation is 4. As of December 31, 2025, there were 37 locations that had not been open for 12 months. Except where noted, these figures are taken directly from each location's POS system.

Table 1 - A
Total Revenue of Top Quartile Performers Open 7 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
1	$677,221.57	7
2	$646,036.92	7
3	$629,735.33	7
4	$600,730.60	7
5	$580,748.52	7
6	$545,643.38	7
7	$526,931.20	7
8	$521,499.54	7
9	$506,863.38	7
10	$501,156.50	7
11	$488,070.78	7
12	$466,383.53	7
13	$464,864.11	7
14	$461,927.23	7
15	$460,414.54	7
16	$458,147.57	7
17	$450,005.03	7
18	$446,241.37	7
19	$442,642.77	7
20	$436,768.22	7
21	$433,748.19	7
22	$431,801.44	7
23	$428,278.20	7
24	$426,031.91	7
Average Unit Revenue	**$501,328.83**	
Highest Unit Revenue	$677,221.57	
Lowest Unit Revenue	$426,031.91	
Median Unit Revenue	$465,623.82	

Table 1 - B
Total Revenue of Second Quartile Performers Open 7 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
25	$416,951.09	7
26	$398,338.19	7
27	$395,105.58	7
28	$394,754.59	7
29	$393,688.02	7
30	$393,607.35	7
31	$374,538.82	7
32	$373,133.18	7
33	$372,283.99	7
34	$371,862.56	7
35	$368,016.77	7
36	$362,287.01	7
37	$353,708.69	7
38	$350,693.29	7
39	$350,508.17	7
40	$349,740.21	7
41	$344,331.96	7
42	$340,693.87	7
43	$335,093.47	7
44	$334,752.91	7
45	$332,065.94	7
46	$320,933.47	7
47	$320,524.00	7
48	$320,155.64	7
Average Unit Revenue	**$361,157.03**	
Highest Unit Revenue	$416,951.09	
Lowest Unit Revenue	$320,155.64	
Median Unit Revenue	$357,997.85	

Table 1 - C
Total Revenue of Third Quartile Performers Open 7 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
49	$314,273.42	7
50	$312,873.95	7
51	$310,324.93	7
52	$306,487.11	7
53	$306,018.88	7
54	$303,683.95	7
55	$296,354.78	7
56	$292,652.07	7
57	$285,803.64	7
58	$285,493.25	7
59	$284,037.71	7
60	$281,391.99	7
61	$280,330.13	7
62	$276,322.50	7
63	$275,406.99	7
64	$273,471.93	7
65	$269,798.09	7
66	$268,010.60	7
67	$266,693.92	7
68	$263,920.00	7
69	$253,321.95	7
70	$246,035.94	7
71	$239,223.05	7
72	$237,251.69	7
Average Unit Revenue	**$280,382.60**	
Highest Unit Revenue	$314,273.42	
Lowest Unit Revenue	$237,251.69	
Median Unit Revenue	$280,861.06	

Table 1 - D
Total Revenue of Bottom Quartile Performers Open 7 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
73	$236,346.11	7
74	$201,656.59	7
75	$199,986.55	7
76	$199,916.92	7
77	$199,661.73	7
78	$198,952.83	7
79	$198,257.31	7
80	$194,158.01	7
81	$192,949.45	7
82	$188,958.13	7
83	$183,467.53	7
84	$181,329.85	7
85	$179,569.23	7
86	$177,910.40	7
87	$175,586.78	7
88	$170,610.90	7
89	$169,431.35	7
90	$169,068.74	7
91	$165,357.29	7
92	$157,618.80	7
93	$152,396.65	7
94	$131,527.33	7
95	$130,918.83	7
96	$118,426.61	7
Average Unit Revenue	**$175,189.65**	
Highest Unit Revenue	$236,346.11	
Lowest Unit Revenue	$105,677.45	
Median Unit Revenue	$179,569.23	

Table 2 - A
Total Revenue of Top Quartile Performers Open 6 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
97	$395,272.74	6
98	$350,239.71	6
99	$333,226.70	6
100	$328,202.10	6
101	$307,863.43	6
102	$291,323.95	6
103	$290,106.66	6
104	$284,089.39	6
105	$283,154.78	6
106	$280,669.52	6
107	$273,777.82	6
108	$273,432.95	6
109	$268,030.52	6
110	$265,026.42	6
111	$261,467.24	6
Average Unit Revenue	**$299,058.93**	
Highest Unit Revenue	$395,272.74	
Lowest Unit Revenue	$261,467.24	
Median Unit Revenue	$284,089.39	

Remainder of Page Intentionally Left Blank

Table 2 - B
Total Revenue of Second Quartile Performers Open 6 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
112	$253,378.13	6
113	$241,472.70	6
114	$236,586.16	6
115	$216,421.03	6
116	$215,223.39	6
117	$212,793.44	6
118	$209,856.05	6
119	$209,586.25	6
120	$207,971.32	6
121	$207,324.43	6
122	$200,360.61	6
123	$198,112.08	6
124	$198,037.61	6
125	$194,241.37	6
126	$194,045.03	6
Average Unit Revenue	**$213,027.31**	
Highest Unit Revenue	$253,378.13	
Lowest Unit Revenue	$194,045.03	
Median Unit Revenue	$209,586.25	

Remainder of Page Intentionally Left Blank

Table 2 - C
Total Revenue of Third Quartile Performers Open 6 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
127	$189,413.90	6
128	$188,342.88	6
129	$188,307.55	6
130	$180,590.73	6
131	$176,730.12	6
132	$169,336.64	6
133	$166,101.48	6
134	$161,924.25	6
135	$160,406.89	6
136	$150,493.35	6
137	$149,101.01	6
138	$147,393.46	6
139	$146,972.09	6
140	$145,864.54	6
141	$141,000.35	6
Average Unit Revenue	**$164,131.95**	
Highest Unit Revenue	$189,413.90	
Lowest Unit Revenue	$141,000.35	
Median Unit Revenue	$161,924.25	

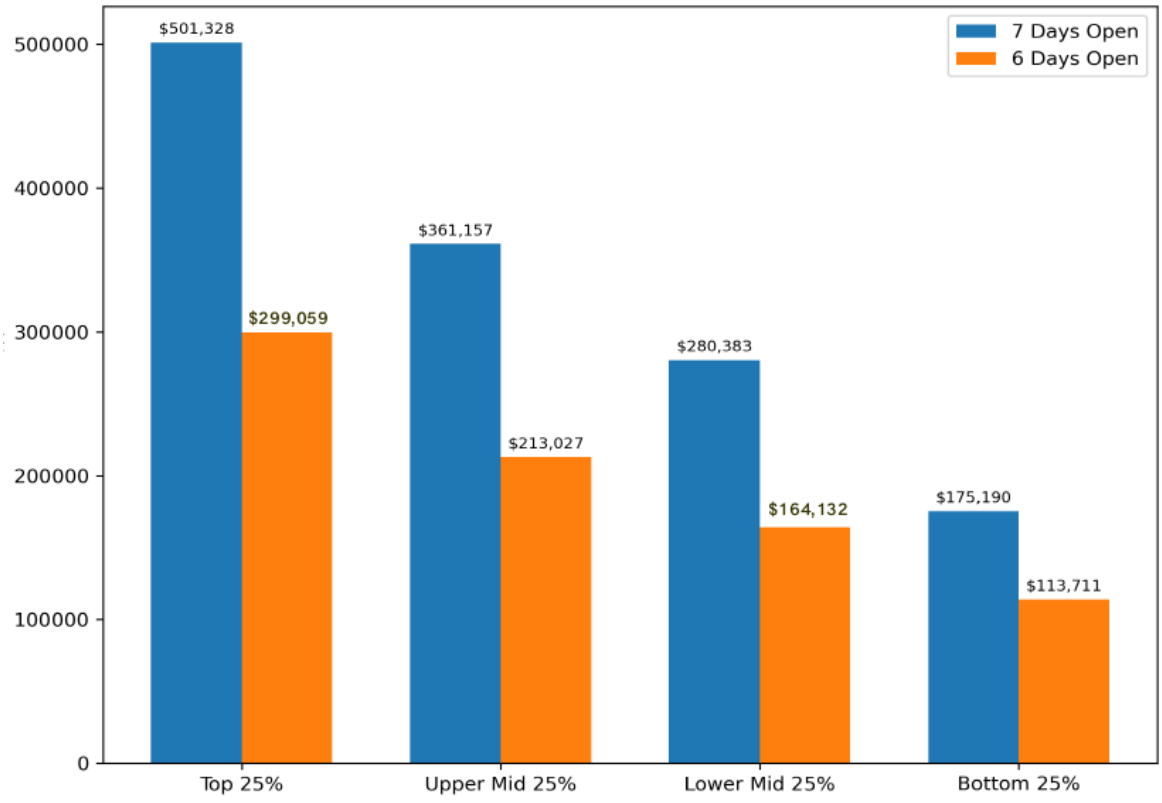
Remainder of Page Intentionally Left Blank

Table 2 - D
Total Revenue of Bottom Quartile Performers Open 6 Days per Week (2025)

Location	Total Revenue	Number of Days per Week Open
142	$140,167.43	6
143	$140,040.04	6
144	$134,238.68	6
145	$129,952.60	6
146	$129,615.68	6
147	$122,977.49	6
148	$120,734.74	6
149	$118,492.65	6
150	$112,914.87	6
151	$103,812.30	6
152	$100,273.57	6
153	$94,984.93	6
154	$81,267.96	6
155	$62,483.01	6
Average Unit Revenue	**$113,711.14**	
Highest Unit Revenue	$140,167.43	
Lowest Unit Revenue	$62,483.01	
Median Unit Revenue	$119,613.70	

Remainder of Page Intentionally Left Blank

Table 4
Average Total Revenue by Dollars (7 Days vs 6 Days)



Average Revenue Data

- Sharkey's **Top 25%** performers earned **$501,328 (7 days) vs $299,059(6 days)**
- Sharkey's **Top 50%** performers earned **$431,252 (7 days) vs $256,043 (6 days)**
- Sharkey's **Top 75%** performers earned **$380,388 (7 days) vs $255,406 (6 days)**
- Sharkey's **Top 100%** performers earned **$329,514 (7 days) vs $197,482 (6 days)**

Notes:

1. Gross Revenues means all revenue from sales at or from outlet operations, less (ii) properly documented refunds to customers, (iii) properly documented promotional discounts (i.e. coupons) and (iv) properly documented employee discounts (limited to 3% of Gross Revenue).
2. The figures in the above tables have not been audited.
3. Data reflects full-year 2025 performance based on reported revenues from franchised Sharkey's Cuts for Kids locations.
4. Includes only salons open and operating for more than one full year as of December 31, 2025.
5. "7 Days Open" and "6 Days Open" classifications are based on standard weekly operating schedules reported by franchisees.
6. Individual results may vary. Performance is influenced by factors including location, management, staffing, and local market conditions.
7. Quartiles are based on system-wide revenue rankings, with each group representing approximately 25% of qualifying salons.

8. Data demonstrates a consistent revenue advantage across all performance quartiles for salons operating 7 days per week.
9. System-wide means all stores within this Sharkey's Cuts for Kids Franchises System. This includes the Corporate outlet in Connecticut and all franchised outlets that were able to provide reliable financial information.

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

Written substantiation for the financial performance representation will be made available to the prospective franchisee 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 Scott Sharkey at 37 Highland Road, Westport, Connecticut 06880 and (203) 637-8911, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20: OUTLETS AND FRANCHISEE INFORMATION

Table No. 1*
Systemwide Outlet Summary
For years 2023, 2024, 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	119	141	+22
	2024	141	170	+29
	2025	170	200	+30
Company-Owned	2023	1	1	0
	2024	1	2	+1
	2025	2	1	-1
Total Outlets	2023	120	142	+22
	2024	142	172	+30
	2025	172	201	+29

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2023, 2024, 2025

State	Year	Number of Transfers
Arizona	2023	0
	2024	0
	2025	1
California	2023	1
	2024	0

State	Year	Number of Transfers
	2025	0
Colorado	2023	0
	2024	0
	2025	1
Florida	2023	1
	2024	1
	2025	1
Georgia	2023	0
	2024	0
	2025	1
Louisiana	2023	0
	2024	0
	2025	2
Michigan	2023	0
	2024	0
	2025	1
Nevada	2023	0
	2024	2
	2025	0
North Carolina	2023	0
	2024	0
	2025	2
Oklahoma	2023	1
	2024	0
	2025	0
Pennsylvania	2023	1
	2024	0
	2025	1
Rhode Island	2023	1
	2024	0
	2025	0
Texas	2023	6
	2024	3
	2025	5
Virginia	2023	0
	2024	1

State	Year	Number of Transfers
	2025	0
Washington	2023	0
	2024	0
	2025	1
Total	2023	12
	2024	8
	2025	15

Table No. 3
Status of Franchised Outlets – Standard Franchises
For years 2023, 2024, 2025

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Arizona	2023	5	0	0	0	0	0	5
	2024	5	2	0	0	0	0	7
	2025	7	0	0	0	0	0	7
Arkansas	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
California	2023	11	1	0	0	0	0	12
	2024	12	3	0	0	0	0	15
	2025	15	1	0	0	0	1	15
Colorado	2023	3	1	0	0	0	1	3
	2024	3	1	0	0	0	0	4
	2025	4	1	0	0	0	0	5
Connecticut	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Florida	2023	15	2	0	0	0	0	17
	2024	17	2	0	0	0	1	18
	2025	18	2	0	0	0	2	18
Georgia	2023	2	2	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
	2024	4	2	0	0	0	0	6
	2025	6	0	0	0	0	0	6
Indiana	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Kansas	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kentucky	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Louisiana	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Maryland	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Michigan	2023	2	1	0	0	0	0	3
	2024	3	2	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Minnesota	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	3	0	0	0	0	5
Missouri	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nevada	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New Jersey	2023	2	0	0	0	0	2	0
	2024	0	1	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
	2025	1	0	0	0	0	0	1
New Mexico	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New York	2023	1	2	0	0	0	0	3
	2024	3	2	0	0	0	0	5
	2025	5	3	0	0	0	0	8
North Carolina	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	4	0	0	0	0	9
Ohio	2023	6	1	0	0	0	0	7
	2024	7	1	0	0	0	0	8
	2025	8	0	0	0	0	2	6
Oklahoma	2023	2	1	0	0	0	0	3
	2024	3	1	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Oregon	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	2	0	0	0	0	2
Pennsylvania	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	1	0	0	0	0	6
Rhode Island	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Carolina	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Tennessee	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Texas	2023	31	6	0	0	0	1	36
	2024	36	4	0	0	1	0	39
	2025	39	12	0	0	0	2	49

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Utah	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Virginia	2023	7	1	0	0	0	0	8
	2024	8	3	0	0	0	0	11
	2025	11	1	0	0	0	0	12
Washington	2023	3	2	0	0	0	0	5
	2024	5	1	0	0	0	0	6
	2025	6	1	0	0	0	0	7
Wisconsin	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Total	2023	119	26	0	0	0	4	141
	2024	141	31	0	0	1	1	170
	2025	170	37	0	0	0	7	200

Table No. 4
Status of Company-Owned Outlets
For years 2023, 2024, 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Connecticut	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Texas	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	1	0	0	0	1	0
Total	2023	1	0	0	0	0	1
	2024	1	0	1	0	0	2
	2025	2	0	0	0	1	1

Table No. 5

Projected Openings as of December 31, 2025

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets Sold in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	1	1	0
Arkansas	1	1	0
Arizona	1	1	0
California	8	4	0
Colorado	8	3	0
Connecticut	0	1	0
Florida	7	3	0
Georgia	0	1	0
Illinois	6	2	0
Indiana	1	1	0
Massachusetts	0	4	0
Maryland	0	4	0
Michigan	1	1	0
Minnesota	5	1	0
Missouri	0	1	0
New Jersey	1	2	0
New York	6	2	0
North Carolina	5	2	0
Ohio	0	1	0
Oregon	3	1	0
Pennsylvania	3	1	0
South Carolina	1	2	0
Tennessee	4	2	0
Texas	26	6	0
Utah	0	2	0
Virginia	2	1	0
Washington	2	1	0
Wisconsin	3	1	0
Total	95	53	0

* Additional Franchise agreements have been signed and opened under the Predecessor Sharkey's Franchising Co. in the year 2014. System wide units include Sharkey's Hair It Is locations.

A list of the names of all franchisees and the addresses and telephone numbers of their businesses are provided in Exhibit I to this Disclosure Document.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit I to this Disclosure Document when applicable. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last three fiscal years, we have not any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Sharkey's System.

There are no trademark-specific organizations formed by our franchisees that are associated with the Sharkey's System.

Item 21: FINANCIAL STATEMENTS

Our audited financial statements for years ending December 31, 2025, December 31, 2024, and December 31, 2023, and related notes to the audited financial statements, are included as Exhibit A.

Our fiscal year end is December 31.

Item 22: CONTRACTS

Attached as Exhibits to this Disclosure Document are the following contracts and their exhibits:

Franchise Application	Exhibit B
Franchise Agreement	Exhibit C
Personal Guaranty of Principals	Exhibit E
Form of General Release	Exhibit F
Form of Restrictive Covenant	Exhibit L
Acknowledgement Statement	Exhibit N

Item 23: RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document are attached to this Disclosure Document. Please return one signed copy to us and retain the other for your records.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

SHARKEY'S CUTS FOR KIDS

INTERNATIONAL CO., LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

Table of Contents

	Page
Independent auditor's report	3
Balance sheet	5
Statement of operations	6
Statement of member's deficit	7
Statement of cash flows	8
Notes to the financial statements	9

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Member
Sharkey's Cuts for Kids International Co., LLC
Westport, Connecticut

Opinion

We have audited the accompanying financial statements of Sharkey's Cuts for Kids International Co., LLC, which comprise the balance sheet as of December 31, 2025, and the related statements of operations, member's deficit, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sharkey's Cuts for Kids International Co., LLC as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Kezas & Dunlavy

St. George, Utah
April 16, 2026

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

BALANCE SHEET

As of December 31, 2025

	2025
Assets	
Current assets	
Cash and cash equivalents	$ 139,604
Accounts receivable, net	4,305,801
Inventory	205,709
Prepaid expenses	101,966
Deferred commissions, current	313,678
Total current assets	5,066,758
Non-current assets	
Deferred commissions, non-current	1,059,321
Total non-current assets	1,059,321
Total assets	$ 6,126,079
Liabilities and Member's Deficit	
Current liabilities	
Accounts payable and accrued expenses	$ 252,214
Credit card liability	85,238
Notes payable	80,723
Deferred revenue, current	3,011,188
Total current liabilities	3,429,363
Non-current liabilities	
Deferred revenue, non-current	8,475,361
Total non-current liabilities	8,475,361
Total liabilities	11,904,724
Member's deficit	(5,778,645)
Total liabilities and member's deficit	$ 6,126,079

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

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

STATEMENT OF OPERATIONS

For the year ended December 31, 2025

	2025
Operating revenue	
Initial franchise fees	$ 6,231,675
Royalty fees	2,760,530
Product sales	651,957
Other operating revenue	41,215
Total operating revenue	9,685,377
Cost of revenue	3,109,134
Gross profit	6,576,243
Operating expenses	
General and administrative	2,123,641
Advertising and marketing	675,780
Professional fees	409,814
Total operating expenses	3,209,235
Income from operations	3,367,008
Non-operating expense	
Interest expense	37,941
Total non-operating expense	37,941
Net income	$ 3,329,067

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

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

STATEMENT OF MEMBERS' DEFICIT

For the year ended December 31, 2025

Balance as of January 1, 2025	$ (7,572,120)
Member distributions	(1,535,592)
Net income	3,329,067
Balance as of December 31, 2025	$ (5,778,645)

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

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

STATEMENT OF CASH FLOWS

For the year ended December 31, 2025

	2025
Cash flow from operating activities:	
Net income	$ 3,329,067
Adjustments to reconcile net income to net cash provided by operating activities:	
Bad debt expense	318,075
Changes in operating assets and liabilities:	
Accounts receivable	(2,097,675)
Inventory	(26,790)
Prepaid expenses	145,910
Deferred commissions	580,214
Accounts payable and accrued expenses	20,953
Credit card liability	83,653
Deferred revenue	(1,322,081)
Net cash provided by operating activities	1,031,326
Cash flows from financing activities:	
Net draws on notes payable	56,803
Member distributions	(1,535,592)
Net cash used in financing activities	(1,478,789)
Net change in cash and cash equivalents	(447,463)
Cash at the beginning of the year	587,067
Cash at the end of the year	$ 139,604
Supplementary disclosures of cash flows	
Cash paid for interest	$ 37,941
Cash paid for taxes	$ -

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

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

(a) Nature of Business

Sharkey's Cuts for Kids International Co., LLC (the "Company") was organized on April 30, 2013 in the state of Connecticut. The Company's primary business is as a franchisor of professional salon services.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

(b) Accounting Standards Codification

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

(c) Use of Estimates

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

(d) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase.

(e) Accounts Receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalties and other sales transactions. These accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of outstanding amounts.

When determining the allowance for doubtful receivable, the Company has adopted ASC 326, *Financial Instruments—Credit Losses*. This standard requires that management utilize the Current Expected Credit Losses ("CECL") model to recognize the appropriate allowance for doubtful receivables. This model requires entities to estimate and recognize expected credit losses over the life of the financial instrument. For trade receivables, management has elected to apply a simplified approach, based on historical loss experience and adjustments for current and forecasted economic conditions. Management regularly evaluates individual customer receivables, considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. As of December 31, 2025, the Company had allowance for uncollectible accounts of $269,575.

(f) Inventory

Inventory consists of hair care products to be sold to franchisees. It is valued at the lower of cost or market on a first-in first-out basis. There was no impairment recognized during the year ended December 31, 2025.

(g) Leasing

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

(h) Revenue Recognition

The Company adopted ASC 606, *Revenue from Contracts with Customers*. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue. For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the various components of the transaction price and the Company's performance obligations.

The Company's revenues consist of initial franchise fees, product sales, and royalties based on a percentage of gross revenues.

Product sales

Upon evaluation of the five-step process, the Company has determined that product sales are to be recognized upon the transfer of control to the customer, which is generally upon shipment.

Royalties fees

Upon evaluation of the five-step process, the Company has determined that royalties are to be recognized in the same period as the underlying sales.

Initial franchise fees

The Company is required to allocate the transaction price associated with initial franchise fees between the franchise license and associated performance obligations. In identifying the associated performance obligations, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. In addition, the practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation, which the Company has elected to adopt. These pre-opening services include the following (which the Company may or may not provide all of):

- Assistance in the selection of a site
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation
- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business
- Inspection, testing, and other quality control programs

For initial franchise fees, the Company recognizes revenue attributable to pre-opening services when those services have been provided (generally when the franchisee has begun operations). The remaining initial fee is then recognized on a straight-line basis over the life of the agreement, which is generally 10 years.

(i) Income Taxes

The Company is structured as a limited liability company under the laws of the state of Connecticut. Accordingly, the income or loss of the Company will be included in the income tax returns of the member. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under ASC 740, *Accounting for Uncertainty in Income Taxes*. ASC 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the member rather than the Company. Accordingly, there would be no effect on the Company's financial statements. The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2025, the 2024, 2023, and 2022 tax years are subject to examination.

(j) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses totaled $675,780 for the year ended December 31, 2025.

(k) Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. For certain of the Company's financial instruments, including cash and cash equivalents and accounts receivable, the carrying amounts approximate fair value due to their short maturities.

(l) Concentration of Risk

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

(2) Notes Payable

As of December 31, 2025, the Company's notes payable consisted of short-term notes payable to third party banks. The notes mature in the coming twelve-month period and are classified as current on the balance sheet.

(3) Franchise Agreements

The Company's franchise agreements generally provide for payment of initial fees as well as continuing royalties to the Company based on a percentage of gross revenues. Under the franchise agreement, franchisees are granted the right to operate a location for a period of 10 years. Under the Company's revenue recognition policy, the Company allocates a portion of the initial franchise fee to pre-opening services, which is recognized those services are performed (generally when the franchisee begins operations). The remainder is deferred, and the revenue is amortized over the life of the contract. In addition, the Company defers related contract costs such as broker commissions over the same period and records them as deferred contract costs.

A number of franchisees have purchased development rights for multiple locations. During the year ended December 31, 2025, the Company determined that a significant number of those locations were unlikely to open, as the term to open the additional locations had expired. In accordance with ASC 606-10-55-46, *Customers' Unexercised Rights*, the Company recorded all deferred revenue and commissions associated with these contracts.

Disaggregated franchise fee revenue based on the satisfaction of performance obligations in the Company's contracts with franchisees is as follows for the years ended December 31:

		2025
Performance obligations satisfied at a point in time	$	2,697,044
Revenue recognized upon expiration of development rights		1,603,756
Performance obligations satisfied over the life of the contract		1,930,875
Total initial franchise fee revenue	$	6,231,675

The Company's deferred commissions activity is as follows for the years ended December 31:

		2025
Beginning deferred commissions	$	1,953,213
Additions		170,000
Expenses recognized		(750,214)
Ending deferred commissions	$	1,372,999
Deferred commissions, current	$	313,678
Deferred commissions, non-current		1,059,321
	$	1,372,999

The Company's deferred revenue activity is as follows for the years ended December 31:

		2025
Beginning deferred revenue	$	12,808,630
Additions		4,909,594
Revenue recognized from beginning deferred revenue		(5,930,396)
Revenue recognized from contracts executed in the current year		(301,279)
Ending deferred revenue	$	11,486,549
Deferred revenue, current	$	3,011,188
Deferred revenue, non-current		8,475,361
	$	11,486,549

(4) Commitments and Contingencies

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

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

(5) Subsequent Events

Management has reviewed and evaluated subsequent events through April 16, 2026, the date on which the financial statements were issued.

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2024 and 2023

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

TABLE OF CONTENTS

	Page
Independent Auditor's Report	3
Balance Sheets	5
Statements of Operations and Changes in Member's (Deficit)	6
Statements of Cash Flows	7
Notes to Financial Statements	8

Independent Auditor's Report

To the Member
Sharkey's Cuts for Kids International Co., LLC
Westport, Connecticut

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sharkey's Cuts for Kids International Co., LLC which comprise the balance sheets as of December 31, 2024, and 2023 and the related statements of operations, changes in member's (deficit) and cash flows for the years ended December 31, 2024, 2023 and 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of Sharkey's Cuts for Kids International Co., LLC as of December 31, 2024, and 2023 and the results of its operations and its cash flows for the years ended December 31, 2024, 2023 and 2022 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 Audit of the Financial Statements section of our report. We are required to be independent of Sharkey's Cuts for Kids International Co., LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sharkey's Cuts for Kids International Co., LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Reese CPA LLC

Ft. Collins, Colorado
March 13, 2025

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC
BALANCE SHEETS

	AS OF DECEMBER 31,	
	2024	**2023**
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 587,067	$ 470,379
Accounts receivable	2,526,201	2,457,264
Inventory	178,919	129,666
Prepaid expense	247,876	-
Franchise acquisition costs, current portion	324,371	253,675
TOTAL CURRENT ASSETS	3,864,434	3,310,984
FRANCHISE ACQUISTION COST, LONG-TERM	1,628,842	1,550,735
TOTAL ASSETS	$ 5,493,276	$ 4,861,719
LIABILITIES AND MEMBER'S (DEFICIT):		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 232,846	$ 282,649
Notes payable	23,920	-
Non-refundable pre-opening advertising fees	728,000	557,000
Current portion non-refundable deferred franchise fees	951,705	773,451
TOTAL CURRENT LIABILITIES	1,936,471	1,613,100
LONG-TERM LIABILITIES		
Non-refundable deferred franchise fees, net of current portion	11,128,925	10,134,131
TOTAL LIABILITIES	13,065,396	11,747,231
MEMBER'S (DEFICIT)		
Member's (deficit)	(6,099,118)	(5,658,131)
Advances to related parties	(1,473,002)	(1,227,381)
TOTAL MEMBER'S (DEFICIT)	(7,572,120)	(6,885,512)
TOTAL LIABILITIES AND MEMBER'S (DEFICIT)	$ 5,493,276	$ 4,861,719

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

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC
STATEMENTS OF OPERATIONS AND MEMBER'S (DEFICIT)

	FOR THE YEARS ENDED DECEMBER 31,		
	2024	2023	2022
REVENUES			
Franchise fees	$ 3,687,501	$ 5,174,639	$ 5,127,903
Royalty fees	2,225,687	1,832,839	1,471,914
Pre-opening advertising fees	306,000	226,508	312,000
Other revenue	522,800	450,454	546,662
TOTAL REVENUES	6,741,988	7,684,440	7,458,479
COST OF GOODS AND SERVICES SOLD	2,605,784	4,220,492	2,585,313
GROSS PROFIT	4,136,204	3,463,948	4,873,166
OPERATING EXPENSES			
Payroll and related costs	960,907	852,324	704,518
General and administrative	552,317	436,757	299,924
Pre-opening advertising cost	329,454	232,823	262,022
Advertising and promotion	204,366	249,460	80,838
Professional fees	117,415	189,907	79,028
TOTAL OPERATING EXPENSES	2,164,459	1,961,271	1,426,330
OPERATING INCOME	1,971,745	1,502,677	3,446,836
OTHER INCOME (EXPENSE)			
Interest income	4,510	-	-
Interest expense	(13,419)	(7,726)	(45,814)
TOTAL OTHER INCOME (EXPENSE)	(8,909)	(7,726)	(45,814)
NET INCOME	1,962,836	1,494,951	3,401,022
MEMBER'S (DEFICIT), BEGINNING	(5,658,131)	(4,818,142)	(5,716,485)
Member distributions	(2,403,823)	(2,334,940)	(2,502,679)
MEMBER'S (DEFICIT), ENDING	$ (6,099,118)	$ (5,658,131)	$ (4,818,142)

The accompanying notes are an integral part of these financial statements

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC
STATEMENTS OF CASH FLOWS

	FOR THE YEARS ENDED DECEMBER 31,		
	2024	**2023**	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$ 1,962,836	$ 1,494,951	$ 3,401,022
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:			
Recognition of non-refundable deferred franchise fees	(3,821,454)	(4,882,356)	(5,127,803)
Recognition of franchise acquisition costs	314,197	642,529	798,810
Change in assets and liabilities			
Accounts receivable	(68,937)	198,787	(510,226)
Inventory	(49,253)	(129,666)	-
Prepaid expense	(247,876)	-	-
Franchise acquisition costs	(463,000)	(560,000)	(570,000)
Accounts payable and accrued expense	(49,803)	260,903	11,730
Non-refundable deferred franchise fees	5,165,502	5,256,201	5,113,071
Net cash provided by operating activities	2,742,212	2,281,349	3,116,604
CASH FLOWS FROM INVESTING ACTIVITIES	-	-	-
Net cash (used) by investing activities	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from lines of credit	75,000	-	140,000
Repayment of line of credit	(51,080)	(118,669)	(163,438)
Due from affiliates	(245,621)	(173,080)	117,266
Distributions to member	(2,403,823)	(2,334,938)	(2,502,681)
Net cash (used) by financing activities	(2,625,524)	(2,626,687)	(2,408,853)
NET INCREASE (DECREASE) IN CASH	116,688	(345,338)	707,751
CASH, BEGINNING OF YEAR	470,379	815,717	107,966
CASH, END OF YEAR	$ 587,067	$ 470,379	$ 815,717
SUPPLEMENTAL DISCLOSURES			
Cash paid for interest	$ 13,419	$ 7,726	$ 45,814
Cash paid for taxes	$ -	$ -	$ -

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

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sharkey's Cuts for Kids International Co., LLC ("Company") is a Connecticut limited liability company with its home office in Westport, Connecticut. The Company was formed on April 30, 2013 (Inception).

The Company offers franchises for the right to operate a hair salon furnished and designed to attract children and families which offers its services to children of all ages and adults, a full-service family Salon under the name "Sharkey's Cuts for Kids" to be operated within a certain geographic area.

Affiliate

The Company's affiliate Sharkey's Franchise Offering Co., LLC, a Connecticut limited liability company was formed on April 2, 2013 ("Affiliate") offers franchises for Sharkey's Hair IT IS since May 2013 under a separate Franchise Disclosure Document. Affiliate operates a hair salon designed to attract children and families, and which offers a full-service family salon under the name "Sharkey's Hair It Is."

Reporting Entity

The Company's financial statements include the combined results of the Company and the Company's predecessor Sharkey's Franchising Co., LLC, a Connecticut limited liability company formed on July 8, 2003 ("Predecessor"). Predecessor offered franchises for Sharkey's Cuts for Kids salons since July 2003 only in the states of California and Minnesota. Both the Company and Predecessor share common ownership.

A summary of significant accounting policies follows:

Basis of Presentation

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

Preparation of the Company's financial statements in accordance with United States generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with original maturities of three months or less at the date of purchase to be cash equivalents. The Company did not have any cash equivalents as of December 31, 2024, and 2023.

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

The timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized subsequent to invoicing. Management evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any allowance for uncollectible accounts at December 31, 2024, and 2023. Bad debt expense was $21,899, $0, and $0 for the years ended December 31, 2024, 2023 and 2022, respectively. Amounts written off were $21,899, $0, and $0 for the years ended December 31, 2024, 2023 and 2022, respectively.

Inventory

Inventory consists of hair care and hair cutting and related items. It is valued at the lower of cost or market on a first-in first-out basis. There was no impairment recognized during the years ended December 31, 2024, and 2023

Revenue Recognition, Non-refundable Deferred Franchise Fee Revenue and Franchise Acquisition Costs

The Company recognizes revenue using the guidance in FASB ASC Topic 606 "Contracts with Customers".

The Company's revenue is principally generated through franchise agreements executed with the Company's franchisees. Each franchise agreement is comprised of several performance obligations. The Company identifies those performance obligations, determines the contract price for each performance obligation, allocates the transaction price to each performance obligation and recognizes revenue when the Company has satisfied the performance obligation by transferring control of the good or service to the franchisee.

When a franchisee purchases a Sharkey's Cuts for Kids franchise, the Company grants the franchisee the right to operate a location in a designated territory and use the proprietary methods, techniques, trade dress, trademarks, and logos ("the license"). Revenues related to the territory and license rights are continuing royalties that vary from $1,000 to $1,750 per month as defined in the franchise agreement. These revenues are used to continue the development of the Company's brand, the franchise system and provide ongoing support for the Company's franchisees over the term of the agreement. The royalties are billed monthly and are recognized as revenue when earned.

Revenue from initial fees is allocated to the performance obligations in the franchise agreement that are distinct from the territory and license. These primarily include training services, store location support, opening support services, equipment, inventory, signage, fixtures and supplies and franchisee acquisition and acceptance. The Company is using the practical expedient under the guidance of ASU 952-606 and is treating all pre-opening activities as distinct from the franchise license as defined in the prior paragraph. The Company has determined that 25% of the first initial franchise fee is allocable to the pre-opening obligations in the franchise contract. Amounts allocated to the provision of equipment, inventory, signage, fixtures, and supplies are determined using the expected cost plus a margin approach. The amount allocated to each identified performance obligation is revenue from initial fees and is recognized when the performance obligation is satisfied and control of the goods or service has been transferred to the franchisee. Performance obligations that are normally satisfied by the opening of the franchised business to the public

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition, Non-refundable Deferred Franchise Fee Revenue and Franchise Acquisition Costs (continued)

are determined to be earned during the period from the execution of the contract to the opening of the franchised business which is generally less than one year. Unearned initial fee revenues from franchisee acquisition and acceptance will be recorded as deferred non-refundable revenue and recognized as revenue over the term of the contract, which is currently 10 years from the date of the franchise agreement. Incremental costs of obtaining a franchise agreement with a franchisee related to unsatisfied performance obligations will be recorded as a franchise acquisition asset and are recognized as a cost of sales over the same term as the related performance obligation which is currently 10 years.

Pre-opening Advertising Revenue

The Company collects from each franchise a fee for advertising cost to be spent at the time of the franchise location is near opening. Revenues related to pre-opening advertising are $9,500 per territory right purchased. Pre-opening advertising is recognized as revenue upon the opening of each franchise location. Amounts collected in advance are reported as non-refundable franchise fees in the attached balance sheet. Prior to 2023 the fee was not collected in advance but only at the time that the franchise location was about to open.

Advertising

Advertising costs are charged to expense as incurred. Pre-opening advertising cost expensed were $329,454, $232,823, and $262,022 ,and $279,542, for the years ended December 31, 2024, 2023 and 2022, respectively. Advertising costs charged to expense were $205,919, $249,460, and $80,838 for the years ended December 31, 2024, 2023 and 2022, respectively.

Income Taxes

The Company has elected to be treated as a disregarded entity for income tax purposes. Accordingly, taxable income and losses of the Company are reported on the income tax returns of its member and no provision for federal or state income taxes has been recorded in the accompanying balance sheet.

The Company adopted ASC 740-10-25-6 "Accounting for Uncertainty in Income Taxes", that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold upon examination by taxing authorities.

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements. The Company's evaluation was performed for the tax periods ending December 31, 2024, 2023 and 2022 for U.S. Federal Income Tax and for the State of Connecticut Income Tax, the tax years which remain subject to examination by major tax jurisdictions as of December 31, 2024.

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and franchisee receivables. The Company places its temporary cash investments with financial institutions. At times throughout the year the Company may, in the ordinary course of business, maintain cash balances in excess of federally insured limits. Management does not believe the Company is exposed to any unusual risks on such deposits. The Company grants credit to franchisees. The Company's ability to collect the amounts due from franchisees is affected by fluctuations in the economy and the operations of the franchisees.

Fair Value of Financial Instruments

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

Recently Issued Accounting Pronouncements

The Company has adopted all recently issued Accounting Standards Updates ("ASU"). The adoption of the recently issued ASUs, including those not yet effective, is not anticipated to have a material effect on the financial position or results of operations of the Company.

NOTE 2 – RECLASSIFICATION AND RESTATEMENT

Reclassification of Franchise Fee Revenue and Related Costs From Terminated Contracts

For the years ended December 31, 2023, and 2022, recognition of non-refundable deferred franchise fee revenue from the termination of contracts and the associated recognition of amounts owed (accounts receivable) but not received by franchisees under the terms of the franchise contract for the development of additional locations under the terms of the franchise contract was reported on a net realizable value basis as franchise fee revenue. The Company has determined to report these amounts on a gross basis and show at the date of contract termination the total unrecognized non-refundable deferred franchise fees as revenue and the total of any lost accounts receivable as a cost of sale. The effect of this change is to increase reported franchise fee revenue and reported cost of sales by $2,256,528 and $348,843 for the years ending December 31, 2023, and 2022.

Correction of Franchise Fee Revenue, Related Franchise Acquisition Costs, Related Accrued Expense, Accounts Receivable and Cash Balances

For the year ended December 31, 2022, the Company has determined that royalty payments collected by the Company's payment processor that were in a "hold" status as of December 31,2022 had been incorrectly classified as a member distribution. The effect of this correction is to increase the reported cash and cash equivalents balance by $21,563 and increase member's equity by the same amount.

For the year ended December 31, 2023, the Company determined that non-refundable deferral franchise fees related to the opening of some locations had not been recognized upon the opening of the location, some incremental commissions incurred from sales of franchise contracts had not been accrued and some payments on franchise contracts had been credited to royalty revenue.

The effect of these corrections on the reported revenue of the Company were to increase franchise fee revenue by $98,005, increase pre-opening advertising fee revenue by $9,500 and decrease royalty revenue by $6,666. The offsets were to the related non-refundable deferred franchise fees, nonrefundable deferred pre-opening advertising fees and accounts receivable. The effect of these corrections on the cost of sales, franchise acquisition costs and accrued expenses were to increase the cost of sales by $20,210, increase franchise acquisition costs by $19,790 and increase accrued expenses by $40,000.

Reclassification of Costs

The Company has changed the classification of certain costs incurred in the years ended December 31, 2023, and 2022 to conform to the classification of these costs in the year ended December 31, 2024. The most significant reclassifications were to move the reporting of shipping from general and administrative expense to cost of sales totaling $139,290 and $97,575 and cost amounts from statement of operations to inventory, member distributions/advances to related parties totaling $19,666, and $59,461 for the year ending December 31, 2023

The following tables for the years ending December 31, 2023, and 2022 show the financial statement captions and the changes in each financial statement caption.

NOTE 2 – RECLASSIFICATION AND RESTATEMENT (CONTINUED)

Year Ended December 31, 2023

Financial Statement Caption	Reported Previously	Reclass Changes	Correction	Current Presentation
Balance Sheet				
Cash and equivalents	$ 470,597	$ (218)	$ -	$ 470,379
Accounts receivable	2,463,930	-	(6,666)	2,457,264
Inventory	110,000	19,666	-	129,666
Franchise acquisition costs	1,784,620	-	19,790	1,804,410
Accounts payable and accrued expenses	(242,638)	(11)	(40,000)	(282,649)
Non-refundable pre-opening advertising fees	(566,500)	-	9,500	(557,000)
Non-refundable deferred franchise fees	(11,005,587)	-	98,005	(10,907,582)
Member's deficit, beginning	4,885,168	(67,026)	-	4,818,142
Member distribution	2,325,246	9,694	-	2,334,940
Net income	(1,354,861)	(59,461)	(80,629)	(1,494,951)
Advances to related parties	1,130,025	97,356	-	1,227,381
Balance Sheet Totals	$ -	$ -	$ -	$ -
Revenue				
Franchise fees	$ (2,826,606)	$ (2,250,028)	$ (98,005)	$ (5,174,639)
Royalty fees	(1,884,481)	44,976	6,666	(1,832,839)
Pre-opening advertising fees	(217,008)	-	(9,500)	(226,508)
Other revenue	(452,448)	1,994	-	(450,454)
Total Revenue	**(5,380,543)**	**(2,203,058)**	**(100,839)**	**(7,684,440)**
Cost of sales	1,875,943	2,324,339	20,210	4,220,492
General and administrative	550,814	(114,057)	-	436,757
Payroll and related costs	879,222	(26,898)	-	852,324
Pre-opening advertising cost	214,417	18,406	-	232,823
Advertising and promotion	307,653	(58,193)	-	249,460
Professional fees	189,907	-	-	189,907
Interest expense	7,726	-	-	7,726
Total Expenses	**4,025,682**	**2,143,597**	**20,210**	**6,189,489**
Net income	**$ (1,354,861)**	**$ (59,461)**	**$ (80,629)**	**$ (1,494,951)**

NOTE 2 – RECLASSIFICATION AND RESTATEMENT (CONTINUED)

	Year Ended December 31, 2022			
Financial Statement Caption	**Reported Previously**	**Reclass Changes**	**Correction**	**Current Presentation**
Balance Sheet				
Cash and equivalents	$ 794,254	$ -	$ 21,463	$ 815,717
Accounts receivable	2,656,051	-	-	2,656,051
Franchise acquisition costs	1,886,939	-	-	1,886,939
Accounts payable and accrued expenses	(21,745)	-	-	(21,745)
Notes payable	(118,668)	-	-	(118,668)
Non-refundable deferred franchise fees	(11,090,737)	-	-	(11,090,737)
Member's deficit, beginning	5,715,335	-	1,150	5,716,485
Member distribution	2,571,466	(46,174)	(22,613)	2,502,679
Net income	(3,401,633)	611	-	(3,401,022)
Advances to related parties	1,008,738	45,563	-	1,054,301
Balance Sheet Totals	**$ -**	**$ -**	**$ -**	**$ -**
Revenue				
Franchise fees	$ (4,776,412)	$ (351,491)	$ -	$ (5,127,903)
Royalty fees	(1,467,649)	(4,265)	-	(1,471,914)
Pre-opening advertising fees	(312,000)	-	-	(312,000)
Other revenue	(536,510)	(10,152)	-	(546,662)
Total Revenue	**(7,092,571)**	**(365,908)**	**-**	**(7,458,479)**
		-		
Expenses				
Cost of sales	2,090,224	495,089	-	2,585,313
General and administrative	474,114	(174,190)	-	299,924
Payroll and related costs	704,518	-	-	704,518
Pre-opening advertising cost	279,676	(17,654)	-	262,022
Advertising and promotion	-	80,838	-	80,838
Professional fees	96,592	(17,564)	-	79,028
Interest expense	45,814	-	-	45,814
Total Expenses	**3,690,938**	**366,519**	**-**	**4,057,457**
Net income	**$ (3,401,633)**	**$ 611**	**$ -**	**$ (3,401,022)**

NOTE 3 – CONTRACTS WITH CUSTOMERS

The Company has recognized an asset for the incremental costs and recorded a liability for unearned revenue associated with franchisee acquisition and acceptance performance obligation of the Company's franchise agreement. The account balances and activity are as follows:

	December 31,	
	2024	2023
Franchise Acquisition Costs:		
Balance Beginning of year	$ 1,804,410	$ 1,886,939
Deferral of franchise acquisition costs	463,000	560,000
Recognition of franchise acquisition costs	(314,197)	(642,529)
Balance at End of Year	$ 1,953,213	$ 1,804,410
Deferred Non-refundable Franchise Fees:		
Balance Beginning of year	$ 10,907,582	$ 11,090,737
Deferral of non-refundable franchise fees	4,769,002	4,680,201
Recognition of non-refundable franchise fees	(3,595,954)	(4,863,356)
Balance at End of Year	$ 12,080,630	$ 10,907,582
Deferred Non-refundable Pre-opening Advertising Fees:		
Balance Beginning of year	$ 557,000	$ -
Deferral of non-refundable franchise fees	396,500	576,000
Recognition of non-refundable franchise fees	(225,500)	(19,000)
Balance at End of Year	$ 728,000	$ 557,000

Non-refundable deferred franchise fees allocated to performance obligations related to equipment, inventory, signage, fixtures, and supplies totaled $4,011,485, and $3,974,965 at December 31, 2024, and 2023, respectively. Non-refundable deferred franchise fees related to the allocation of initial franchise fees to pre-opening obligations in the franchise contract are $1,200,000, and $1,040,000 as of December 31, 2024, and 2023. These revenues will be recognized as earned upon the satisfaction of the related performance obligations by the Company.

NOTE 3 – CONTRACTS WITH CUSTOMERS (CONTINUED)

Estimated Recognition of Non-refundable Deferred Franchise Fees and Franchise Acquisition Costs

Estimated revenues and franchise acquisition costs to be recognized in future periods related to non-refundable deferred franchise fees as reported at December 31, 2024, is as follows:

	Franchise Acquisition Costs	Non-refundable Franchise Fees
Year ending December 31:		
2025	$ 324,371	$ 951,705
2026	292,339	951,705
2027	290,125	946,176
2028	256,523	903,126
2029	217,213	838,963
Thereafter	572,642	7,488,955
	$ 1,953,213	$ 12,080,630

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees for the years December 31, 2024, 2023 and 2022, is as follows:

	2024	2023	2022
Performance obligations earned at a point in time	$ 5,420,167	$ 5,596,429	$ 5,874,684
Performance obligations earned through the passage of time	1,321,821	2,088,011	1,583,795
Total revenues	$ 6,741,988	$ 7,684,440	$ 7,458,479

NOTE 4 – NOTES PAYABLE

The Company has entered into working capital borrowing agreements ("notes") with an Internet bank. The total advances on the notes were $75,000 and $0 for the years ended December 31, 2024, and 2023, respectively. The interest rate on the notes varies between 5.6% and 12.2%. Minimum payments of $7,933 were due every 90 days. The notes are short term notes and are expected to be paid off within 12 months from the funding of the loans or any renewals or rollover of the notes. Payments made on the loans were $51,080, and $118, 668 for the years ended December 31, 2024, and 2023, respectively. The notes are collateralized by the Company's "Business PayPal" Sale proceeds, which consist of recurring royalty and product revenues processed through PayPal. The balance on these revolving lines of credit at December 31, 2024, and 2023 was $23,920 and $0, respectively.

NOTE 5 – TRANSACTIONS WITH MEMBERS AND AFFILIATE

At various times, the Company advances funds to and receives funds for various business purposes from the Company's affiliates who are commonly owned. *T*he Company has made certain advances to the Company's member.

Advances are not collateralized, noninterest bearing and due on demand. Net advances due from the related parties as of December 31, 2024*,* and 2023 were $1,473,002, and $1,227,381*,* respectively. The advances are reported as a component of members' (deficit) in the accompany balance sheets as the net advances are considered to be "in fact" distributions not having stated repayment terms and the ownership of these related parties is the same ownership of the Company.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

Litigation:

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTE 6 - SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through March 13, 2025, the date on which the financial statements were available to be issued.

EXHIBIT B TO THE DISCLOSURE DOCUMENT

APPLICATION FOR FRANCHISE

APPLICATION

37 Highland Road
Westport, CT 06880

Please print or type Date _____/ ____ /_____

GENERAL INFORMATION

PRINCIPAL APPLICANT'S NAME _____

DATE OF BIRTH___/ _____/ _____SOCIAL SECURITY NUMBER _____

RESIDENCE ADDRESS _____

CITY _____ STATE_____

HOME PHONE ( ) _____ BEST TIME TO REACH _____

HOW LONG AT PRESENT ADDRESS_____OWN? _____ RENT?_____

PREVIOUS ADDRESSES (List for 10 years) _____

CURRENT EMPLOYER _____

POSITION _____ NATURE OF DUTIES _____

EMPLOYER'S ADDRESS_____

MAY WE CONTACT YOU AT WORK? _____

BUSINESS PHONE ( )_____ BEST TIME TO REACH _____

EDUCATION

HIGH SCHOOL _____COLLEGE _____DEGREE IN _____

ATTACH RESUME IF AVAILABLE

IF HUSBAND/ WIFE TEAM, IN WHAT POSITION AND CAPACITY WILL SPOUSE BE INVOLVED? _____

SPOUSE'S NAME _____

SPOUSE'S DATE OF BIRTH / ____/ _____ SPOUSE'S SOCIAL SECURITY NUMBER _____

SPOUSE'S RESIDENCE ADDRESS _____

SPOUSE'S HOME PHONE ( )_____BEST TIME TO REACH _____

HOW LONG AT PRESENT ADDRESS? _____ OWN? _____ RENT? _____

SPOUSE'S PREVIOUS ADDRESSES (List for 10 years) _____

_____

_____

SPOUSE'S CURRENT EMPLOYER _____

POSITION _____NATURE OF DUTIES_____

EMPLOYER'S ADDRESS_____

MAY WE CONTACT YOU AT WORK? _____

BUSINESS PHONE ( ) _____BEST TIME TO REACH_____

EDUCATION - SPOUSE

HIGH SCHOOL _____ COLLEGE_____ DEGREE IN _____

HOBBIES AND INTERESTS _____

ATTACH RESUME IF AVAILABLE

DEPENDENTS

NAMES AND AGES OF CHILDREN _____

_____

OTHER DEPENDENTS?_____RELATIONSHIPS AND AGES_____

_____

WILL YOU HAVE A PARTNER OR OTHER PARTNERS OTHER THAN YOUR SPOUSE?

IF YES, WHAT WILL BE THEIR INVOLVEMENT? _____

_____

PLEASE HAVE THEM FILL OUT A SEPARATE APPLICATION.

HAVE YOU OR YOUR SPOUSE BEEN CONVICTED OF ANY FELONY CHARGES? _____

DO YOU OR YOUR SPOUSE HAVE ANY FELONY CHARGES PENDING, BEING APPEALED, OR ARE YOU UNDER INDICTMENT? _____

FINANCIAL INFORMATION

PRESENT ANNUAL INCOME_____

SPOUSE'S PRESENT ANNUAL INCOME _____

INTEREST AND DIVIDENDS _____

OTHER INCOME _____

TOTAL INCOME_____

ATTACH PREPARED FINANCIAL STATEMENT, IF AVAILABLE

YOUR BANK_____

BANK PHONE ( ) _____ BANK OFFICER_____

CHECKING ACCOUNT NO. _____ SAVINGS ACCOUNT NO. _____

DO YOU OWN YOUR OWN HOME? _____

DO YOU OWN YOUR OWN BUSINESS? _____

HAVE YOU EVER FILED FOR PERSONAL OR BUSINESS BANKRUPTCY? _____

HAVE YOU EVER HAD ANYTHING REPOSSESSED?_____

HOW DO YOU PLAN TO PAY FOR THE INITIAL FRANCHISE FEE? _____

WHAT IS YOUR CUSTOMARY EARNINGS LEVEL?_____ SPOUSE'S? _____

ESTIMATED MINIMUM INCOME REQUIRED FOR YOUR CURRENT LIVING EXPENSES?_____

ASSETS	**LIABILITIES**
CASH IN CHECKING _____	NOTES PAYABLE TO BANKS _____
CASH IN SAVINGS _____	NOTES PAYABLE TO OTHERS _____
REAL ESTATE (HOME) _____	REAL ESTATE DEBT_____
OTHER REAL ESTATE _____	AUTOMOBILE DEBT_____
(DESCRIBE)_____	
CASH SURRENDER OF LIFE INS._ _____	OWING ON LIFE INSURANCE_____
STOCKS AND BONDS _____	TAXES PAYABLE _____
AUTOMOBILES _____	CHARGE ACCOUNT _____
YOUR OWN BUSINESS _____	OTHER LIABILITIES _____

APPRAISED COLLECTIBLES_____

MONEY DUE YOU_____

OTHER ASSETS (DESCRIBE)_____

_____

_____

TOTAL ASSETS **$**_____

LESS TOTAL LIABILITIES **$**_____

NET WORTH **$**_____

EXACT AMOUNT OF CAPITAL YOU HAVE FOR THIS FRANCHISE $ _____

IF THE REQUIRED AMOUNT IS NOT AVAILABLE, HOW WOULD THE INVESTMENT BE OBTAINED? PLEASE EXPLAIN IN DETAIL.

_____

_____

HAVE YOU EVER BEEN A PRINCIPAL OWNER OF A BUSINESS BEFORE? _____

IF YES, BRIEFLY EXPLAIN _____

_____

_____

LEGAL FORMAT

( ) SOLE PROPRIETOR NAME_____

( ) CORPORATION NAME_____

( ) PARTNERSHIP NAME_____

( ) OTHER EXPLAIN _____

HAVE YOU EVER BEEN A PRINCIPAL OWNER OF A BUSINESS BEFORE? _____

IF YES, BRIEFLY EXPLAIN _____

_____

_____

HAVE YOU EVER BEEN GRANTED A FRANCHISE OR LICENSE BEFORE? _____

IF YES, BRIEFLY EXPLAIN _____

_____

_____

LOCATION

DO YOU HAVE A LOCATION IN MIND ALREADY?_____

IF SO, IN WHAT CITY AND, IF KNOWN, WITH ZIP CODE?_____

REFERENCES

I HEREBY AUTHORIZE **SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC.** TO CONTACT THE FOLLOWING REFERENCES AND OTHER SOURCES FOR INFORMATION ABOUT ME. I RELEASE **SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC.**, ITS AFFILIATES, AGENTS AND EMPLOYEES FROM ANY LIABILITY ARISING EITHER FROM THE RECEIPT OR USE OF ANY INFORMATION OBTAINED THROUGH THESE SOURCES.

SIGNATURE _____DATE _____

CREDIT REFERENCES.

BUSINESS REFERENCES	PERSONAL REFERENCES
1. NAME _____	NAME_____
ADDRESS _____	ADDRESS _____
CITY, STATE _____	CITY, STATE_____
PHONE _____	PHONE_____
2. NAME_____	NAME_____
ADDRESS _____	ADDRESS _____
CITY, STATE_____	CITY, STATE _____
PHONE_____	PHONE_____
3. NAME_____	NAME_____
ADDRESS _____	ADDRESS _____
CITY, STATE_____	CITY, STATE _____
PHONE_____	PHONE_____

SUCCESS INDICATORS

DO YOU OBJECT TO WORKING EVENINGS, WEEKENDS, HOLIDAYS AND VACATIONS?

DO YOU ENJOY AND GET ALONG WELL WITH ADULTS AND CHILDREN?_____

DO YOU HAVE A BACKGROUND IN SALES? _____

WILL YOU BE WILLING TO SHARE SOME OF YOUR BUSINESS EXPERIENCES OF YOUR FRANCHISE WITH OTHER SHARKEY'S FRANCHISEES? _____

ARE YOU WILLING TO FOLLOW A PLAN TO MAKE YOUR BUSINESS SUCCESSFUL?

_____

IF WE WERE TO GO AHEAD, WHAT WOULD BE YOUR SCHEDULE FOR STARTING?

_____

APPLICATION STATEMENT

IT IS UNDERSTOOD THAT THE PURPOSE OF THIS APPLICATION IS FOR INFORMATION ONLY, AND IS NO WAY BINDING UPON EITHER **SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC.** OR THE APPLICANT. THE INFORMATION I HAVE SUBMITTED WITHIN THIS APPLICATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SIGNATURE OF APPLICANT _____ DATE_____

EXHIBIT C TO THE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

_____
Franchisee

_____
Date

Sharkey's Cuts for Kids Franchise
- ☐ Single Unit Franchise
- ☐ 2-Pack Franchise
- ☐ 3-Pack Franchise
- ☐ 6-Pack Franchise

Sharkey's Hair It Is Franchise
- ☐ Single Unit Franchise
- ☐ 2-Pack Franchise
- ☐ 3-Pack Franchise
- ☐ 6-Pack Franchise

TABLE OF CONTENTS

1. GRANT OF LICENSE 2
2. ACCEPTANCE BY FRANCHISEE 4
3. TERM 4
4. TRADEMARK STANDARDS 6
5. FEES 8
6. FRANCHISOR'S OBLIGATIONS 10
7. FRANCHISEE'S OBLIGATIONS 13
8. ADVERTISING 18
9. FINANCIAL STANDARDS 21
10. INSURANCE 22
11. INDEMNIFICATION OBLIGATIONS 23
12. FRANCHISOR'S RIGHT OF FIRST REFUSAL 24
13. ASSIGNMENT OF FRANCHISE 26
14. DISPUTE RESOLUTION 29
15. TERMINATION 32
16. CONSEQUENCES OF TERMINATION 35
17. TRANSFER OF SALON PREMISES AND EQUIPMENT 36
18. MISCELLANEOUS PROVISIONS 38

ATTACHMENTS

Attachment 1: Location and Territory
Attachment 2: Guaranty
Attachment 3: Option for Assignment of Lease
Attachment 4: Multi-Unit Addendum
Attachment 5: SBA Addendum
Attachment 6: Hair It Is Addendum

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

FRANCHISE AGREEMENT

This Franchise Agreement (this "Agreement") is being entered into on this day _____ by and between Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company having its principal place of business at 37 Highland Road, Westport, Connecticut 06880 ("Franchisor"), and_____, a(n) _____, with its principal place of business located at_____ and_____'s principal(s) _____, an individual residing at _____ and_____, an individual residing at _____ ("Controlling Principal(s)"). _____ and Controlling Principal(s) shall be collectively referred to in this Agreement as the "Franchisee".

RECITATIONS

Through the expenditure of considerable time, effort and money, Franchisor has developed and established hair cutting salons furnished and designed to attract children and adults using the "Sharkey's Cuts for Kids," "Sharkey's Hair It Is" trademarks and Franchisor's confidential operations manual ("Manual") of business practices and policies, and Franchisor's distinctive, décor, fixtures and furnishings, operations methods, sales techniques, inventory, procedures for management control and training, assistance, advertising, and promotional programs, all of which may be changed, improved or further developed by Franchisor at any time (taken together herein the "System").

The System is identified by certain trade names, service marks**,** trademarks, logos, emblems and indicia of origin, including but not limited to the "Sharkey's Cuts for Kids," "Sharkey's Hair It Is" service marks, as set forth in Attachment 1, and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated or substituted by Franchisor for use in connection with the System (the "Marks" or "Proprietary Marks").

Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed under the Marks and the System and to represent the System's high standards of quality, appearance, and service.

Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, service, and appearance, and the necessity of operating the business franchised hereunder in conformity with Franchisor's standards and specifications.

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other set forth herein, and intending to be legally bound hereby, mutually agree as follows:

1. GRANT OF LICENSE

1.1 Grant

Franchisor hereby grants to Franchisee and Franchisee accepts, upon the terms and conditions of this Agreement, the limited right and license to: (a) establish and operate one (1) Sharkey's Cuts for Kids salon or Hair It Is (the "Salon") at the location described on Attachment 1 to this Agreement (the "Location"); (b) use the Marks under the terms of this Agreement to identify and promote the Salon and the business conducted and the goods and services offered hereunder; and (c) use the System for the

operation of the Salon at the Location. The Salon that Franchisee is purchasing pursuant to this Agreement is:

- ☐ A Sharkey's Cuts for Kids Salon
- ☐ A Sharkey's Hair It Is Salon

Franchisee agrees to execute Attachment 6 of this Agreement for any grant of a Sharkey's Hair It Is franchise.

1.2 Location

The rights granted to Franchisee in this Agreement are specifically restricted to the operation by Franchisee of a Salon at the Location identified in Attachment 1 to this Agreement and shall be effective only with respect to the franchise located at this Location. No branches or second locations shall be permitted under this Agreement. Franchisee acknowledges and agrees that no representations or warranties have been made by Franchisor with respect to the grant of any other franchises or permission to operate the franchise from any additional or other location. Franchisee and its Controlling Principals (as defined in Section 18.1) have represented to Franchisor that they have entered this Agreement with the intention to comply fully with the obligations to construct a Salon hereunder and not for the purpose of reselling the rights to develop the Salon hereunder.

1.3 Territory

Upon the execution of this Agreement, Franchisee will be assigned a territory (the "Territory") that will also be described in Attachment 1. Except as provided in this Agreement, and subject to Franchisee's and the Controlling Principals' full compliance with this Agreement and any other agreement among Franchisee (defined as any entity that is controlled by, controlling or under common control with such other entity) and Franchisor, Franchisor shall not establish or authorize any other person or entity, other than Franchisee, to establish a Sharkey's Cuts for Kids Salon in the Territory during the term of this Agreement. Franchisee acknowledges and understands that the rights granted hereunder pertain only to the establishment of a Sharkey's Cuts for Kids Salon. Franchisee acknowledges and agrees that (a) Franchisor or its principals currently operate, or may in the future operate, salons under the Marks, (b) other franchisees in the System currently operate, or may in the future operate, salons under the Marks, and (c) Franchisor's affiliates currently operate, or may in the future operate, salons under different marks and with operating systems that are the same or similar to the System, and that any such salons might compete with Franchisee's Salon. Franchisee further agrees and acknowledges that the license granted hereby is only for the operation of one (1) Sharkey's Cuts for Kids Salon. Accordingly, in the Territory, Franchisor and any of its current or future affiliates may own, acquire, establish and/or operate, and license others to establish and operate, businesses under other proprietary marks and/or other operating systems, regardless of whether such businesses are the same, similar, or different from the Salon, Franchisor and any of its current or future affiliates may also offer and sell (and may authorize others to offer and sell): (i) collateral products under the Marks, at or from any location, such as Sharkey's Cuts for Kids memorabilia or products; (ii) services under the Marks at or through any Sharkey's Cuts for Kids Salon or other permanent, temporary or seasonal facility providing in whole or in part the services offered by a Franchisor Salon in a Reserved Area only (as defined below); and (iii) any products or services under the Marks or any other names and marks. A "Reserved Area" is defined as an airport, or travel plaza, hospitals, schools, hotels, festivals, fairs and other mass gathering locations or events.

1.4 Relocation

Franchisee may relocate the Salon for a legitimate business reason. The relocation of Franchisee's Salon will be subject to Franchisor's then-current relocation fee, payable upon Franchisor's approval of

Franchisee's request to relocate the Salon. Any relocation of Franchisee's Salon will be subject to Franchisor's prior approval, which may be granted or withheld, in its sole discretion. In addition, Franchisee will be required to execute the form of Franchise Agreement that is being executed by new franchisees at the time of Franchisee's relocation and will be subject to the terms of that Franchise Agreement except for the franchise term. If Franchisee does relocate its Salon, Franchisee's existing Salon cannot be closed for more than ninety (90) days.

2. ACCEPTANCE BY FRANCHISEE

2.1 Acceptance

Franchisee accepts this Agreement and the license granted herein and undertakes the obligation to develop and operate the Salon in accordance with the System using the Marks in strict compliance with the terms and conditions specified herein. Franchisee may not directly or indirectly franchise, sub franchise, license or sublicense the rights granted to Franchisee in this Agreement.

2.2 Non-Exclusive License

Except as set forth herein, the franchise and licenses granted to Franchisee by this Agreement are non-exclusive and Franchisor shall have, at all times throughout the term of this Agreement and any renewals hereof, and at all places, the unqualified right to open and operate, or to franchise and license others to open and operate, businesses utilizing the System anywhere, except within Franchisee's Territory.

2.3 Limitations on Sale of Products or Services

This license does not include any right to provide any service at or from any location except from the Location. Use by Franchisee, directly or indirectly, of the System, the Proprietary Marks licensed hereunder, or the sale of any service at any location other than from the Location shall be a material breach of this Agreement and shall give Franchisor, in addition to all other rights and remedies hereunder, the right to terminate this Agreement. Franchisee shall not engage in any promotional activities or sell any approved products or services or similar products or services, whether directly or indirectly, through the internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system (collectively, the "Electronic Media"); or by telecopy or other telephonic or electronic communications, including toll-free numbers, directed to or received from clients or prospective clients located outside of the Territory. Franchisee may place advertisements in printed media and on television and radio that are targeted to clients and prospective clients located within the Territory, and Franchisee will not be deemed to be in violation of this Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective clients outside of the Territory. Franchisee may not make any sales or perform services to clients located outside of the Territory unless there is not another Salon, either franchised or company-owned, located in close proximity to Franchisee's Salon.

3. TERM

3.1 Initial Term

Unless sooner terminated as provided in Section 15 hereof, this Agreement shall continue for a term of ten (10) years from the Effective Date.

3.2 Renewal

Subject to the terms and conditions of this Agreement, Franchisee shall have the right, following the expiration of the Term hereof, to enter into a new franchise agreement and other agreements (the

"Successor Franchise Agreement") for an unlimited number of additional renewal terms of five (5) years each (provided that such renewal term shall automatically terminate upon the expiration or termination of Franchisee's right to possess the Salon premises), subject to the conditions for renewal set forth in Section 3.3 and 3.4. Unless renewed pursuant to Section 3.3 and 3.4, this Agreement and all rights licensed herein shall expire and revert to Franchisor upon the expiration of this Agreement.

3.3 Form and Manner of Exercise

If Franchisee desires to exercise Franchisee's option to enter into a Successor Franchise Agreement, it shall be done in the following manner:

(a) Not less than six (6) months prior to the expiration of the Term of this Agreement, Franchisee shall request from Franchisor in writing, a copy of Franchisor's then current Disclosure Document (including Franchisor's then current franchise agreement).

(b) Franchisee must execute and return to Franchisor all required documents, including any and all ancillary documents, within thirty (30) days after receipt by Franchisee of a copy of Franchisor's then current Disclosure Document.

(c) The Successor Franchise Agreement shall supersede this Agreement in all respects, and Franchisee understands and acknowledges that the terms of such new agreement may differ from the terms of this Agreement, including, without limitation, higher or lower royalty and other fees.

(d) If Franchisee fails to perform any of the acts or deliver any of the notices required pursuant to this section in a timely fashion, such failure shall be deemed an election by Franchisee not to exercise Franchisee's option to enter into the Successor Franchise Agreement, and such failure shall cause Franchisee's right and option to automatically lapse and expire, without further notice by Franchisor.

(e) Franchisee acknowledges that the initial Term of this Agreement provides Franchisee more than a sufficient opportunity to recoup Franchisee's investment in the Franchise, as well as a reasonable return on such investment.

3.4 Conditions to Renew

Upon the expiration of the initial term and each renewal term of this Agreement, Franchisee must satisfy each of the following conditions, to Franchisor's satisfaction, to renew the license granted herein:

(a) Franchisee shall not be in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor or its affiliates and shall be in compliance with all other Sharkey's Franchise Agreements to which Franchisee or its affiliates may be a party, and shall be in compliance with Franchisor's policies for all Sharkey's Cuts for Kids Salons on the date of the notice of renewal and at the expiration of the then-current term;

(b) Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor under this Agreement and any other agreement between the Franchisee and Franchisor or any of its affiliates and Franchisee and shall have timely met those obligations;

(c) Franchisee shall perform at Franchisee's expense such renovation and replacement of building, grounds, leasehold improvements, equipment, fixtures and signage as Franchisor reasonably requires so that the Salon conforms with then-current System standards;

(d) Franchisee shall present satisfactory evidence that Franchisee has the right to remain in possession of the Salon premises or obtain Franchisor's approval of a new site for the operation of the Salon for the duration of the renewal term of this Agreement;

(e) Franchisee shall pay Franchisor a renewal fee of Two Thousand Five Hundred Dollars ($2,500) at least six (6) months prior to renewal;

(f) Franchisee shall comply with Franchisor's then-current qualification and training requirements;

(g) Franchisee and the Controlling Principals shall sign a general release (the "General Release") of any and all claims against Franchisor, and the officers, directors, partners, shareholders, agents, representatives, independent contractors, servants and employees of each of them, in their corporate and individual capacities, including without limitation, claims arising under this Agreement or under federal, state or local laws, rules, regulations or orders; and

(h) Franchisee will be required to sign Franchisor's then-current form of Franchise Agreement and pay the then-current royalty fee and any other recurring fees, but not the initial franchise fee, required by the then-current Franchise Agreement. Franchisee acknowledges that the then-current Franchise Agreement required to be executed by Franchisee at the time of renewal may contain terms materially different from those contained in this Agreement.

4. TRADEMARK STANDARDS

4.1 Grant

Franchisor grants Franchisee the right to use the Marks during the term of this Agreement in accordance with the System and related standards and specifications.

4.2 Acknowledgments

Franchisee expressly understands and acknowledges that:

(a) As between Franchisor and Franchisee, Franchisor is the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them.

(b) Neither Franchisee nor any Controlling Principal shall take any action that would prejudice or interfere with the validity of Franchisor's rights with respect to the Marks. Nothing in this Agreement shall give the Franchisee any right, title, or interest in or to any of the Marks or any other service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials of Franchisor, except the right to use the Marks and the System in accordance with the terms and conditions of this Agreement for the operation of the Salon and only at or from its Location or in approved advertising related to the Salon.

(c) Franchisee understands and agrees that the limited license to use the Marks granted hereby applies only to such Marks as are designated by Franchisor, and which are not subsequently designated by Franchisor as being withdrawn from use, together with those which may hereafter be designated by Franchisor in writing. Franchisee expressly understands and agrees that it is bound not to represent in any manner that it has acquired any ownership or equitable rights in any of the Marks by virtue of the limited license granted hereunder, or by virtue of Franchisee's use of any of the Marks.

(d) Franchisee understands and agrees that any and all goodwill arising from Franchisee's use of the Marks and the System shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the Marks.

(e) Franchisee shall not contest the validity of or Franchisor's interest in the Marks or assist others to contest the validity of or Franchisor's interest in the Marks.

(f) Franchisee acknowledges that any unauthorized use of the Marks shall constitute an infringement of Franchisor's rights in the Marks and a material event of default hereunder. Franchisee agrees that it shall provide Franchisor with all assignments, affidavits, documents, information and assistance Franchisor reasonably requests to fully vest in Franchisor all such rights, title and interest in and to the Marks, including all such items as are reasonably requested by Franchisor to register, maintain and enforce such rights in the Marks.

(g) If it becomes advisable at any time, in the discretion of Franchisor, to modify or discontinue use of any Mark and/or to adopt or use one or more additional or substitute proprietary marks, then Franchisee shall be obligated to comply with any such instruction by Franchisor. Franchisor shall have no obligation in such event to reimburse Franchisee for its documented expenses of compliance. Franchisee waives any other claim arising from or relating to any Mark change, modification or substitution. Franchisor will not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any Mark addition, modification, substitution or discontinuation. Franchisee covenants not to commence or join in any litigation or other proceeding against Franchisor for any of these expenses, losses or damages.

4.3 Usage

With respect to Franchisee's franchised use of the Marks pursuant to this Agreement, Franchisee further agrees that:

(a) Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Salon only under the name "Sharkey's Cuts for Kids" or "Sharkey's Hair It Is". Franchisee shall not use the Marks as part of its corporate or other legal name and shall obtain the Franchisor's approval of such corporate or other legal name prior to filing it with the applicable state authority.

(b) During the term of this Agreement and any renewal hereof, Franchisee shall identify itself as the owner of the Salon in conjunction with any use of the Marks in the form and manner as Franchisor may specify, including, but not limited to, uses on invoices, order forms, receipts and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Salon as Franchisor may require.

(c) Franchisee shall not use the Marks to incur any obligation or indebtedness on behalf of Franchisor.

(d) Franchisee shall comply with Franchisor's instructions in filing and maintaining the requisite trade name or fictitious name registrations and shall execute any documents deemed necessary by Franchisor or its counsel to obtain protection of the Marks or to maintain their continued validity and enforceability.

(e) Franchisee shall display and use the Marks only in the manner and form prescribed or authorized by Franchisor through Franchisor's Operations Manual (the "Operations Manual") and other ongoing communications.

4.4 Notification of Infringement or Claim

Franchisee shall notify Franchisor immediately by telephone and thereafter in writing of any apparent infringement of or challenge to Franchisee's use of any Mark, of any claim by any person of any rights in any Mark, and Franchisee and the Controlling Principals shall not communicate with any person other than Franchisor, its counsel and Franchisee's counsel in connection with any such infringement, challenge or claim. Franchisor shall have complete discretion to take such action as it deems appropriate in connection with the foregoing, and the right to control exclusively any settlement, litigation or Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark. Franchisee agrees to execute any and all instruments and documents,

render such assistance, and do such acts or things as may, in the opinion of Franchisor, reasonably be necessary or advisable to protect and maintain the interests of Franchisor in any litigation or other proceeding, or to otherwise protect and maintain the interests of Franchisor or any other interested party in the Marks. The attorneys' fees for any such action will be paid by Franchisor. Franchisor will defend Franchisee against any third-party claim, suit or demand arising out of Franchisee's use of the Marks. If Franchisor, in its sole discretion, determines that Franchisee has used the Marks in accordance with this Agreement and the Operations Manual, then the cost of the defense, including the cost of any judgment or settlement, will be borne by Franchisor. If Franchisor, in its sole discretion, determines that Franchisee has not used the Marks in accordance with this Agreement and the Operations Manual, then the cost of the defense, including the cost of any judgment or settlement will be borne by Franchisee. If the cost of this defense of Franchisee's use of the Marks, including the cost of any judgment or settlement, is borne by Franchisee, then that will be a payment due under this Agreement and failure to pay will be cause for termination of this Agreement.

4.5 Use of Marks on the Internet

Franchisee's use of the Marks on the Internet and in domain names for the Internet is subject to the provisions of this Agreement and the Operations Manual. Franchisor reserves the right to establish and modify rules which will govern Franchisee's use of the Marks on the Internet and in domain names and Franchisee agrees to abide by such rules. Franchisee's right to use the Marks on the Internet will terminate immediately upon the expiration or termination of this Agreement.

5. FEES

5.1 Initial Franchise Fee

Sharkey's Cuts for Kids Franchise Franchisee shall pay to Franchisor an Initial Franchise Fee plus Initial Turn-Key Package of One Hundred and Nineteen Thousand Nine Hundred Ninety Dollars ($119,990.00) for a Unit Franchise upon the execution of the agreement. The Initial Franchise Fee shall be deemed fully earned and non-refundable, in consideration of the administrative and other expenses incurred by Franchisor in granting the franchise hereunder and for its lost or deferred opportunity to grant such franchise to any other party.

5.2 Royalty Fee

During the term of this Agreement, Franchisee shall pay to Franchisor, in partial consideration of the rights herein granted, a monthly royalty fee (the "Royalty Fee") of One Thousand Dollars ($1,000.00) for the months 4 to 11 of the term. The Royalty Fee shall increase to One Thousand Two Hundred Fifty Dollars ($1,250.00) during months 12 to 23 of the term. The Royalty Fee shall increase to Fifteen Hundred Dollars ($1,500.00) during months 24 to 35 of the term. The Royalty Fee shall increase to One Thousand Seven Hundred and Fifty Dollars ($1,750.00) starting on the 37th month of the term and thereafter for the remaining term of this Agreement.

5.3 Payment of Royalty Fee

The Royalty Fee shall be paid monthly and is due and payable and must be received by Franchisor on the first (1st) day of each month, unless such day is not a business day, in which event the Royalty Fee is due and payable on the next business day. Franchisor shall apply Franchisee's payments to Franchisee's outstanding accounts in any manner Franchisor reasonably deems appropriate, regardless of any instructions provided by Franchisee. Franchisee will timely pay all Royalty Fees and will not have the right to offset these amounts regardless of any claims or allegations of liability for damages or other payments that Franchisee may allege against Franchisor. By executing this Agreement, Franchisee agrees that Franchisor shall have the right to withdraw funds from Franchisee's designated bank account each month by electronic funds transfer ("EFT"), ACH in the amount of the Royalty Fee or to charge Franchisee's

credit card for such Royalty Fee. Franchisee shall not be entitled to withhold payments due Franchisor under this Agreement on grounds of alleged non-performance by Franchisor hereunder. Franchisee shall, upon execution of this Agreement or at any time thereafter at Franchisor's request, execute such documents or forms as Franchisor determines are necessary for Franchisor to process EFTs from Franchisee's designated bank account or charges to Franchisee's credit card for the payments due hereunder. Should any EFT or credit card charge not be honored by Franchisee's bank for any reason, Franchisee agrees that it shall be responsible for that payment plus a service charge applied by Franchisor and the bank, if any.

5.4 Internal Systems Fee.

Franchisor reserves the right to impose an internal systems fee upon Franchisee (ex. Technology fee), in an amount that Franchisor reasonably determines, for the development, adoption and/or use of new or improved internal systems technology for the benefit of the System and Franchised Business, including but not limited to, assigned phone numbers and email addresses required for use in the Franchised Business, a franchise portal, benchmarking platform or other operations or communications systems ("Internal Systems Fee"). In Franchisor's sole discretion, Franchisor may (i) increase the amount of the internal systems fees or (ii) replace the technology with different technology, developed by Franchisor or a third-party, and Franchisee shall pay the then-current fees for the replacement technology and for continuous access thereto. Franchisee shall pay the Internal Systems Fee in the manner and frequency as reasonably determined by Franchisor. At Franchisor's option, Franchisee shall pay third-party vendor(s) directly for internal systems technology provided or required pursuant to this Section 5.4.

5.5 Late Payment

If the Royalty Fee, Brand Fund, Internal Systems Fee, any other fee due and payable to Franchisor, or any Net Sales Reports are not received by Franchisor as required by this Agreement or the Franchise Agreement, Franchisee shall pay to Franchisor, in addition to the overdue amount, a daily late fee of fifty dollars ($50.00) per day, as well as a one-time late fee per incident of $125. This late fee is reasonably related to Franchisor's costs resulting from the delay in payment and/or receipt of any report, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement for Franchisee's failure to pay amounts to Franchisor and/or submit Net Sales Reports in accordance with the terms of this Agreement. Payments not received on time, or after notice, may result in an interruption of business services provided by Franchisor or any of its providers, partners, and vendors including but not limited to the Software provider or marketing provider.

5.6 Definition of Gross Sales

Certain payments required to be made hereunder, such as local advertising expenditures, are calculated based on the Gross Sales of Franchisee's Salon. "Gross Sales" shall mean includes all revenues and income from any source derived or received by Franchisee from, through, by or on account of the operation of the Franchised Business or made pursuant to the rights granted hereunder, including but not limited, any and all other revenues received using Franchisor's methods, operations and/or trade secrets whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise (i.e., "Glamour Party" costs) collected by Franchisee at its Salon. Gross Sales shall not include (i) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (ii) properly documented refunds to customers, or (iii) properly documented Franchisor-approved promotional discounts (i.e., coupons). Gross Sales does not include gift card purchases, at the time of purchase, but Gross Sales does include the redemption amount of purchases made by gift card.

5.7 Interest

Any and all amounts that shall become due and owing from Franchisee to Franchisor under the terms hereof shall bear interest from the date due until paid at the rate of eighteen percent (18%) per annum or at the highest rate permitted by law, whichever is lower, in addition to the late fees listed in section 5.5.

5.8 Non-Sufficient Funds Fee

In the event any of Franchisee's checks are returned, or an electronic funds transfer from Franchisee's bank account is denied, for insufficient funds, Franchisee shall pay Franchisor, in addition to the amount due, a non-sufficient funds fee of Two Hundred Fifty Dollars ($250.00). This non-sufficient fund fee is reasonably related to Franchisor's costs resulting from the delayed and declined payment, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement.

5.9 Taxes

If any sales, excise, use or privilege tax is imposed or levied by any government or governmental agency on Franchisor for any Royalty Fee, Brand Fund Contribution or other fees due and payable to Franchisor under this Agreement, Franchisee shall pay Franchisor a sum equal to the amount of such tax.

6. FRANCHISOR'S OBLIGATIONS

6.1 Initial Training Program

Franchisor shall provide to Franchisee and one (1) of its additional principal ("Initial Trainees"), for a maximum of two (2) trainees an initial training program ("Initial Training Program") concerning the operation of a Sharkey's Cuts for Kids Salon. Training is conducted by the Franchisor and will be scheduled by the Franchisor in its sole discretion. Franchisor reserves the right to adjust its initial training program based upon the individual needs and/or experience of a trainee. The Franchisor reserves the right to provide this Initial Training program virtually.

Franchisor shall determine, in Franchisor's sole discretion, whether the Initial Trainees have satisfactorily completed the Initial Training Program. If the Initial Training Program is not satisfactorily completed or if Franchisor, in Franchisor's reasonable business judgment based upon the performance of the Initial Trainees, determines that the Initial Training Program cannot be satisfactorily completed by Franchisee and Franchisee's Principal(s), Franchisor may terminate this Agreement.

Franchisor also provides an employee training program ("Employee Training Program") delivered virtually via the Training portal. The Employee Training Program will be conducted 0-3 weeks prior to the opening of your Sharkey's Cuts for Kids Salon. All employees must complete the Employee training program to the Franchisor's satisfaction within fourteen days (14) of your Franchise Business opening.

The Initial Training program and Employee training program will be conducted virtually from the Franchisor's headquarters in Westport, Connecticut or any other location chosen by Franchisor, which may include other franchisee or affiliate owned salons or offered virtually. Franchisor will visit Franchisee's location prior to opening (0-4 weeks before scheduled opening date or at a time designated by Franchisor) to assist and support Franchise and manager.

Franchisee may, with Franchisor's consent, send additional trainees to the initial training program and manager training program; however, any expenses related to providing the initial training program to

additional trainees shall be borne by Franchisee, including, but not limited to, travel, lodging, meals and wages expenses, as well as Franchisor's then-current training fee.

6.2 Annual or Every Two Years or Semi-Annual Conferences or Conventions

Franchisor may, in its sole discretion, hold a conference or conventions or local regional conference of its franchisees on an annual or semi-annual basis. If Franchisor elects to hold such a conference, it may use the conference to announce new product and service offerings, provide additional training, and to discuss sales techniques, advertising, staff training and other business related topics. Franchisee's, and managers (Franchisor has the option to exclude managers) attendance at such conference shall be mandatory; Franchisee shall bear all expenses incurred by it and its representatives in attending the conference, including, but not limited to, travel, lodging, meals and wages. Franchisee, or its managers, are obligated to participate in all monthly conference calls given by Franchisor or its affiliates.

6.3 Initial Equipment and Signage

Franchisor, or its designee, shall provide Franchisee, upon Franchisee signing its lease, the following equipment, inventory, fixtures, and/or supplies: desk, base cabinets, adult styling chairs, kids styling chairs, station vanities, Xbox 1 consoles, flat panel televisions, television wall brackets, shelves for display, shelves and racks for in-store display, stools, monogrammed fixtures for vanities, assorted mirrors, manicure station, waiting area stools, chalk buckets, slop sink, mobile cart, electronic hair removal machines (eye-vac), vacuum, donation chips & boxes combs, brushes, flat iron, curling irons, blow dryers, clippers, buzzers, towels, capes, aprons, sanitizing jar and sanitizing liquid, hair washing stations, hair washing chairs, booster seats, monogrammed lampshades, Sharkey dollars, Sharkey bookmarks, Sharkey 1st haircut certificates and baggies, telephone, assorted wall hooks, *Dippin' Dots Freezer, retail, glamour dresses, nail polish and rings, balloons and stand, desk accessories, picture printer, princess clip containers, , monitoring camera, gumball machine, and lollipops. The cost for such items is included in the Initial Franchise Fee paid by Franchisee upon execution of this Agreement. Signage and Computer Systems shall be purchased directly from our approved vendor and is not included in the Initial Franchise fee. Franchisee is responsible for placing and installing all items above. All items provided by the Franchisor will only be delivered after the Franchisee have secured and signed a lease for your location.

To ensure that the highest degree of quality and service is maintained, you must operate the Salon in strict conformity with the methods, standards and specifications that we prescribe in the Manual or otherwise in writing. You must maintain a minimum of $4,500 wholesale dollars of retail products inside your Salon at all times. You must maintain a minimum of $2,500 (wholesale dollars) Sharkey's hair care products as part of your $4,500 minimum and maintain a minimum of $1,000 (wholesale dollars) of Sharkey's branded items. You must maintain them in sufficient supply and use and sell at all times only those products, materials, supplies and paper goods that meet our standards and specifications. You must not deviate from these standards and specifications by the use or offer of non-conforming items or differing amounts of any items, without obtaining our prior written consent. You must discontinue offering for sale any items, products and services we may disapprove in writing at any time. We can, and expect to, modify our standards and specifications as we deem necessary. We will provide you notice of any changes in the Manual. All items must be properly entered into the POS system showing current inventory levels at all times.

Franchisee shall have sole responsibility for maintaining the equipment, signage and fixtures, and for replenishing its inventory and supplies when needed. Franchisee shall additionally have sole responsibility for procuring and maintaining, at Franchisee's sole expense, all other required equipment, inventory, signage, fixtures, and supplies that are required to establish and operate the Salon.

*Dippin' Dots Freezer as long as Franchisor has relationship with Dippin' Dots corporate.

6.4 Domain Name and Website and Software

Franchisor shall provide Franchisee with a domain name and web page, Software company, and camera monitoring system, for its Sharkey's Cuts for Kids Salon, as well as a listing on Franchisor's website for Franchisee's Salon. The costs of the salon software, camera monitoring system, and installation shall be paid by Franchisee directly to the software company or Franchisor at Franchisors discretion, and the web hosting and any updating the Sharkey's Cuts for Kids website shall be paid by the Franchisor. Franchisor shall have 24 hour, 7 days per week, access to the camera monitoring system. Access shall be granted and given to Franchisor by Franchisee.

6.5 Site Location

Franchisor, either directly or through one or more representatives and/or agents, shall provide commercially reasonable assistance to Franchisee with locating a suitable site for Franchisee's Salon. Franchisee shall submit to Franchisor a list of possible locations for the Salon. In submitting its selections, Franchisee shall supply Franchisor with as much information as listed and required in the pre-opening manual, and Franchisor, upon review of what is supplied, may require the submission of additional information. Franchisor's recommendation or approval of any location is not a representation, warranty, or guaranty that Franchisee will be successful and/or profitable at said location. Franchisor's recommendation or approval of a given location only means that the location meets Franchisor's minimum requirements for a Sharkey's Cuts for Kids Salon. Franchisee bears full risk of loss and/or failure in connection with the owning and operation of Franchisee's franchised business.

6.5.1 Within fifteen (15) days after Franchisor has consented to the site for the Franchised Business, Franchisee shall submit to Franchisor a copy of the proposed lease therefor, together with a lease review fee of Five Hundred Dollars ($500.00), for Franchisor's review thereof prior to its execution. Any lease must include Franchisor's Option for Assignment of Lease, a copy of which is attached hereto as Attachment 3, and other brand protection provisions as may be required by Franchisor. Franchisor's lease review and consent is limited to provisions for the benefit of the System and Franchisor only. Franchisor does not review and/or negotiate the proposed lease on Franchisee's behalf or for Franchisee's benefit. Within fifteen (15) days after Franchisor's lease review and consent (or such longer period as Franchisor consents to in writing), Franchisee shall execute the lease and obtain physical possession of the premises. Failure by Franchisee to acquire the site for the Franchised Business within the time and in the manner required herein shall constitute a material event of default under this Agreement.

6.6 Specifications for Construction and/or Remodeling

Franchisor must approve a given location before Franchisee executes a letter of intent with respect to entering into a commercial lease for a particular location. Within thirty (30) days after Franchisee executes a letter of intent for the approved location, Franchisor shall provide written specifications for the construction and/or remodeling of the location to comply with Franchisor's then-current image for Sharkey's Cuts for Kids Salons. Franchisee shall be responsible for hiring a contractor, unless landlord is delivering to Franchisee a turn-key location, to complete the construction and/or remodeling. Franchisee shall solicit a minimum of five (5) contractor bids before deciding on a contractor for a buildout, and all costs and expenses associated with the buildout are entirely borne by Franchisee. Further, Franchisee shall be solely responsible for obtaining any required permits and/or licenses for the construction and/or remodeling of the Location, and for ensuring that all construction and remodeling meets state and local building and other codes, as well as any other applicable law, such as the Americans with Disabilities Act.

Franchisee acknowledges and agrees that construction costs are subject to, among other things, local market conditions in a particular area, the availability of contractors, and supply chain conditions. Franchisee further acknowledges and agrees that on account of these and other variables, Franchisee may

receive estimates from contractors that materially vary from the estimated costs set forth in the Franchise Disclosure Document that was previously furnished to Franchisee more than fourteen (14) days prior to entry into this Franchise Agreement. Franchisee acknowledges and agrees that Franchisee independently researched possible costs and estimates for the owning and operation of a Sharkey's Cuts for Kids Salon before entering into this Franchise Agreement.

In the event the specifications provided by Franchisor require any modification, such modification must be approved by Franchisor before being implemented.

6.7 Confidential Operations Manual, AI Tools, & Learning Portal

Access to the Confidential Operations Manual, Sharkey's AI Tool, & Learning Portal, and such other manuals and written materials as Franchisor may hereafter develop for use by franchisees, as the same may be revised by Franchisor from time to time. Such documents may be provided electronically or via the Internet, at Franchisor's sole and absolute discretion.

6.8 Continuing Services

To protect and maintain the distinction, valuable goodwill and uniformity represented by the Marks and System, Franchisor shall:

(a) In its discretion, develop new service and product offerings and provide Franchisee with information about developments;

(b) Be available to Franchisee (by appointment) for telephone consultations regarding general questions and operational problems Franchisee may encounter;

(c) Provide advertising on behalf of the entire System, including franchisees. Administration of a Brand Fund in accordance with Section 8.3.

(d) Review any advertising developed by or for Franchisee and which Franchisee proposes to use in its local area;

(e) Inspection of the Franchised Business and evaluations of the products sold and services rendered therein whenever reasonably determined by Franchisor.

7. FRANCHISEE'S OBLIGATIONS

7.1 Site Selection

Franchisee is responsible for locating, evaluating and selecting a site for the Salon and for the review and negotiation of the lease for the Location. Franchisor will provide the assistance described in Section 6.5 above. Franchisee will not lease or otherwise acquire a site for the Salon until the site has been consented to by Franchisor. Franchisee acknowledges that Franchisor's consent to a prospective site location is permission only, does not constitute a representation, promise, warranty or guarantee, express or implied, by Franchisor that the Salon operated at that site will be profitable or otherwise successful, and cannot, and does not, create a liability for Franchisor.

7.2 Lease

Franchisor may, in its sole and absolute discretion, require that Franchisee submit the lease for the Salon to Franchisor for its written consent before Franchisee executes the lease. Franchisor will not withhold consent arbitrarily, but each lease by which Franchisee occupies the Salon must provide that Franchisor may, at its sole option, upon the termination, expiration or proposed transfer of this Agreement,

take an assignment of Franchisee's interest in the lease, without the payment of additional consideration, and without liability for any obligations of Franchisee accrued as of the date of the assignment of the lease. In addition, each lease shall include a rider to the lease that shall be prepared by Franchisor and executed by Franchisor, Franchisee and by the landlord, in the form attached to this Agreement as Attachment 3.

Franchisor's review of the lease prior to its execution will not be for the purpose of approving the legal aspects, economics, or rental terms of the lease. Accordingly, Franchisor will have no responsibility to Franchisee with regard to the economics, legality or enforceability of the lease. Franchisee shall provide Franchisor with a copy of Franchisee's fully executed lease for the Salon.

7.3 System Standards

Franchisee shall be solely responsible for insuring that the Salon is designed, constructed, or improved, equipped and furnished in accordance with Franchisor's System standards. The Salon must conform to Franchisor's standard approved salon layouts, floor plans, specifications, exterior and interior decorating designs, and color schemes. Franchisee acknowledges that Franchisor's approval of Franchisee's layouts, floors plans, specifications, exterior and interior decorating designs, and/or color schemes is permission only and is for the limited purpose of establishing a basis for compliance with Franchisor's standards of image and operations, and does not constitute a representation, promise, warranty or guarantee, express or implied, by Franchisor that the costs of buildout of the Salon will be in line with the experience of other franchisees in the System. Prior to commencing the buildout of the Salon, Franchisee is required to obtain a minimum of ten (10) contractor bids for Franchisee's approved design. Franchisee acknowledges and agrees that Franchisor cannot account for inflation, local price and supply conditions, unforeseen delays or strikes, or other factors, including Franchisee's election to make discretionary expenditures, including any deviations from the quality standards that Franchisor requires in its standard Salon plans, and any cost increases associated therewith. Franchisee acknowledges and agrees that (i) any impact that any of the foregoing may have on Franchisee's buildout costs cannot, and does not, create a liability for Franchisor; (ii) Franchisee releases Franchisor from any claims regarding cost overruns as a result of any of the foregoing or Franchisee's dissatisfaction with the performance of or costs associated with Franchisee's elected contractor(s), and (iii) Franchisee shall hold Franchisor harmless with respect to the impact any of the foregoing may have on the buildout costs associated with Franchisee's Salon. Franchisee must obtain necessary permits, licenses and other legal or architectural requirements and shall insure that the Salon is in compliance with all applicable local, state and federal laws, statutes and building and architectural barrier codes, including the Americans with Disabilities Act. Franchisee may remodel or alter the Salon, or change its equipment or fixtures, only with Franchisor's prior consent. Franchisee shall promptly repair or replace defective or obsolete equipment, signage or fixtures in accordance with such standards established by Franchisor. Franchisee will be required periodically to remodel, modernize, and redecorate the Salon and to replace and modernize the furniture, fixtures, supplies, and equipment so that the Salon will reflect the then-current System standards; Franchisor shall not require such remodeling, modernization or redecorating more frequently than every five (5) years, at a maximum amount of Twenty-Five Thousand Dollars ($25,000). All construction costs in this estimate are subject to local market conditions in your area and will vary or possibly exceed average estimates depending on the city/state you choose for your franchised salon and supply chain conditions.

Franchisee shall implement changes in Salon requirements when prescribed, even if additional investment or expenditures are required.

7.4 Salon Opening

Franchisee shall use its best efforts to construct and/or remodel, equip and open the Salon for business within six (6) to ten (10) months from the Effective Date of the Agreement, except for delays that are outside of Franchisee's control, such as weather, equipment shortages, delivery delays, etc. Franchisee's inability to obtain financing shall not be included. Notwithstanding the foregoing, Franchisee

shall have its Salon open and operating within one (1) year of the Effective Date of this Agreement. In the event Franchisee fails to have its Salon open and operating within one (1) year of the Effective Date, Franchisor reserves its right to terminate this Agreement without providing Franchisee notice or with a refund of any portion of the Initial Franchise Fee, and any other agreements with Franchisor shall also be deemed in Default and may be terminated without providing Franchisee notice or with a refund of any portion of the Initial Franchise Fee. Agreements with an Initial Franchise Fee of $0 are not transferrable and may not be resold.

7.5 Signage

The Salon shall be identified only by the Marks and shall contain or display only signage that has been specifically designated or authorized by Franchisor. Franchisor shall have the right to place in a location chosen by the Franchisor signage identifying Franchisee by name as a franchisee of Franchisor and advising the public that Franchisee's business is an independently run franchise business. Franchisor may place information relating to franchise opportunities in the Salon.

7.6 Products and Services

Franchisee shall use and offer for sale all, but only those, products and services that are designated and approved periodically by Franchisor in writing. Franchisee acknowledges and agrees that designated products and services may be changed by Franchisor from time to time and Franchisee is obligated to conform to the then-current requirements as they may change. Franchisor may, in the future, develop and offer for sale private label products ("Proprietary Products"). Franchisee shall be obligated to buy such Proprietary Products from Franchisor and shall be required to offer such products to its customers only from the Location and from no other location or through the Internet or other on-line communications. Franchisee shall not conduct business at the Location other than the Sharkey's Cuts for Kids Salon franchised hereunder.

7.7 Compliance with Laws

Franchisee shall maintain the Salon in a clean, orderly and safe manner and in compliance with all applicable laws pertaining to the business including all health, sanitation, cosmetology, barber, and Occupational Safety and Health Administration laws. Franchisee shall operate and maintain the Location in strict compliance with all fire, safety and building codes, the American with Disabilities Act, and other requirements that may be prescribed by Franchisor or by public authority. Franchisee is exclusively responsible for the full knowledge and application of all employment laws, such as Title VII of the Civil Rights Act, Family and Medical Leave Act, Consolidated Omnibus Budget Reconciliation Act, Fair Labor Standards Act, all state wage and hour laws, worker's compensation, Internal Revenue Code and the Immigration Law. Franchisee is exclusively responsible for ensuring that all stylists are licensed by the applicable state's Cosmetology Board or equivalent official licensing entity.

Franchisee and its Controlling Principals agree to comply, and to assist Franchisor to the fullest extent possible in its efforts to comply with Anti-Terrorism Laws (defined below). In connection with that compliance, Franchisee and its Controlling Principals certify, represent, and warrant that none of Franchisee's property or interests is subject to being blocked under, and that Franchisee and its Controlling Principals otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by Franchisee or its Controlling Principals, or any blocking of Franchisee's or its Controlling Principals' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement.

7.8 Personnel

Franchisee shall manage or operate the Salon on a regular basis through a Controlling Principal or a manager or employee who has successfully completed Franchisor's training program. Franchisee will staff the Salon with qualified, competent employees who have been trained in accordance with Franchisor's standards within the timeframe required by Franchisor. Franchisee is solely responsible for recruiting, hiring, supervising and discharging employees, assuring their continuing compliance with standards of training and competence and setting their wages and terms of employment. Franchisee is solely responsible for equipping its employees with the tools necessary for such employee's job function, such as scissors, clippers, trimmers, etc.

7.9 Standards of Operation

Franchisee shall at all times operate the Salon in compliance with the System standards, authorized services, operating systems, and other aspects of the System prescribed by Franchisor in the Operations Manual and other manuals, as revised periodically by Franchisor, or in other communications from Franchisor. Franchisee shall not duplicate or disseminate the Operations Manual and other manuals in whole or in part, shall destroy superseded pages of all manuals, and shall return the Operations Manual and all other manuals to Franchisor immediately upon the assignment, termination or expiration of this Agreement. In the future, the Operations Manual and other communications may only be available on the Internet or other on-line communications. The Salon shall be open for business for such days and hours as prescribed periodically by Franchisor, subject to local law. Franchisee shall implement changes in operational requirements when prescribed, even if additional investment or expenditure is required. Franchisee acknowledges that other Sharkey's Cuts for Kids Salons may operate under different forms of franchise agreements with Franchisor, and that the rights and obligations of parties to other agreements may differ from those hereunder. Franchisor shall not be required to provide Franchisee with any modifications the same as or similar to modification provided to another franchisee in the System.

7.10 Computer System and Equipment

Franchisee shall install and be required to use such electronic data processing and communications hardware and software, including electronic mail, Internet access, television and music systems, voicemail system sand computers, camera monitoring system, loyalty and rewards program, and all equipment as designated by the Franchisor. Franchisee shall be required to obtain certain hardware and software packages designated by Franchisor, which are subject to change periodically at Franchisor's discretion. Franchisee acknowledges that the Salon's operational data and customer information is owned by Franchisor and is the confidential and proprietary property of Franchisor regardless of whether such information is stored in Franchisee's computer system or by a third-party data warehousing service or software provider. This information is to be made available to Franchisor at any time during this agreement and provided to Franchisor upon request within a 24-hour period via email.

7.10.1 Franchisee may capture customer data only in strict accordance with Franchisor's specifications and only using those technologies and processes that are approved by Franchisor. Franchisee shall comply with Franchisor's data privacy policies, as well as industry standards, Payment Card Industry Data Security Standard, and applicable law regarding the collection, storage, disclosure, processing, and use of customer data, including, if and when required, providing privacy notices and obtaining customer consents. Notwithstanding, Franchisee is expressly prohibited from selling, sharing, or otherwise disclosing any customer data to any third party for valuable consideration or for the purpose of performing cross-context behavioral advertising.

7.10.2 Franchisee is solely responsible for maintaining the security and integrity of the computer and payment processing systems used in the Franchised Business and the customer and other data stored therein. Franchisee, at Franchisee's sole cost and expense, shall implement all computer hardware, software, and internet security procedures, including required updates or upgrades thereto, that are reasonably necessary to protect Franchisee's computer and payment processing systems and the data stored therein from viruses, malware, privacy breaches, or other unauthorized access. Franchisee shall notify

Franchisor immediately of any actual or suspected data breach of Franchisee's computer systems and shall, at Franchisee's sole expense, cooperate fully with Franchisor and Franchisor's counsel to investigate the data breach and implement remedial measures. Franchisee shall defend, indemnify, and hold harmless Franchisor from any and all costs, expenses, and/or attorney's fees incurred in connection with the data breach, including but not limited to, costs associated with legal notifications, credit monitoring, and crisis management services.

7.11 Website

Except for the website to be provided to Franchisee by Franchisor pursuant to Section 6.4, Franchisee shall not be permitted to establish its own website or other internet presence without Franchisor's prior written consent, which it may withhold in its discretion. Further, Franchisee shall not be permitted to use the Marks in connection with any internet presence. Franchisee shall not be permitted to list salon prices on the website. Franchisee shall make Franchisor an Admin of all Social Media accounts, including but not limited to, Facebook, Meta, Google, X (Twitter), Bluesky, Instagram.

7.12 Inspections and Evaluations

For the purpose of making periodic evaluations to ascertain if the provisions of this Agreement are being observed by Franchisee, Franchisor or its authorized representative shall have the right to enter the Salon at all times to: observe the operation of the Salon; inspect and evaluate Franchisee's products and services; and take photographs and videotapes of the interior and exterior of the Salon. Franchisee must provide Franchisor or its authorized representative with access to all information, books, records, operational data and customer information relating to the Salon as Franchisor may require, upon giving twenty-four (24) hours' notice. Franchisor from time to time may bring in new and prospective franchisees to your location, where no notice needs to be given.

7.13 Best Efforts; Confidentiality

Franchisee shall apply his/her best efforts to the development and promotion of the Sharkey's Cuts for Kids Salon licensed hereunder. During and after the term of this Agreement, Franchisee shall not disclose, except to Franchisee's employees, or use for any purpose other than operating the Salon, any trade secret, confidential or proprietary aspect of the System including, but not limited to, the contents of the Operations Manual and other manuals, the Franchisor's training program, Franchisor's Website and other on-line communications, or other information or know-how distinctive to a Sharkey's Cuts for Kids Salon or the System. Franchisee is further responsible for ensuring that Franchisee's employees maintain the same level of confidentiality. Franchisee and Controlling Principal(s) shall not at any time copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, or otherwise make the same available to any person other than those authorized above, without Franchisor's prior written consent. If Franchisee or its employees learn about an unauthorized use of any trade secret or confidential or proprietary materials, Franchisee must promptly notify Franchisor. Franchisor is not obligated to take any action but will respond to the information as it deems appropriate. If Franchisee or an employee of Franchisee at any time conducts, owns, consults with, is employed by or otherwise assists a similar or competitive business to that franchised hereunder, it is Franchisee's burden to prove that Franchisee is not in violation of this covenant. The covenant in this Section 7.13 shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon Franchisee and each Principal.

7.14 Non-Competition

To prevent a conflict of interest and unfair competition based upon Franchisee's knowledge and use of the System and Marks, neither Franchisee nor its Controlling Principals shall without Franchisor's prior written consent (which may be withheld in Franchisor's sole discretion), directly or indirectly engage or participate in, consult with, or assist in any way, or participate in or share the earnings or profits of, any other business or activity that competes with the Sharkey's Cuts for Kids Salon, any retail hair care or

personal grooming business, or any business selling hair products or any of the other services provided under the System: (i) during the term of this Agreement, at any location; and (ii) for three (3) years after the expiration, termination or assignment of this Agreement for any reason anywhere within fifty (50) miles of the Location or of any other Salon in the System. Neither Franchisee nor any of its Controlling Principals shall acquire or hold directly or indirectly any interest (other than one percent (1%) or less of the stock in a publicly traded corporation) in another retail hair care or personal grooming business or hair care franchise, without Franchisor's prior written consent. If a court or arbitrator finds this Section or any portion of this Section to be unenforceable, the court or arbitrator is authorized and directed to reduce the scope or duration (or both) of the provision in issue to the extent necessary to render it enforceable and to enforce the provision as so revised.

7.15 Disclosure Acknowledgment

Franchisee must also complete and execute the Franchisee Disclosure Acknowledgment Statement, which is attached in the Franchise Disclosure Document, and deliver it to Franchisor prior to the execution of this Agreement.

7.16 Guaranty

Franchisee and each of Franchisee's shareholders or equity owners with a five percent (5%) or greater interest in the Franchisee shall, jointly and severally, guarantee Franchisee's performance of all of Franchisee's obligations, covenants and agreements hereunder pursuant to the terms and conditions of the guaranty attached hereto as Attachment 2 or otherwise provided by Franchisor, and shall otherwise bind themselves to the terms of this Agreement as stated herein.

7.17 Notice of Proceedings

Franchisee shall immediately deliver to Franchisor a copy of any notice of default received from any landlord, a copy of any notice or citation from any governmental agency or entity, or a copy of any notification of a legal proceeding commenced by or against Franchisee relating to Franchisee's Sharkey's Cuts for Kids. Franchisee shall keep Franchisor continuously advised of the status of the matter.

7.18 No Other Business

Neither Franchisee nor any of its Controlling Principals shall operate, directly or indirectly, nor allow the operation of, any other business within or in connection with the Location.

7.19 Continuous Operations

Franchisee shall, beginning on the date hereof and continuing during the remaining term of this Agreement, continuously operate a hair care business at the Location (except if prevented by an act of God or other cause beyond Franchisee's control as determined by Franchisor in its sole discretion), using its best efforts in the conduct of the business. Although Franchisee may hire a full-time manager to conduct the daily management of the Salon, the responsibility for the operation of the Salon remains with the Franchisee.

7.20 Liquidated Damages Upon Breach of Restrictive Covenant

In the event this Agreement is terminated due to Franchisee's default, pay Franchisor a lump sum payment (as liquidated damages and not as a penalty) in an amount equal to: (a) the average monthly Royalty Fee and Brand Fund payable by Franchisee over the twelve (12) month period immediately prior to the date of Franchisee's default (or such shorter time period if the Franchised Business has been open less than twelve (12) months); (b) multiplied by the lesser of (i) twenty-four (24) or (ii) the number of months then remaining in the then-current term of this Agreement. Franchisee acknowledges that a precise calculation of the full extent of the damages Franchisor will incur in the event of termination of this Agreement as a result of Franchisee's default is difficult to determine and that this lump sum payment is reasonable in light thereof. The liquidated damages payable by Franchisee pursuant to this Section 7.20

shall be in addition to all other amounts payable under this Agreement and shall not affect Franchisor's right to obtain appropriate injunctive relief and remedies pursuant to any other provision of this Agreement.

8. ADVERTISING

8.1 Advertising Programs

Franchisor may from time to time develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all Salons operating under the System. Franchisee shall participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by Franchisor for each program. In all aspects of these programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by Franchisor shall be final and binding upon Franchisee. Franchisor shall own all photographs, video, and other media used in any advertising programs.

8.2 Local Advertising

(a) Franchisee shall spend not less than three percent (3%) of the Gross Sales of the Salon on advertising for the Salon in its Territory ("Local Advertising"). Within thirty (30) days of a request from Franchisor, Franchisee shall submit to Franchisor an advertising expenditure report accurately reflecting expenditures on Local Advertising, including such information as Franchisor may require. In addition to the restrictions set forth below, costs and expenditures incurred by Franchisee in connection with any of the following shall not be included in Franchisee's expenditures on Local Advertising for purposes of this Section, unless approved in advance by Franchisor in writing: incentive programs for employees or agents of Franchisee, including the cost of honoring any coupons distributed in connection with such programs; research expenditures; salaries and expenses of any employees of Franchisee, including salaries or expenses for attendance at advertising meetings or activities; charitable, political or other contributions or donations; in-store materials consisting of fixtures or equipment; and seminar and educational costs and expenses of employees of Franchisee.

(b) Any promotional or advertising materials developed by or for Franchisee that have not been previously approved by Franchisor must be submitted to Franchisor for its review. Franchisor shall, within seven (7) days after receipt of the proposed materials, advise Franchise as to whether the proposed materials are approved. If Franchisor does not provide its specific approval within this seven (7) day period, the proposed materials are deemed not approved. Any advertising developed by or on behalf of Franchisee must contain such terminology as Franchisor may require, including, but not limited to, "Franchises Available. Call 203-637-8911 for more information." Any materials submitted to Franchisor for its review shall become Franchisor's property, and there shall be no restriction on Franchisor's use or dissemination of such materials.

8.3 System-wide Advertising

Franchisor has established a national fund (the "Brand Fund") on behalf of the System for national advertising, marketing, and business system development and enhancements. Franchisee is required to contribute up to three percent (3%) of the Gross Sales generated monthly by Franchisee's Franchised Business to the Brand Fund ("Brand Fund"). Payments will be made in the same manner and time, subject to Franchisors discretion, as the Royalty Fees. If Franchisee fails to timely report Gross Sales, then, in addition to a late fee and interest pursuant to Sections 5.5 and 5.7 hereof, Franchisor shall collect one hundred twenty percent (120%) of the last Brand Fund Contribution payable. Franchisor shall reconcile amounts when Gross Sales are reported.

Franchisor shall direct all Brand Fund activities and shall have sole discretion to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Brand Fund is intended to maximize

general public recognition and acceptance of the Marks and enhance the collective success of all Franchised Businesses operating under the System.

Franchisor may, but has no obligation to, contribute to the Brand Fund on the same basis as Franchisee with respect to Sharkey's Cuts for Kids outlets operated by Franchisor or Franchisor's affiliates.

Franchisor may use the Brand Fund to satisfy any and all costs of developing, preparing, producing, directing, administering, conducting, maintaining and disseminating advertising, marketing, promotional and public relations materials, programs, campaigns, sales and marketing seminars and training programs of every kind and nature, through media now existing or hereafter developed (including, without limitation, the cost of television, radio, magazine, social media, newspaper and electronic advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; customer and franchise system surveys; System-wide franchisee development programs and activities; conducting marketing research, employing advertising agencies to assist therein; developing, enhancing and maintaining the Website, social media platforms, apps, and other technology for the benefit of the Sharkey's Cuts for Kids brand image and/or Systemwide improvements; and staff salaries and other personnel and departmental costs for advertising that Franchisor internally administers or prepares). While Franchisor does not intend that any part of the Brand Fund will be used for advertising which is principally a solicitation for franchisees, Franchisor reserves the right to use the Brand Fund for public relations, to explain the franchise system, and/or to include a notation in any advertisement indicating "Franchises Available."

The Brand Fund will not be used to defray any of Franchisor's general operating expenses, except for reasonable administrative costs, staff salaries of Brand Fund personnel and overhead that Franchisor may incur in activities related to the administration and direction of the Brand Fund and such costs and expenses pursuant Section 8.3. The Brand Fund and its earnings shall not otherwise inure to Franchisor's benefit except that any resulting technology and intellectual property shall be deemed the property of Franchisor.

Franchisor will prepare an unaudited annual (once per year) statement of the Brand Fund's operations and will make it available to Franchisees.. In administering the Brand Fund, Franchisor undertakes no obligation to make expenditures for Franchisee that are equivalent or proportionate to Franchisee's contribution or to ensure that any particular franchisee benefits directly or pro rata from the production or placement of advertising.

Although the Brand Fund is intended to be of perpetual duration, Franchisor may terminate it at any time and for any reason or no reason. Franchisor will not terminate the Brand Fund, however, until all monies in the Brand Fund have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions

8.4 Grand Opening or Re Grand Opening Advertising Campaign

We will conduct on your behalf a grand opening, or re-grand opening if you acquired an existing salon, advertising campaign to advertise the opening or acquisition, of your Salon from day of Grand Opening, or acquiring an existing salon, through month number five (5). We will collect $15,000 per agreement ($12,500 for existing salons) when you sign your Franchise Agreement, to conduct your advertising campaign on your behalf, along with setting up your Social Media pages and more (see attachment #?). You are permitted to spend any additional monies as you see fit.

8.5 Pricing

With respect to the offer and sale of all Salon products and services, Franchisor may from time-to-time offer guidance with respect to the selling price for such products and services. Except with respect to maximum prices set forth below, Franchisee is in no way bound to adhere to any such recommended or suggested price. Franchisee shall have the right to sell its products and provide services at any price that Franchisee may determine, except that Franchisor reserves the right to establish minimum and maximum prices for any given product or service nationwide or within a market (as determined by Franchisor). Franchisee shall not exceed any maximum price established by Franchisor, but at all times remains free to charge any price below the maximum established by Franchisor. Franchisee shall execute any instruments or other writings required by Franchisor to facilitate the provision of such products and services. If Franchisee elects to sell any or all its products or merchandise at any price recommended by Franchisor, Franchisee acknowledges that Franchisor has made no guarantee or warranty that offering such products or merchandise at the recommended price will enhance Franchisee's sales or profits.

8.6 Advertising Standards

Franchisee must conduct all advertising programs in a manner consistent with Franchisor's standards and specifications, in a manner satisfactory to Franchisor and that will not detract from the reputation of the System or the Marks. In particular, Franchisee shall comply with all applicable federal, state, and local telemarketing, telephone solicitation, do-not-call, text/SMS marketing, and related consumer protection laws, rules, and regulations applicable to the Franchised Business ("Telemarketing Laws"). Such Telemarking Laws include compliance with the Federal CAN-SPAM Act's general rules for commercial email, opt-out rules, and other communication messages and the Telephone Consumer Protection Act, as amended, and compliance with any registration, license, and/or permit requirements. Franchisor may at any time inspect, audit, and review Franchisee's advertising and telemarketing-related procedures, and Franchisee shall, at Franchisee's sole expense, implement any corrective actions that Franchisor's requires.

9. FINANCIAL STANDARDS

9.1 Records and Reports

Franchisee agrees to keep and maintain complete and accurate books and records of its transactions and business operations using the accounting procedures and chart of accounts specified by Franchisor. Franchisee shall furnish to Franchisor all information, books and records relating to the Salon as Franchisor periodically may require, including data stored on Franchisee's computer and/or computer-generated reports, on forms designated by Franchisor, including, but not limited to, sales slips, coupons, purchase orders, payroll records, customer addresses, customer email addresses, customer telephone numbers, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers, records of EFT transactions, and backup or archived records of information maintained on any computer system in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Operations Manual or otherwise in writing.

Within ten (10) days after the close of each calendar month and within sixty (60) days after the close of each fiscal year, Franchisee will furnish Franchisor a full and complete written statement of income and expense and a profit and loss statement for the operation of the Franchised Business during said period, together with a balance sheet for the Franchised Business, all of which shall be prepared in accordance with generally accepted accounting principles and practice. Franchisee's annual statements and balance sheets shall be prepared by an independent certified public accountant and certified to be correct. All records shall be made available to Franchisor for at least three (3) years following the end of Franchisee's fiscal year to which they pertain. Franchisee shall keep all such records where they are readily available to Franchisor and shall permit Franchisor to inspect, copy, and audit them at any time. Franchisee hereby appoints Franchisor its true and lawful attorney-in-fact with full power and authority for the sole purpose of obtaining

any and all returns and reports filed by Franchisee with any state and/or federal taxing authority pertaining to the Salon. This power of attorney shall survive the expiration or termination of this Agreement.

9.2 Financial Management

Franchisee shall make available sufficient working capital to permit operation of the Salon in compliance with this Agreement. Franchisee shall pay the debts of, and taxes and assessments against, the Salon. Franchisee shall discharge any encumbrance against the Salon (except those incurred in connection with Franchisee's long-term financing of the Salon) within thirty (30) days of its creation.

9.3 Right to Conduct Audit or Review

Franchisor or its authorized representative shall at all times be entitled to conduct an audit or review of Franchisee's books and records. Audits will be conducted during normal business hours at the Location or at Franchisee's normal place of business. If such an audit or review reveals a misstatement of five percent (5%) or greater in any data reported by Franchisee, or an underpayment of two percent (2%) or more of any fees due to Franchisor, Franchisee shall, in addition to other remedies, promptly reimburse Franchisor's cost of conducting the audit or review, including reasonable professional fees. Franchisee shall pay additional amounts found due within ten (10) days after Franchisee is notified. If no underpayment or misstatement as described in this Section is found to exist, Franchisor will pay the costs associated with the audit or review.

9.4 Records Defined

As used in this Section 9, the terms "records" shall include, but not be limited to, cash register recordings, purchase records, bank statements, sales journals, payroll tax returns, sales receipts, employment records, financial statements and other records normally maintained by such business.

9.5 Authorized Disclosure

Franchisee hereby authorizes (and agrees to execute any other documents deemed necessary to affect such authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with which Franchisee does business to disclose to Franchisor any requested financial information in their possession relating to Franchisee or the Salon. Franchisee authorizes Franchisor to disclose data from Franchisee's reports, if Franchisor determines, in its sole discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees or other third parties.

10. INSURANCE

10.1 Coverages Required by Law

Franchisee shall, at its sole cost and expense, maintain all insurance required by state or federal law, including workers' compensation or other insurance required for its employees, and including all insurance required under the lease for the Location and the operation of the Salon.

10.2 Coverages Required by Franchisor

In addition to the foregoing coverages, Franchisee shall purchase and maintain in full force and effect during the term of this Agreement:

(a) Comprehensive general liability insurance with a minimum limit of liability of One Million Dollars ($1,000,000);

(b) Excess umbrella liability insurance with a minimum limit of liability of One Million Dollars ($1,000,000);

(c) Property insurance in an amount of not less than Seventy-Five Thousand Dollars ($75,000) for the contents of Franchisee's Salon; and

(d) Business Interruption Insurance in an amount not less than Fifty Thousand Dollars ($50,000).

10.3 Additional Insured; Certificates of Coverage

All insurance policies procured and maintained by Franchisee pursuant to this Agreement shall:

(a) Name Franchisor, its affiliates and officers, directors, and partners as additional insureds;

(b) Waive any right to assert a claim back against Franchisor; and

(c) Undertake to notify Franchisor thirty (30) days in advance of any cancellation or material change in the policy.

(d) If Franchisee fails to obtain or maintain the insurance described herein, Franchisor shall have the right, but not the obligation, to procure such insurance, and in such event, Franchisee shall immediately reimburse Franchisor for the costs of such insurance. All public liability and property damage insurance policies shall contain a provision that Franchisee's insurance coverage shall be primary to any coverage Franchisor maintains. Within sixty (60) days after the Effective Date of this Agreement, and annually thereafter, Franchisee shall deliver to Franchisor certificates of insurance, and if requested, copies of all applicable policies which evidence the proper coverage required by this Agreement.

11. INDEMNIFICATION OBLIGATIONS

11.1 Indemnification

TO THE FULLEST EXTENT PERMITTED BY LAW, FRANCHISEE AGREES TO EXONERATE AND INDEMNIFY AND HOLD HARMLESS SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC, AND ANY OF ITS PARENT COMPANIES, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AS WELL AS THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, AND SHAREHOLDERS (COLLECTIVELY REFERRED TO AS THE "FRANCHISOR PARTY INDEMNITEES"), FROM ALL CLAIMS BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATED TO FRANCHISEE'S FRANCHISE AND/OR THE OPERATION THEREOF, INCLUDING BUT NOT LIMITED TO, ANY CLAIM IN CONNECTION WITH FRANCHISEE'S EMPLOYEES OR AGENTS; FRANCHISEE'S COMPUTER SYSTEMS; ANY CONDITION AT OR OF FRANCHISEE'S SALON; OR FRANCHISEE'S ADVERTISING OR BUSINESS PRACTICES. FRANCHISEE AGREES TO PAY FOR ALL FRANCHISOR PARTY INDEMNITEES' LOSSES, EXPENSES (INCLUDING, BUT NOT LIMITED TO ATTORNEYS' FEES) OR CONCURRENT OR CONTRIBUTING LIABILITY INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, INQUIRY (REGARDLESS OF WHETHER THE SAME IS REDUCED TO JUDGMENT OR DETERMINATION), OR ANY SETTLEMENT THEREOF FOR THE INDEMNIFICATION GRANTED BY FRANCHISEE HEREUNDER. THE FRANCHISOR PARTY INDEMNITEES SHALL HAVE THE RIGHT TO SELECT AND APPOINT INDEPENDENT COUNSEL TO REPRESENT ANY OF THE FRANCHISOR PARTY INDEMNITEES IN ANY ACTION OR PROCEEDING COVERED BY THIS INDEMNITY. FRANCHISEE AGREES THAT TO HOLD THE FRANCHISOR PARTY INDEMNITEES HARMLESS, FRANCHISEE WILL REIMBURSE THE FRANCHISOR PARTY INDEMNITEES AS THE COSTS AND EXPENSES ARE INCURRED BY THE FRANCHISOR PARTY INDEMNITEES.

_____

11.2 Notice and Defense of Claims

Franchisee agrees to give Franchisor prompt notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At the expense and risk of Franchisee, Franchisor may elect to assume (but under no circumstance is obligated to undertake) or associate counsel of its own choosing with respect to the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Such an undertaking by Franchisor shall, in no manner or form, diminish the obligation of Franchisee to indemnify the Indemnities and to hold them harmless.

11.3 Losses and Expenses Defined

As used in this Section 11, the phrase "losses and expenses" shall include, without limitation, all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, reasonable attorneys' fees, court costs, settlement amounts, judgments, compensation for damages to the Franchisor's reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described. All losses and expenses incurred under this Section 11 shall be chargeable to and paid by Franchisee pursuant to its obligations of indemnity under this Section 11, regardless of any actions, activity or defense undertaken by Franchisor or the subsequent success or failure of such actions, activity, or defense.

11.4 Survival

Franchisee expressly agrees that the terms of this Section 11 shall survive the termination, expiration or transfer of this Agreement or any interest herein.

12. FRANCHISOR'S RIGHT OF FIRST REFUSAL

12.1 Definitions

For purposes of this Section 12, the following words and phrases will have these definitions:

(a) "Assignment" – includes Franchisee's assignment, transfer, sale, gift, or other disposition of any interest in: (i) this Agreement; (ii) the Franchisee entity; (iii) the Salon governed by this Agreement; or (iv) the assets or a substantial portion of the assets of the Salon.

(b) "Controlling Interest" – a person will be deemed to have a controlling interest in Franchisee if that person has the majority of the voting stock or other forms of voting ownership interest of a corporation, partnership or other entity, or is otherwise able to direct or cause the direction of that entity's management or policies.

(c) "Franchisee" – includes all persons and entities with an ownership interest in this Agreement.

12.2 Offer to Franchisor

If Franchisee desires to make an Assignment or otherwise dispose of all or any part of Franchisee's interest in this Agreement, Franchisee shall first offer the proposed transaction to Franchisor.

12.3 Exclusions

Notwithstanding the terms of Section 12.2, the right of first refusal shall not apply if the assignee, transferee, or beneficiary is: (i) the spouse or child of Franchisee; (ii) a corporation or other entity owned and controlled solely by Franchisee; or (iii) already a shareholder or equity owner and the transaction does

not result in a change in Controlling Interest. Franchisee must obtain Franchisor's prior written approval to the Assignment and must comply with all of the terms and conditions of Section 13 of this Agreement.

12.4 Documentation Required

In the event of a proposed Assignment, Franchisee shall provide the following information to Franchisor:

(a) A purchase agreement or letter of intent signed by the proposed assignee or other party to the transaction and by Franchisee, specifying all the material terms and conditions of the offer including price and payment terms;

(b) A copy of the most recent income statement and the income statement from the Salon's last fiscal year end;

(c) A copy of the lease for the Location;

(d) Current financial statements of the proposed assignee; and

(e) Any other information or documents as reasonably requested by Franchisor.

12.5 Notice to Franchisee

Franchisor will have thirty (30) days from receipt of all of the above materials to accept the offer, by written notice to Franchisee, on the price and payment terms (or pay to Franchisee the cash equivalent of the price and payment terms) of the third-party offer. If the proposed transaction includes assets not related to the operation of the Salon, Franchisor may choose to purchase only the assets related to the operation of the Salon. In the event that Franchisor does not exercise its right of first refusal and the offer changes in any way, or another offer is made to Franchisee, this new offer must also be presented to Franchisor. Franchisor will have thirty (30) days to accept the new offer, by written notice to Franchisee, on the price and terms (or pay to Franchisee the cash equivalent of the price and payment terms) of the third-party offer. Any offer that Franchisor does not match must be consummated within one hundred twenty (120) days from the date that Franchisor informs Franchisee of its intent not to exercise its right of first refusal. If the transaction is not consummated within one hundred twenty (120) days, Franchisor will have the right to re-evaluate and match the offer if it elects to do so by notice to Franchisee.

12.6 Cash Equivalent Offer

Franchisor will have the right to replace the price and payment terms in the original purchase offer with a cash ("cash equivalent") offer. If Franchisor exercises its right of first refusal by making a cash equivalent offer and there is any dispute concerning whether Franchisor's offer is equivalent to the price and payment terms, then the following dispute resolution procedure shall be used. Franchisee will have seven (7) days after the receipt of Franchisor's cash equivalent offer to notify Franchisor that it claims that Franchisor's offer is not of equivalent value to the price and payment terms of the transaction. If, within seven (7) additional days, Franchisor and Franchisee cannot resolve the dispute through negotiation, then Franchisor and Franchisee will each appoint a separate national certified public accounting firm to make an independent determination of what the cash equivalent of the price and payment terms of the transaction would be. Franchisor and Franchisee will each bear their own costs of the work of the separate national certified public accounting firm appointed by each of them to perform this task. The accounting firms appointed to resolve this matter will finish their work within thirty (30) days of appointment. The final amount that will be used as the cash equivalent will be the average of the amounts determined by each of the accounting firms. Upon that determination, Franchisor will have the option of proceeding with its right of first refusal, using the cash equivalent amount determined by this process. This dispute resolution mechanism will be final, binding, and non-appealable as a fully arbitrated resolution of this matter. The mandatory use of this dispute resolution mechanism to determine the cash equivalency of the transaction

terms for this right of first refusal will constitute an exception to any other mechanism for the resolution of disputes as set forth in Section 14.4 of this Agreement.

13. ASSIGNMENT OF FRANCHISE

13.1 Assignment by Franchisor

Franchisor shall have the right, without the need for Franchisee's consent, to assign, transfer or sell its rights under this Agreement to any person, partnership, corporation or other legal entity, provided that the transferee agrees in writing to assume all obligations undertaken by Franchisor herein and Franchisee receives a statement from both Franchisor and its transferee to that effect. Upon such assignment and assumption, Franchisor shall be under no further obligation hereunder, except for accrued liabilities, if any. Franchisee further agrees and affirms that Franchisor may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, Marks (or any variation thereof) and System and/or the loss of association with or identification of Franchisor as the franchisor under this Agreement. Franchisee specifically waives 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.

Franchisee agrees 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 Salons operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which Franchisee acknowledges may be within its Territory, proximate thereto, or proximate to any of Franchisee's locations). However, Franchisor represents that it will not convert any such acquired salon premises that are operating within Franchisee's Territory to a Sharkey's Cuts for Kids Salon. If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor to remain in the hair care business or to offer or sell any products or services to Franchisee.

13.2 Assignment by Franchisee

The rights granted to Franchisee pursuant to this Agreement may be assigned or transferred by Franchisee only with the prior written approval of Franchisor. Whether Franchisee is an individual, group of individuals, partnership, corporation, limited liability company or other entity, any assignment (or new issuance), directly or indirectly, occurring as a result of a single transaction or a series of transactions that alters the Percentage of Ownership Interest reflected in Section 18.1 of this Agreement is an "assignment" within the meaning of this Section and must be consented to by Franchisor. Franchisee must apply for consent to an assignment on Franchisor's forms, accompanied by the Assignment Fee described in Section 13.6 and proposed purchase agreement or other agreement signed by the Franchisee and the proposed assignee. Any unauthorized assignment is a breach of this Agreement, void, and of no effect.

13.3 Restrictions

Franchisee may not assign more than a fifty percent (50%) interest in this Agreement to any person, persons or entity who is not currently a party to this Agreement if the Salon is not yet operational. Franchisee may not assign any interest whatsoever in this Agreement if the Salon is temporarily closed due to a pending relocation, as authorized by Franchisor under Section 1.4. Franchisee may not include any of the Marks licensed under this Agreement when advertising the sale of its Sharkey's Cuts for Kids Salon in newspapers, magazines, journals, via electronic media, or in any other public forum.

13.4 Conditions to Approval of Assignment

If Franchisor declines to exercise its right of first refusal set forth in Section 12 and Franchisee wishes to transfer all or part of its interest in the Salon or this Agreement, or if Franchisee or a Controlling Principal wishes to transfer any ownership interest in Franchisee, transferor and the proposed transferee shall apply to Franchisor for its consent. Franchisor shall not unreasonably withhold its consent to a transfer of any interest in Franchisee, in the Salon or in this Agreement. Franchisor may, in its sole discretion, require any or all of the following as conditions of its approval:

(a) All of the accrued monetary obligations of Franchisee or any of its affiliates and all other outstanding obligations to Franchisor arising under this Agreement or any other agreement shall have been satisfied in a timely manner and Franchisee shall have satisfied all trade accounts and other debts, of whatever nature or kind, in a timely manner;

(b) Franchisee and its affiliates shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee or any of its affiliates and Franchisor, and Franchisee shall have substantially and timely complied with all the terms and conditions of such agreements during the terms thereof;

(c) The transferor and its principals (if applicable) shall have executed a General Release, in a form satisfactory to Franchisor, of any and all claims against Franchisor, and its officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and federal, state and local laws, rules and regulations;

(d) The transferee shall demonstrate to Franchisor's reasonable satisfaction that transferee meets the criteria considered by Franchisor when reviewing a prospective franchisee's application for a license, including, but not limited to, Franchisor's educational, managerial and business standards; transferee's good moral character, business reputation and credit rating; transferee's aptitude and ability to conduct the business franchised herein (as may be evidenced by prior related business experience or otherwise); transferee's financial resources and capital for operation of the business; and the geographic proximity and number of other salons owned or operated by transferee;

(e) The transferee shall enter into a written agreement, in a form satisfactory to Franchisor, assuming full, unconditional, joint and several liability for, and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Agreement; and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreement as transferee's principals and guarantee the performance of all such obligations, covenants and agreements;

(f) The transferee shall execute, for a term ending on the expiration date of this Agreement and with such renewal terms as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and other ancillary agreements as Franchisor may require for the Salon, which agreements shall supersede this Agreement and its ancillary documents in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, the then-current system wide Royalty Fee and other recurring fees; provided, however, that the transferee shall not be required to pay any initial franchise fee; and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreement as transferee's principals and guarantee the performance of all such obligations, covenants and agreements;

(g) The transferee or buyer, at its expense, shall renovate, modernize and otherwise upgrade the Salon to conform to the then-current standards and specifications of the System, and

shall complete the upgrading and other requirements which conform to the system wide standards within the time period reasonably specified by Franchisor;

(h) The transferor shall remain liable for all of the obligations to Franchisor in connection with the Salon incurred prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

(i) At the transferee's expense, the transferee, the transferee's operating principal, general manager (as applicable) and/or any other applicable Salon personnel shall complete any training programs then in effect for franchisees of Salons upon such terms and conditions as Franchisor may reasonably require;

(j) The transferee shall have completed and executed the Franchisee Disclosure Acknowledgment Statement, which is attached in the Franchise Disclosure Document; and

(k) Franchisee shall pay to Franchisor the Assignment Fee set forth in Section 13.6 to reimburse Franchisor for reviewing the application to transfer, including, without limitation, legal and accounting fees.

(l) Franchisee is current and up to date on all past due fees with Franchisor.

(m) Franchisor will not participate or assist in the selling of a location unless all monies due Franchisor are current.

13.5 Execution of Assignment

If the assignee is approved by Franchisor, the assignee will execute and deliver to Franchisor the then-current standard form of Franchise Agreement which may be materially different than this Agreement. The assignee and each of the assignee's shareholders or equity owners that will have a five percent (5%) or greater interest in the Franchise Agreement shall personally guaranty performance of the Franchise Agreement on Franchisor's form of Guaranty, which is attached hereto as Attachment 2. Notwithstanding the execution by the assignee of the then-current form of Franchise Agreement, the assignee will assume the balance remaining of the term of this Agreement with the attendant renewal provisions. The assignee shall not be required to pay an Initial Franchise Fee for the then-current Franchise Agreement.

13.6 Assignment Fee

Franchisee shall pay an Assignment Fee of Fifteen Thousand Dollars ($15,000.00) per transferred salon to Franchisor. The Assignment Fee shall be paid upon Franchisee's request for consent to the proposed assignment. The Assignment Fee is otherwise non-refundable.

13.7 Assignment to Controlled Entity

Franchisor shall consent to Franchisee's assignment of this Agreement, one (1) time only, to a corporation or other business entity whose shares are wholly owned and controlled by Franchisee provided that: (i) Franchisee provides a copy of Franchisee's Articles of Incorporation, partnership documents or a copy of the fully-executed legal documents that reflect the formation of such entity, including evidence of distribution of ownership; (ii) Franchisee applies for Franchisor's consent on Franchisor's form; (iii) Franchisee and each of Franchisee's shareholders or equity owners with a five percent (5%) or greater interest in this Agreement sign a personal Guaranty and agree to be bound by the provisions of the Franchise Agreement; and (iv) Franchisee and each of Franchisee's shareholders or equity owners with a five percent (5%) or greater interest in this Agreement sign a General Release in favor of Franchisor.

13.8 Public Offering

(a) Securities or partnership interests in Franchisee may be offered to the public (a "public offering") only with the prior written consent of Franchisor, which consent may be withheld in its sole discretion. As a condition of its approval to such offering, Franchisor may, in its sole

discretion, require that immediately after such offering that Franchisee and the Controlling Principals retain a Controlling Interest (as defined above) in Franchisee.

(b) In the event Franchisor gives its consent to a public offering by Franchisee, such consent does not in any way constitute Franchisor's approval of Franchisee's offering or relieve Franchisee of its sole responsibility for the contents and veracity of the offering and any private placement memorandum or other documents associated with the offering. Franchisee must provide to Franchisor all documents related to the public offering for its review. Franchisee will be required to include such written disclosures as Franchisor deems appropriate in the event of a public offering by Franchisee.

13.9 Death or Disability

In the event of the death, disability or incapacity of any individual franchisee or a Controlling Principal, the transferee, assignee or beneficiary must apply for Franchisor's consent to assignment of the Franchise Agreement. The assignment shall not be valid or effective until Franchisor has received the properly executed legal documents which it deems necessary to properly and legally document the transfer, assignment or bequest of this Agreement, and until the transferee, assignee or beneficiary agrees to be unconditionally bound by the terms and conditions of this Agreement and to personally guarantee the performance of Franchisees' obligations under this Agreement. The transferee, assignee or beneficiary will be required to comply with all of the terms and conditions of Section 12 and 13 of this Agreement including the payment of the Assignment Fee owed under Section 13.6.

14. DISPUTE RESOLUTION

Except as provided in Section 14.5 of this Agreement, if any dispute, controversy, or claim between Franchisor, Franchisee and any of Franchisee's Principal(s), and any of Franchisor's or Franchisee's affiliates, officers, directors, shareholders, members, guarantors, employees, or owners, arising under, out of, in connection with or in relation to this Agreement, the parties' relationship(s), the Franchised Business, or any System standard, or the scope of validity of the arbitration obligation under this Section (any one or more collectively, a "Dispute"), the Dispute will be resolved strictly in accordance with the manner provided for in this Agreement.

14.1 Negotiation

The parties will first attempt to resolve the Dispute through good faith negotiation in accordance with this Section 14.1. Failure of a party to adhere to this Section 14.1 will constitute a waiver by such party of any right, remedy or relief claimed by the party or provided for by this Agreement or by law to otherwise accrue as a result of such Dispute.

(a) If a party claims that a Dispute exists, said party will notify the other party (or parties) in writing that a Dispute exists, specifying the nature and extent of the Dispute (the "Dispute Notice"). The parties will meet within thirty (30) days after the date of delivery of said Dispute Notice at Franchisor's then-current headquarters, or at such other location as directed by Franchisor for such attempted resolution (the "Dispute Meeting").

(b) The Dispute Meeting must be attended by persons representing Franchisor and Franchisee who are authorized to settle the Dispute. The parties may be represented by counsel at the Dispute Meeting. Notwithstanding any other provision of this Agreement to the contrary, express or implied, each party will bear its own costs in connection with a Dispute Meeting, including but not limited to, travel, lodging, meals, attorneys' fees, or other costs. The Dispute Meeting and any negotiations and results thereof will be treated as a compromise settlement negotiation and the entire process shall be confidential.

(c) The parties will make a good faith attempt to resolve the Dispute at the Dispute Meeting. If the Dispute is not resolved at such Dispute Meeting, the parties shall proceed with mandatory, non-binding mediation.

14.2 Mediation

Any Dispute relating to or arising out of this Agreement that is not resolved at a Dispute Meeting shall be submitted to mandatory, non-binding mediation. The holding of a Dispute Meeting is a prerequisite to any party seeking mediation of a Dispute. Mediation will be before a single, qualified, independent mediator mutually and reasonably agreed on by the parties. To the extent that the parties cannot agree on a mediator, the American Arbitration Association shall appoint a mediator. The parties shall equally bear the costs of mediation. Mediation shall be conducted in accordance with the then-current procedures of the American Arbitration Association and shall be confidential. The mediation shall be conducted in the city of Franchisor's then-current principal place of business. The parties shall make reasonable efforts to attempt to resolve any Dispute relating to or arising out of this Agreement within sixty (60) days of said Dispute being submitted to mediation.

14.3 Arbitration

The negotiation, mediation and arbitration provisions of this Agreement (i) apply to claims by and against Franchisee and its respective affiliates, owners, guarantors, managers, directors, officers, employees and representatives; (ii) shall survive the termination, expiration or transfer of this Agreement; and (iii) are intended to benefit and bind certain thirty-party non-signatories, and will continue in full force and effect subsequent to and notwithstanding the termination, expiration or transfer of this Agreement.

(a) Any Dispute or claim relating to or arising out of this Agreement or out of any other agreement between us, and any other Dispute between us, that is not resolved by mediation within sixty (60) days of submission to mediation by any party, must be resolved exclusively by mandatory arbitration by and in accordance with the then-current rules of the American Arbitration Association, or another arbitration service agreed to by Franchisor and Franchisee. The arbitration shall take place in the city where Franchisor's then-current headquarters is at the time of the Dispute.

(b) Arbitration will be before a single, qualified and experienced independent arbitrator mutually and reasonably agreed on by the parties. To the extent that the parties cannot agree on an arbitrator, the American Arbitration Association shall appoint an arbitrator.

(c) Arbitration shall be conducted solely on an individual basis. No arbitration shall be conducted on a class-wide basis or on a group basis. The arbitrator shall have no authority or power to proceed with any claim as a class or group action, or otherwise join or consolidate any claim with any other claim or any other proceeding involving third parties.

(d) The arbitration shall be conducted in accordance with the American Arbitration Association's then-current commercial arbitration rules. All matters related to arbitration shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 *et seq*.) and not by any state arbitration law. The arbitrator must follow the law and not disregard the terms of this Agreement, and the Arbitrator must have at least five(5) years of significant, substantive experience in franchise law. The arbitrator may not consider any settlement discussions or offers that might have been made by a party. The arbitrator will also have the right to make a determination as to any procedural matters as would a court of competent jurisdiction be permitted to make in the state in which the main office of Franchisor is located at the time of the arbitration. The arbitrator will also decide any factual, procedural or legal questions relating in any way to the Dispute between the parties, including, without limitation: (any decision as to whether the forum and venue provisions are applicable and enforceable as against the parties, subject matter, timeliness, scope, remedies,

unconscionability or any alleged fraud in the inducement. Each party consents to the enforcement of such orders, injunctions, etc. by any court having jurisdiction.

(e) In arbitration, each party shall submit or file any claim that would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure or its equivalent) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed in such proceeding will be barred. Further, in arbitration, the parties will have the same discovery rights as are available in civil actions under the Federal Rules of Civil Procedure. The arbitrator will have subpoena powers limited only by the laws of the state in which the main office of Franchisor is located at the time of the arbitration.

(f) The arbitrator shall have the right to award or include in any award any relief which the arbitrator deems proper in the circumstances, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, attachments, claim and delivery proceedings, temporary protective orders, receiverships, attorneys' fees and costs (including the costs of arbitration), and other equitable and/or interim or final relief; **provided however**, that the arbitrator shall not have the right to declare any Mark generic or otherwise invalid or, except as otherwise provided in this Agreement, to award exemplary, punitive, penal or multiple (e.g., double or treble) damages.

(g) The arbitrator shall not have the authority or right to add to, delete, amend or modify the terms, conditions or provisions of this Article 14. All findings, decisions, and awards of the arbitrator will be limited to the Dispute set forth in the written demand for arbitration (and any submitted counterclaim) and the arbitrator will not have the authority to decide any other issues unless the parties mutually agree thereto.

(h) Any and all of the arbitrator's ruling(s), decision(s), and award(s) may be appealed pursuant to the American Arbitration Association's Optional Appellate Arbitration Rules (the "Appellate Rules"). Each and every award of the arbitrator must be a reasoned award. Further, any award of the arbitrator shall not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired.

(i) Appeals must be initiated within thirty (30) days of receipt of an arbitrator's ruling, decision and/or award, as defined by Rule A-3 of the Appellate Rules, but filing a Notice of Appeal with any American Arbitration Association office. Following the appeal process, the decision rendered by the appeal tribunal may be entered in any court having competent jurisdiction.

(j) No findings, conclusions, orders or awards emanating from any arbitration proceeding conducted hereunder may be introduced, referred to or used in any subsequent or other proceeding as a precedent, to collaterally estop any party from advancing any claim or defense or from raising any like or similar issues, or for any other purpose whatsoever.

14.4 Limitations

Any Dispute or claim relating to or arising out of this Agreement, any other agreement between Franchisee and Franchisor and any Dispute between Franchisor and Franchisee (including contract, tort and statutory claims), shall be barred unless filed before the expiration of the earlier of: (i) the time period for bringing an action under any applicable statute of limitations; (ii) one year after the date upon which a party subject to arbitration discovered, or should have discovered, the facts giving rise to an alleged claim; or (iii) two years after the first act or omission giving rise to an alleged claim.

14.5 Exclusions from Negotiation, Mediation and Arbitration

Notwithstanding Sections 14.1 through 14.3 of this Agreement, the parties agree that the following claims will not be subject to negotiation, mediation or arbitration: (i) any action for equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance,

other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including without limitation, prior to or during the pendency of any arbitration proceedings initiated under this Agreement; and (ii) any action in ejectment or for possession of any interest in real or personal property.

14.6 Waiver of Jury Trial

The parties waive trial by jury in any lawsuit initiated by either of them with respect to a claim or counterclaim arising out of or relating to this Agreement.

14.7 Venue and Jurisdiction

In any lawsuit arising out of or related to this Agreement, or under any agreement between the parties, including for expedited relief or to enforce an arbitration award, the venue of such action may be set in federal or state courts in the county in which Franchisor's headquarters is located, and the parties waive any objection to such venue and agree that such courts have subject matter and personal jurisdiction to hear such matter.

14.8 Withholding Payment

Franchisee will not, on the grounds of Franchisor's alleged non-performance or poor performance of any of Franchisor's obligations under this Agreement, or due to any Dispute with or claim against Franchisor, or for any other reason whatsoever, withhold payment of any amounts due to Franchisor. Franchisee acknowledges that payments withheld by Franchisee may cause irreparable harm to Franchisor and to other franchisees by jeopardizing the maintenance of uniform Systems and by hindering Franchisor's ability to meet its obligations to other franchisees.

14.9 Interpretation and Execution

This Agreement is valid when executed and executed by Franchisor. Except to the extent governed by the United States Trademark Act, the United States Copyright Act and/or the Federal Arbitration Act, this Agreement and any claim, controversy or dispute arising out of or related to this Agreement shall be governed by the laws of the state of Connecticut. This choice of laws provision will not affect the scope of any state statute that by its terms is inapplicable to this Agreement, and nothing in this Agreement will extend the scope of application of any statute.

14.10 Fees and Costs

The prevailing party in any action or proceeding arising under, out of, in connection with or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrator's fees and expert witness fees, costs of investigation and proof of facts, court costs and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed. For the purposes of this Agreement in general and this Section specifically, the "Prevailing Party" will be deemed to be that party which has obtained the greatest net judgment in terms of money or money equivalent from the largest award. If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator will award the above fees to the party that it deems has prevailed over the other party using reasonable judgment.

15. TERMINATION

15.1 Immediate Termination

Franchisor will have the absolute right and privilege, unless prohibited by applicable law, to immediately terminate this Agreement if:

(a) Any act, practice, or unauthorized use of the Marks by Franchisee that impairs or imminently threatens to impair the goodwill associated with the Marks or System;

(b) Franchisee, or any of Franchisee's partners, if Franchisee is a partnership, or any of its officers, directors, shareholders, or members, if Franchisee is a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee; if Franchisee is adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; if a receiver or other custodian (permanent or temporary) of Franchisee's 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 should be instituted by or against Franchisee; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); if Franchisee is dissolved; if execution is levied against Franchisee's business or property; if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Salon shall be sold after levy thereupon by any sheriff, marshal, or constable;

(c) to operate the Franchised Business for a period of five (5) days or more; subject to loss or casualty which is governed by Section 15.1(d) and Section 15.1(e)

(d) loses for any cause whatsoever the right of possession of the Salon premises; provided, however, that this provision shall not apply if through no fault of Franchisee, Franchisee loses right of possession and Franchisee applies within thirty (30) days after such event, for Franchisor's approval to relocate the Salon (which approval shall not be unreasonably withheld) and Franchisee diligently pursues such relocation in accordance with Section 1.4;

(e) fails to restore the Salon premises to full operation within a reasonable period of time but not more than one hundred twenty (120) days from the date the Salon premises is rendered inoperable by any casualty, as may be extended by Franchisor in Franchisor's reasonable discretion;

(f) Franchisee is convicted of, or has entered a plea of nolo contendere to, a felony, a crime involving moral turpitude, that Franchisor believes is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or Franchisor's interests therein;

(g) Franchisee operates the Salon or sells any products or services not authorized by Franchisor for sale at the Salon at a location which has not been approved by Franchisor, or fails to sell Proprietary Products, or sells unapproved products; or uses Franchisors trademarks without approval from Franchisor,

(h) A threat or danger to public health or safety results from the construction, maintenance or operation of the Sharkey's Cuts for Kids Salon;

(i) Franchisee purports to transfer any rights or obligations under this Agreement or any interest in Franchisee or the Salon to any third party without Franchisor's prior written consent or without offering Franchisor a right of first refusal with respect to such transfer, contrary to the terms of Section 12 of this Agreement;

(j) Franchisee knowingly maintains false books or records, or submits any false reports to Franchisor;

(k) Franchisee misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein; provided that, notwithstanding the above,

(l) Franchisee commits three (3) material events of default under this Agreement or any other agreement between Franchisee and Franchisor or any of its affiliates, within any twelve (12) month period, whether or not such defaults are of the same or different nature and whether or not such defaults have been cured by Franchisee after notice by Franchisor; or

(m) Franchisee fails to comply with all applicable laws and ordinances relating to the Salon, including Anti-Terrorism Laws, or if Franchisee's or any of its owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or Franchisee or any of its owners otherwise violate any such law, ordinance, or regulation,

(n) Franchisees royalty payments, loans, financing payments, ad or brand fund payments to Franchisor are past due 9 days or more (payments due on the 1st of each month so a termination would go into effect on the 10th of the month)

(o) refuses to permit Franchisor to inspect the Franchised Business premises or audit Franchisee's books or records.

If this Agreement is terminated pursuant to this Section, Franchisor will give Franchisee written notice or notice via email that this Agreement is terminated. Unless applicable law applies to the contrary, the effective date of termination of this Agreement will be the day written notice or email notice is given to Franchisee.

15.2 Grounds for Termination

Franchisor may terminate this Agreement for "good cause." Good cause for termination is a material breach of this Agreement or any other Franchise Agreement Franchisee has entered into with Franchisor for a Sharkey's Cuts for Kids Salon, or intentional, repeated or continuous breach of any provision of this Franchise Agreement or any other Agreement. Good cause for termination of this Agreement by Franchisor also includes:

(a) Franchisee's failure to comply with the System and standards of uniformity and quality established by Franchisor;

(b) Franchisee's failure to make when due any payment pursuant to any Franchise Agreement, promissory note, other contract or other obligation payable by Franchisee to Franchisor;

(c) Franchisee's failure to pay its obligations owing to suppliers, landlord, bank, other creditors or any federal, state, and municipal government, including federal and state taxes;

(d) Franchisee commits a breach not otherwise provided for in Section 15.1 or 15.2 of this Agreement and fails to cure such breach with thirty (30) days after notice thereof; and

(e) Franchisee's intentional understatement of Gross Revenues by more than two percent (2%).

(f) Franchisee fails to open the franchise in accordance with Section 7.4.

(g) Franchisee fails to conform to retail requirements set forth in section 6.3

15.3 Notice of Breach

Unless terminated in accordance with Section 15.1, Franchisor shall provide Franchisee with written notice or email notice stating the grounds relied upon for termination. If the stated grounds for termination are for nonpayment of amounts due or the understatement of Gross Sales, Franchisee will have three (3) days after the notice to cure the alleged breach. If applicable law does not specify a time period

to cure an alleged breach, then Franchisee will have the same (3) days after the notice to cure the alleged breach. However, if the breach is not corrected within the cure period, the termination will then become effective upon expiration of the cure period.

16. CONSEQUENCES OF TERMINATION

Upon the termination, expiration or non-renewal of this Agreement:

(a) Franchisee shall immediately cease to operate the Sharkey's Cuts for Kids Salon under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor.

(b) Franchisee shall immediately and permanently cease to use, in any manner whatsoever, any confidential information or methods, computer software, procedures, and techniques associated with the System; the Marks; and all other distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Marks, and shall immediately change all paint colors, remove Franchisor's distinctive décor and all other proprietary or non-proprietary design items.

(c) Franchisee shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the marks "Sharkey's Cuts for Kids," or any other service mark or trademark of Franchisor, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

(d) Franchisee agrees, in the event it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which may cause confusion, mistake or deception, or which is likely to dilute Franchisor's rights in and to the Marks, and further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor constituting unfair competition.

(e) Franchisee and its affiliates shall promptly pay all sums owing to Franchisor. Such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of any default by Franchisee, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by Franchisee and on the premises operated hereunder at the time of default.

(f) Franchisee and its affiliates shall pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor in connection with obtaining any remedy available to Franchisor for any violation of this Agreement and, subsequent to the termination or expiration of this Agreement, in obtaining injunctive or other relief for the enforcement of any provisions of this Section 16.

(g) Franchisee shall immediately deliver to Franchisor all Operations Manuals, software licensed by Franchisor, if any, records, files, instructions, correspondence, all materials related to operating the Salon, including, without limitation, agreements, invoices, and any and all other materials relating to the operation of the Salon in Franchisee's possession or control, and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, except Franchisee's copy of this Agreement and of any correspondence between the parties and any other documents which Franchisee reasonably needs for compliance with any provision of law.

(h) Franchisee and its affiliates shall comply with the restrictions on confidential information contained in Section 7.13 of this Agreement and shall also comply with the non-competition covenants contained in Section 7.14.

(i) Franchisee shall also immediately furnish Franchisor an itemized list of all advertising and sales promotion materials bearing the Marks or any of Franchisor's distinctive markings, designs, labels, or other marks thereon, whether located on Franchisee's premises or under Franchisee's control at any other location. Franchisor shall have the right to inspect these materials. Franchisor shall have the option, exercisable within thirty (30) days after such inspection, to purchase any or all of the materials at Franchisee's cost, or to require Franchisee to destroy and properly dispose of such materials. Materials not purchased by Franchisor shall not be utilized by Franchisee or any other party for any purpose unless authorized in writing by Franchisor.

(j) Upon execution of this Agreement, in partial consideration of the rights granted hereunder, Franchisee acknowledges and agrees that all right, title and interest in the signs and advertising materials used at the Salon are owned by and are hereby assigned to Franchisor, and that upon termination or expiration of this Agreement, neither Franchisee nor any lien holder of Franchisee shall have any further interest therein.

(k) Franchisee shall assign to Franchisor the telephone and fax number used in the operation of the Salon, and Franchisee shall execute any documents required to provide Franchisor with the ability to act as Franchisee's attorney-in-fact to transfer such numbers.

(l) Upon termination of this Agreement according to its terms and conditions, Franchisee agrees to pay to Franchisor within fifteen (15) days after the effective date of this Agreement's termination, in addition to the amounts owed hereunder, liquidated damages equal to the then-current monthly Royalty Fee required to be paid to Franchisor multiplied by (i) twenty-four (24) (being the number of months in two (2) full years), or (ii) the number of months remaining in the Agreement had it not been terminated, whichever is higher.

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

The liquidated damages provision only covers Franchisor's damages from the loss of cash flow from the Royalty Fees. It does not cover any other damages, including damages to Franchisor's reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. Franchisee and each of its Owners agree that the liquidated damages provision does not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section.

17. TRANSFER OF SALON PREMISES AND EQUIPMENT

17.1 Assignment of Lease

If Franchisee operates the Salon under a lease for the Salon with a third party or, with respect to any lease for equipment used in the operation of the Salon, then Franchisee shall, at Franchisor's option, assign to Franchisor any interest which Franchisee has in any lease or sublease for the premises of the Salon, or any equipment related thereto. Franchisor may exercise such option at or within thirty (30) days after either termination or (subject to any existing right to renew) expiration of this Agreement. In the event Franchisor does not elect to exercise its option to acquire the lease or sublease for the Salon premises or does not have such option, Franchisee shall make such modifications or alterations to the Salon as are

necessary to distinguish the appearance of the Salon from that of other salons operating under the System and shall make such specific additional changes as Franchisor may reasonably request. If Franchisee fails or refuses to comply with the requirements of this Section 17.1, Franchisor shall have the right to enter upon the premises of the Salon, without being guilty of trespass or any other crime or tort, to make or cause to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand. Notwithstanding the provisions of this Section 17.1 to the contrary, in the event the lease is assigned to Franchisor, Franchisor hereby indemnifies and hold harmless Franchisee and any guarantors under said lease, for any breach by Franchisor or its successors or assigns from any liability arising out of the lease for the Salon premises from and after the date of the assignment of the lease.

17.2 Equipment

(a) Except as otherwise provided below, Franchisor shall have the option, to be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase from Franchisee any or all of the furnishings, equipment (including any electronic cash register or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of Franchisee related to the operation of the Salon, at fair market value. Franchisor shall be purchasing Franchisee's assets only and shall be assuming no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If the parties cannot agree on the fair market value within thirty (30) days of Franchisor's exercise of its option, fair market value shall be determined by two appraisers, with each party selecting one appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and shall split the appraisal fees equally. If Franchisor elects to exercise any option to purchase herein provided, it shall have the right to set off all fees for any such independent appraiser due from Franchisee, all amounts due from Franchisee to Franchisor and any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash.

(b) In addition to the options described above and if Franchisee owns the Salon premises, then Franchisor shall have the option, to be exercised at or within thirty (30) days after termination or expiration of this Agreement, to purchase the Salon premises including any building thereon, if applicable, for the fair market value of the land and building, and any or all of the furnishings, equipment, signs, fixtures, vehicles, supplies and inventory therein at Franchisee's cost or fair market value, whichever is less. Franchisor shall purchase assets only and shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If Franchisee does not own the land on which the Salon is operated and Franchisor exercises its option for an assignment of the lease, Franchisor may exercise this option for the purpose of purchasing the building if owned by Franchisee and related assets as described above. If the parties cannot agree on fair market value within thirty (30) days of Franchisor's exercise of its option, fair market value shall be determined in accordance with appraisal procedure described above.

(c) With respect to the options described in Sections 17.2(a) and 17.2(b), Franchisee shall deliver to Franchisor in a form satisfactory to Franchisor, such warranties, deeds, releases of lien, bills of sale, assignments and such other documents and instruments which Franchisor deems necessary in order to perfect Franchisor's title and possession in and to the properties being purchased or assigned and to meet the requirements of all tax and government authorities. If, at the time of closing, Franchisee has not obtained all of these certificates and other documents, Franchisor may, in its sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents.

(d) The time for closing of the purchase and sale of the properties described in Sections 17.2(a) and 17.2(b) shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, or such date Franchisor receives

and obtains all necessary permits and approvals, whichever is later, unless the parties mutually agree to designate another date. The time for closing on the assignment of the lease described in this Section 17 shall be a date no later than ten (10) days after Franchisor's exercise of its option thereunder unless Franchisor is exercising its options under either Sections 17.2(a) and 17.2(b), in which case the date of the closing shall be on the same closing date prescribed for such option. Closing shall take place at Franchisor's corporate offices or at such other location as the parties may agree.

17.3 Assets

Notwithstanding anything to the contrary contained herein, if Franchisee operates the Salon from a premises that is subleased to Franchisee by Franchisor, upon termination (or expiration if Franchisee does not renew) of this Agreement, Franchisor shall have the right to take immediate possession of the assets of the Salon, including, any or all of the furnishings, equipment (including any electronic cash register or computer hardware and software systems), signs, fixtures, supplies, and inventory of Franchisee related to the operation of the Salon. Franchisor shall have a lien against all such assets in the amount of any amounts due to Franchisor under this Agreement or any other agreement. Franchisor shall have the right to have such assets appraised at the lower of cost or fair market value of the used assets, and to acquire all right, title and interest to such assets, without conducting any public sale, by paying to Franchisee (or to any lender of Franchisee who has a lien holder interest in the assets) the difference between the appraised value and the amounts owed to Franchisor by Franchisee at the time of termination. If the lien on the assets from Franchisee's lender has priority over any lien of Franchisor, and the amount of the lien is in excess of the appraised value of such assets, Franchisor shall have the right to deal directly with Franchisee's lien holder, and to pay any amounts due to Franchisee directly to the lien holder. Franchisee agrees to provide all further assurances, and to execute all documents required by Franchisor or by law to lawfully effect such transfer, and to perfect Franchisor's security interest. Franchisor shall have the right to take such action without the execution of any further documents by Franchisee if Franchisee fails or refuses to comply with these further assurances.

17.4 Assignment; Power of Attorney

Franchisor shall be entitled to assign any and all of its options in this Section to any other party, without the consent of Franchisee. Franchisee, at the option of Franchisor, shall assign to Franchisor all rights to the telephone numbers of the Salon and any related trademark listing or other business listings and execute all forms and documents required by Franchisor and any telephone company at any time to transfer such service and numbers to Franchisor. Further, Franchisee shall assign to Franchisor all Internet listings, domain names, Internet accounts, advertising on the Internet or World Wide Web, websites, listings with search engines, e-mail addresses or any other similar listing or usage related to the Sharkey's Cuts for Kids Salon. Franchisee hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment. This power of attorney shall survive the expiration or termination of this Agreement. Franchisee shall thereafter use different telephone numbers, email addresses or other listings or usages at or in connection with any subsequent business conducted by Franchisee.

18. MISCELLANEOUS PROVISIONS

18.1 Designation of Responsible Parties

Franchisee shall list below and certify to Franchisor: (a) the name, mailing address and equity interest of each person holding any shares or other form of ownership, or security or other interest convertible into an equity interest, in Franchisee, showing percentage of ownership held by each; and (b) the name and mailing address of the individual(s) who will be the principal operator(s) (the "Controlling Principals") of the business franchised hereunder. The Controlling Principals (there may be up to two such individuals but only one address to which Franchisor communicates in regard to the franchise) named is

responsible for the day-to-day management of the Salon and has the authority to act for Franchisee in all matters regarding the Salon, including voting responsibilities. Franchisee shall promptly notify Franchisor of any change in any such information. Any change in the Controlling Principals or in the shareholder information is subject to Section 12 and 13 of this Agreement. The term "Controlling Principals" shall include, collectively and individually, any person who has been designated by Franchisor as a Controlling Principal hereunder.

Franchisee is (i) [ ] a _____, organized under the laws of _____, or (ii) [ ] an individual or group of individuals, and hereby represents and warrants that the information stated below is true and accurate as of the date set forth below:

Shareholder, Partner or Individual Name and Address	Percentage of Ownership Interest

Controlling Principal(s):

_____

Address:

_____

18.2 Entire Agreement

This Agreement, including all attachments, is the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter, and superseding all prior written or oral representations made to Franchisee, provided that nothing in this Agreement is intended to disclaim the representations made to Franchisee in Franchisor's Franchise Disclosure Document. No agreement of any kind relating to the matters covered by this Agreement and no amendment of the provisions hereof shall be binding upon either party unless and until the same has been made in writing and executed by all interested parties.

18.3 Reasonableness of Restrictions.

Franchisee and Principal(s) acknowledges and agrees that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on Franchisee or Principal(s) since Franchisee or Principal(s), as the case may be, have other considerable skills, experience and education which afford Franchisee or Principal(s), as the case may be, the opportunity to derive income from other endeavors.

18.4 Severability

Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable; and if, for any reason, any portion, section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, this shall not impair the operation of, or have any other effect upon, the other portions, sections, parts, terms or provisions of this Agreement that may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties; the invalid portions, sections, parts, terms or provisions shall be deemed not to be part of this Agreement; and

there shall be automatically added such portion, section, part, term or provision as similar as possible to that which was severed which shall be valid and not contrary to or in conflict with any law or regulation.

18.5 Notice

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified mail or courier, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as set forth in the introductory paragraph of this Agreement, or at such other address or addresses as the parties may from time to time designate in writing.

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of facsimile, telegram or email, upon transmission (provided confirmation is sent as described above) or, in the case of expedited delivery service or registered or certified mail, three business days after the date and time of mailing.

18.6 Relationship

Franchisor and Franchisee stand solely in the business relationship of licensor and licensee and vendor and vendee. Franchisee is not and shall not act or represent itself as the employee, agent, partner or joint venturer of Franchisor. Franchisee shall incur no debt, liability or obligation on behalf of Franchisor. No fiduciary duties or relationship of special trust and confidence exist between the parties. Franchisor and Franchisee shall adhere to good business practices, observing high standards of honesty, integrity, fair dealing and ethical business conduct and good faith in all business dealings with customers, employees and vendors and each other. Franchisee is liable for all taxes, fees and other benefits and assessments regarding the business for itself, its employees and contractors.

18.7 Parties Affected

This Agreement binds the parties and their respective executors, administrators, successors and assigns. No person may acquire from Franchisee any interest in this Agreement except in accordance with Section 13. If Franchisee consists of more than one person, all are jointly and severally liable hereunder.

18.8 Waiver

No delay, waiver, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising out of any breach or default by Franchisee under this Agreement shall constitute a waiver by Franchisor to enforce any such right, option, duty or power against Franchisee, or as to a subsequent breach or default by Franchisee. Acceptance by Franchisor of any payments due to it hereunder subsequent to the time at which such payments are due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, provisions, covenants or conditions of this Agreement.

18.9 Consent

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor, and such approval or consent shall be obtained in writing.

18.10 Counterparts

This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

18.11 Captions

The captions used in connection with the sections and subsections of this Agreement are inserted only for purpose of reference. Such captions shall not be deemed to govern, limit, modify or in any other

manner affect the scope, meaning or intent of the provisions of this Agreement or any part thereof nor shall such captions otherwise be given any legal effect.

18.12 Survival

Any obligation of Franchisee that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of Franchisee therein shall be deemed to survive such termination, expiration or transfer.

18.13 No Defense

Franchisee and Principal(s) expressly agree that the existence of any claims they may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the Confidentiality and Non-Compete covenants and Section 18.

18.14 Cumulative Rights

All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between Franchisee or any of its affiliates and Franchisor. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time.

18.15 System Changes

Franchisee understands and agrees that the System must not remain static if it is to meet, without limitation, presently unforeseen changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends and other marketplace variables, and if it is to best serve the interests of Franchisor, Franchisee and all other franchisees. Accordingly, Franchisee expressly understands and agrees that Franchisor may from time to time change the components of the System including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System; abandoning the System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons; adding to, deleting from or modifying those products, programs and services which Franchisee's Salon is authorized and required to offer; modifying or substituting entirely the building, premises, equipment, signage, trade dress, decor, color schemes and uniform specifications and all other unit construction, design, appearance and operation attributes which Franchisee is required to observe hereunder; and changing, improving, modifying or substituting the Marks. Franchisee expressly agrees to comply with any such modifications, changes, additions, deletions, substitutions and alterations; provided, however, that such changes shall not materially and unreasonably increase Franchisee's obligations hereunder. Franchisee shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed. Franchisor shall not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any of the modifications contemplated hereby. Franchisee hereby covenants not to commence or join in any litigation or other proceeding against Franchisor or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby. Finally, Franchisee expressly waives any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

18.16 Operation in the Event of Absence or Disability

In order to prevent any interruption of the Franchised Business operations which would cause harm to the Salon, thereby depreciating the value thereof, Franchisee authorizes Franchisor, who may, at its

option, in the event that Franchisee is absent for any reason or is incapacitated by reason of illness and is unable, in the sole and reasonable judgment of Franchisor, to operate the Salon, operate the Salon for so long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies Franchisor may have under this Agreement. All monies from the operation of the Salon during such period of operation by Franchisor shall be kept in a separate account, and the expenses of the Salon, including reasonable compensation and expenses for Franchisor's representative, shall be charged to said account. If, as herein provided, Franchisor temporarily operates the Salon franchised herein for Franchisee, Franchisee agrees to indemnify and hold harmless Franchisor and any representative of Franchisor who may act hereunder, from any and all acts which Franchisor may perform, as regards the interests of Franchisee or third parties.

18.17 Step-In Rights – Cause for Step-In

If Franchisor determines in its sole judgment that the operation of Franchisee's business is in jeopardy, or if a default occurs, then in order to prevent an interruption of the franchised business which would cause harm to the franchise system and thereby lessen its value, Franchisee authorizes Franchisor to operate his/her business for as long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies which Franchisor may have under this Agreement. In the sole judgment of Franchisor, Franchisor may deem Franchisee incapable of operating the franchised business if, without limitation, Franchisee is absent or incapacitated by reason of illness or death; Franchisee has failed to pay when due or has failed to remove any and all liens or encumbrances of every kind placed upon or against Franchisee's business; or Franchisor determines that operational problems require that Franchisor operate Franchisee's business for a period of time that Franchisor determines, in its sole discretion, to be necessary to maintain the operation of the business as a going concern.

18.18 Step-In Rights – Duties of Parties

Franchisor shall keep in a separate account all monies generated by the operation of Franchisee's business, less the expenses of the business, including reasonable compensation and expenses for Franchisor's representatives. In the event of the exercise of the Step-In Rights by Franchisor, Franchisee agrees to hold harmless Franchisor and its representatives for all actions occurring during the course of such temporary operation. Franchisee agrees to pay all of Franchisor's reasonable attorneys' fees and costs incurred as a consequence of Franchisor's exercise of its Step-In Rights. Nothing contained herein shall prevent Franchisor from exercising any other right which it may have under this Agreement, including, without limitation, termination.

18.19 Costs and Legal Fees

If Franchisor is required to enforce this Agreement in a judicial or arbitration proceeding, Franchisee shall reimburse Franchisor for its costs and expenses, including, without limitation, reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by Franchisee to comply with this Agreement, Franchisee shall reimburse Franchisor for any of the above-listed costs and expenses incurred by Franchisor.

Signature Page to Follow

The parties hereto have executed this Franchise Agreement on the day of the year first above written.

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

By:_____

Name:_____

Title:_____

Accepted On:_____
(the "Effective Date")

FRANCHISEE:

_____

By:_____

Name:_____

Title:_____

Date:_____

PRINCIPAL:

By: _____

Name:_____

By: _____

Name:_____

Attachment1

Location and Territory Description

1. The Location will be as described below:

_____
_____
_____
_____
_____

2. The Territory will be as described below:

_____
_____
_____
_____
_____

Attachment 2 to the Franchise Agreement

Guaranty

In order to induce Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company ("Franchisor"), to either enter into or continue the Franchise Agreement dated as of _____ (the "Agreement") between Franchisor and _____ (the "Franchisee"), the undersigned guarantors (individually, a "Guarantor" and collectively "Guarantors") hereby jointly and severally, unconditionally and irrevocably guarantee to Franchisor, and its successors and assigns, the performance of all of Franchisee's obligations, arising from or created under the Agreement, including, without limitation, the obligation to pay all amounts due under the Agreement and any other agreement to which Franchisor and Franchisee are parties.

Upon default by Franchisee or upon notice by Franchisor, each of the Guarantors immediately shall make each payment and perform each obligation required of Franchisee under the Agreement.

The Guarantors hereby waive notice of acceptance of this Guaranty, notice of presentment, notice of default, demand for payment or performance and all other demands or notices required or customarily given under like circumstances and agree that no extension, compromise, arrangement, alternative in time or method of performance or release or partial release of any party or security, and no other act or omission by Franchisor shall release or relieve any of the Guarantors.

Franchisor may pursue its rights against any of Guarantors without first exhausting its remedies against Franchisee and without joining any other Guarantor. No delay on Franchisor's part in the exercise of any right or remedy shall operate as a waiver of the right or remedy, and Franchisor's single or partial exercise of any right or remedy shall not preclude the further exercise of any right or remedy. Upon Franchisor's receipt of notice of the death of any of the Guarantors, the estate of the deceased shall be bound by this Guaranty, but only for defaults and obligations under the Agreement existing at the time of death and, in the event of death, the obligations of the remaining Guarantors shall continue in full force and effect.

Each of the Guarantors hereby agrees to indemnify Franchisor against all liability, loss, harm, damage, costs and expenses (including legal fees) which Franchisor shall suffer, incur or sustain by reason of the failure of Franchisee to observe or perform its obligations under the Agreement. The Guarantors also hereby, jointly and severally, agree to reimburse Franchisor and its successors and assigns, for all expenses, collection charges, court costs and attorneys' fees incurred in endeavoring to collect, enforce or defend any of the foregoing against the Guarantors.

Without affecting the obligations of any of the Guarantors, Franchisor may, without notice to any of the Guarantors, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee, or settle, adjust or compromise any claims that Franchisor has against Franchisee. The liabilities and obligations of each of the Guarantors shall not be released, discharged or in any way be affected by any compromise, arrangement or plan of reorganization affecting Franchisee, or by the bankruptcy or insolvency of Franchisee, or by any other act or proceeding in relation to Franchisee or the Agreement whereby any of the Guarantors might otherwise be released. The liabilities and obligations of each of the Guarantors pursuant to this Guaranty shall be continuing in nature and a fresh cause of action shall be deemed to arise in respect of each default on the part of Franchisee giving rise to a liability of any of the Guarantors.

If any portion of this Guaranty is deemed to be invalid and inoperative for any reason, that part shall be deemed modified to the extent necessary to make it valid and operative or, if it cannot be so modified, then severed, and the remainder of the Guaranty shall continue to be in full force and effect.

Each Guarantor has read the terms and conditions of the Agreement and acknowledges that the execution of this Guaranty is in partial consideration for the granting of the franchise, and that Franchisor would not have granted the franchise without the execution of the Guaranty and the undertakings by each of the Guarantors.

Signed this ___ day of _____, 20___.

GUARANTORS:

_____	_____
Name:_____	Name:_____
_____	_____
Name:_____	Name:_____
_____	_____
Name:_____	Name:_____

Attachment 3 to the Franchise Agreement

OPTION FOR ASSIGNMENT OF LEASE

This Option for Assignment of Lease (the "Assignment") made this day of _____, 20 by and between Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company located at 37 Highland Road, Westport, Connecticut 06880 (the "Company"), _____ ("Franchisee") and _____ ("Landlord") involving the Sharkey's Cuts for Kids Salon ("Salon") to be located at _____ ("Franchise Location"), with reference to the following facts:

On , 20, Franchisee and Landlord entered into a lease agreement ("Lease"), a fully executed copy of which is to be attached hereto as Attachment 1, pursuant to the terms of which Franchisee leased the Franchise Location from Landlord to operate the Salon thereon.

On , 20, the Company and the Franchisee executed a Franchise Agreement (the "Franchise Agreement") pursuant to the terms of which Franchisee obtained a franchise from the Company to operate the Salon at the Franchise Location.

The Company, Franchisee and Landlord desire to enter into this Assignment to define the rights of the Company in and to Salon Franchise Location and to protect the interests of the Company in the continued operation of a Salon at the Franchise Location during the entire term of the Lease, and any and all renewals and extensions thereof, and Landlord desires to consent to this Assignment on the terms and conditions set forth herein.

1. Assignment. Franchisee hereby assigns, transfers and conveys to the Company, or its nominee, all of Franchisee's right, title and interest in and to the Lease; however, this Assignment shall become effective only upon the Company's exercise of the option granted to the Company in Section 3 herein subsequent to the occurrence of any of the following events:

(a) Default of Lease. If Franchisee shall be in default in the performance of any of the terms of the Lease, unless such default is cured within the period required in the Lease or within ten (10) days following written demand given by the Company, whichever is sooner.

(b) Default of Franchise Agreement. The occurrence of any acts which would result in immediate termination as specified in the Franchise Agreement or the continuance beyond the period or periods specified in the Franchise Agreement for cure of any default by Franchisee in the performance or payments required under the Franchise Agreement.

(c) Non-Exercise of Option to Renew or Extend. If Franchisee shall have had an option to renew or extend the Lease and shall have failed or elected not to do so within the time specified in the Lease for such renewal or extension, after having notified the Company in advance of Franchisee's intention to not renew or extend pursuant to Section 1(d) hereof, and after being directed in writing by the Company to do so.

(d) Failure to Give Notice. If Franchisee fails to give the Company at least ninety (90) days' prior written notice of his/her intention to exercise or not exercise any option to renew or extend the Lease or to terminate the Lease on at least thirty (30) days' prior written notice of any amendment or modification of the Lease.

(e) Sale of the Salon. Upon Franchisee's sale of Franchisee's right, title and interest in and to the Salon conducted at the Franchise Location.

2. Consent to Assignment. Landlord hereby consents to this Assignment, which consent shall remain in effect during the entire term of the Lease and any and all renewals or extensions thereof, and agrees that the Lease shall not be amended, assigned, extended or renewed, nor shall the Franchise Location be sublet by Franchisee, without the prior written consent of the Company.

3. Exercise of Option by the Company. The Company may exercise the option granted herein and thereby make this Assignment unconditional by giving written notice to Franchisee and Landlord of its exercise of such option in the manner specified in Section 8 hereof and by thereafter delivering to Landlord, within ten (10) business days after Landlord requests same, a written assumption of the obligations of the Lease.

The Company shall have the right, concurrently with or subsequent to the Company's exercise of the option granted herein, to assign and transfer its rights under this Agreement to an entity owned or controlled by the Company or to a new franchisee selected by the Company to operate the Salon, with the prior written consent of Landlord, which shall not be unreasonably withheld, provided that such new entity or franchisee shall have a credit rating and a net worth adequate for the operation of the Salon. In such event, such new entity or franchisee shall assume the obligations of the Lease in place and instead of the Company.

4. Termination of Rights of Franchisee. Upon the exercise of the option granted to the Company herein, Franchisee shall no longer be entitled to the use or occupancy of the Franchise Location and all of Franchisee's prior rights in and to the Lease will have been, in all respects, terminated and, by the terms of this Assignment, assigned to the Company or its assignee.

5. Vacate Franchise Location. Franchisee shall immediately vacate the Franchise Location within the period permitted by the Lease; however, in the event that Franchisor shall fail or refuse to do so, the Company shall have the right to enter the Franchise Location and take possession of the Franchise Location.

6. Indemnification. Franchisee hereby covenants and agrees to indemnify and hold Landlord and the Company harmless from and against any and all loss, costs, expenses (including attorneys' fees), damages, claims and liabilities, however caused, resulting directly or indirectly from or pertaining to the exercise by the Company and/or Landlord of the rights and remedies granted under this Assignment.

7. Remedies Cumulative. The remedies granted pursuant to this Assignment are in addition to and not in substitution of any or all other remedies available at law or in equity to the Company or Landlord.

8. Notices.

(a) Writing. All notices, requests, demands, payments, consents and other communications hereunder shall be transmitted in writing and shall be deemed to have been duly given when sent by registered or certified United States mail, postage prepaid, addressed as specified in the introductory paragraph of this Agreement.

(b) Change of Address. Any party may change its address by giving notice of such change of address to the other parties.

(c) Mailed Notice. Mailed notices shall be deemed communicated within three (3) days from the time of mailing if mailed as provided in this Section 8.

9. Miscellaneous.

(a) Injunction. Franchisee and Landlord recognize the unique value and secondary meaning attached to the Company's trademarks, trade names, service marks, insignia and logo designs and the Franchise Location displaying same and agree that any noncompliance with the terms of this Assignment will cause irreparable damage to the Company and its franchisees. Franchisee and Landlord therefore agree that in the event of any noncompliance with the terms of this Assignment, the Company shall be entitled to seek both permanent and temporary injunctive relief from any court of competent jurisdiction in addition to any other remedies prescribed by law.

(b) Further Acts. The parties agree to execute such other documents and perform such further acts as may be necessary or desirable to carry out the purposes of this Assignment.

(c) Heirs and Successors. This Assignment shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

(d) Entire Agreement. This Assignment represents the entire understanding between the parties concerning the assignment of the Lease and supersedes all other negotiations, agreements, representations or covenants, oral or written, except any other agreement executed by the Company, Landlord and Franchisee in connection herewith. This Assignment may not be modified except by a written instrument signed by the party to be charged. The parties intend this Assignment to be the entire integration of all of their agreements of any nature. No other agreements, representations, promises, commitments or the like, of any nature, exist between the parties, except as set forth or otherwise referenced herein.

(e) Waiver. Failure by any party to enforce any rights under this Assignment shall not be construed as a waiver of such rights. Any waiver, including waiver of default, in any one (1) instance shall not constitute a continuing waiver or a waiver in any other instance.

(f) Validity. Any invalidity of any portion of this Assignment shall not affect the validity of the remaining portion and unless substantial performance of this Assignment is frustrated by any such invalidity, this Assignment shall continue in full force and effect.

(g) Execution by the Company. This Assignment shall not be binding on the Company unless and until it shall have been accepted and signed by an authorized officer of the Company.

(h) Attorneys' Fees. If any party commences an action against any other party arising out of or in connection with this Assignment, the prevailing party shall be entitled to have and recover from the other party its reasonable attorneys' fees and costs of suit, including costs and fees on appeal.

10. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of Connecticut; however, if this Assignment concerns a Salon located in a state other than Connecticut and the laws of that state require terms other than those or in addition to those contained herein, then this Assignment shall be deemed modified so as to comply with the appropriate laws of such state, but only to the extent necessary to prevent the invalidity of this Assignment or any provision hereof, the imposition of fines or penalties, or the creation of civil or criminal liability on account thereof. Any provision of this Assignment which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions of this Assignment. Any prohibition

against or unenforceability of any provision of this Assignment in any jurisdiction shall not invalidate the provision or render it unenforceable in any other jurisdiction. To the extent permitted by law, Franchisee and Landlord waive any provision of law which renders any provision of this Assignment prohibited or unenforceable in any respect. Any litigation arising out of or related to this Assignment, or any breach thereof, shall be instituted in a court of competent jurisdiction in the County of Fairfield, State of Connecticut.

DATED the date first written above.

THE COMPANY: SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

By:_____
Name:_____
Title:_____

LANDLORD: _____

FRANCHISEE: _____

Attachment 4 to the Franchise Agreement

MULTI-UNIT ADDENDUM

THIS ADDENDUM TO THE SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC FRANCHISE AGREEMENTS (this "Addendum") is made this _____ ("Effective Date") between Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company (the "Franchisor"), and _____ a _____ _____ having its principal business address at _____ (the "Franchisee").

WHEREAS, the parties are executing _____( ) Franchise Agreements (the "Agreements") contemporaneously with this Addendum;

WHEREAS, the Protected Territory for each Franchise Agreement is attached to the respective Agreement as its Attachment 1 (the "Territories"); and

WHEREAS, the parties desire to amend the Agreements as set forth herein.

NOW, THEREFORE, in consideration of the covenants herein and for other consideration, the receipt of sufficiency of which is acknowledged, the parties hereto intending to be legally bound do agree as follows:

1. **Initial Franchise Fee.** For a 2-Pack of Sharkey's Cuts for Kids franchise, Franchisee shall pay to Franchisor an initial franchise fee of $276,990 payable upon execution of the Agreement. For a 2-Pack Plus 1 of Sharkey's Cuts for Kids franchise, Franchisee shall pay to Franchisor an initial franchise fee of $276,990, payable upon execution of the Agreement. For a 6 Pack of Sharkey's Cuts for Kids franchise, Franchisee shall pay to Franchisor an initial franchise fee of $543,980, payable upon execution of the Agreement. The initial franchise fee shall be deemed fully earned and non-refundable, in consideration of the administrative and other expenses incurred by Franchisor in granting the franchise under the Agreement and for its lost or deferred opportunity to grant such franchise to another party.

2. **Protected Areas.** Upon execution of the Agreements, provided Franchisee complies with the Development Schedule outlined herein, Franchisee shall have the exclusive right to open a Sharkey's Cuts for Kids franchise in the Territories. Until Franchisee establishes a unit and commences business in the respective Territories, such Territories will remain non-exclusive, and the Franchisor and other franchisees may solicit and conduct business under the Marks in the Territories. Once Franchisee establishes a unit and commences business in a Territory, any clients and accounts in that Territory will become clients and accounts of Franchisee.

3. **Development Schedule**. Franchisee shall establish a unit and commence business in its second and subsequent units within 12 months of establishing and commencing business with the previous unit, such that the second unit must be established and commence business within 12 months of the opening date of the first unit, the third unit must be established and commence business within 12 months of the second unit and so on.

4. **Failure to Meet Development Schedule.** If Franchisee fails to meet Development schedule, it shall be a breach of any remaining Franchise Agreements for which a unit has not yet been established, and

such Franchise Agreements shall be terminated. Any units that are already established and operating, and are not otherwise in breach of their respective Franchise Agreements, may continue to operate and shall be unaffected.

5. **Miscellaneous**. The Agreements, as amended hereto, are hereby ratified and confirmed, and shall continue in full force and effect, subject to the terms and provisions thereof and hereof. In the event of any conflict between the terms of the Agreements and the terms of this Addendum, the terms of this Addendum shall control. All terms defined in the Agreements shall have the same meaning in this Addendum.

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

FRANCHISEE:	FRANCHISOR: Sharkey's Cuts for Kids International Co., LLC
_____	_____ Scott Sharkey, Manager

Attachment 5
SBA Addendum

ADDENDUM
RELATING TO A
SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC
FRANCHISE AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into as _____, by Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company located at 37 Highland Road, Westport, Connecticut 06880 ("Franchisor"), and _____, located at _____ ("Franchisee").

Recitals. Franchisor and Franchisee entered into a Franchise (or "License") Agreement on _____, 20__, (Franchise Agreement). The Franchisee agreed among other things to operate and maintain a franchise located at _____ designated by Franchisor as Unit #_____ ("Unit"). Franchisee has obtained from a lender a loan ("Loan") in which funding is provided with the assistance of the United States Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining the SBA assisted financing.

NOW, THEREFORE, in consideration of the mutual promises below, and for good and valuable considerations in hand paid by each of the parties to the others, the receipt and sufficiency of which all of the parties acknowledge, the parties agree as follows:

1. The Franchise Agreement is in full force and effect, and Franchisor has sent no official notice of default to Franchisee under the Franchise Agreement that remains uncured on the date hereof.

2. Section 18.14 of the Franchise Agreement provides that: In order to prevent any interruption of the Salon operations which would cause harm to the Salon, depreciating the value thereof, Franchisee authorizes Franchisor, who may, at its option, in the event that Franchisee is absent for any reason or is incapacitated by reason of illness and is unable, in the sole and reasonable judgment of Franchisor, to operate the Salon, operate the Salon for so long as Franchisor deems necessary and practical. This section is amended to state that Franchisor may operate the business for ninety (90) days (renewable as necessary for up to one year) and that Franchisor will periodically discuss the status with the Franchisee.

3. Section 18.15 of the Franchise Agreement provides that if the Franchisor determines in its sole judgment that the operation of the Franchisee's Salon is in jeopardy, or a default occurs, then in order to prevent an interruption of the business, the Franchisee authorizes the Franchisor to operate the Salon. This section is amended to state that Franchisor may operate the business for ninety (90) days and that Franchisor will periodically discuss the status with the Franchisee.

4. This Agreement automatically terminates on the earliest to occur of the following: (i) a Termination occurs under the Franchise Agreement; (ii) the Loan is paid; or (iii) SBA no longer has any interest in the Loan.

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Agreement as of the day and year first above written.

FRANCHISOR:

Sharkey's Cuts for Kids International Co., LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

By:_____
Name:_____
Title:_____

Attachment 6
Hair It Is Addendum
"HAIR IT IS" ADDENDUM TO FRANCHISE AGREEMENT

This Addendum is made as of _____between Sharkey's Cuts for Kids International Co., LLC a Connecticut limited liability company having its principal place of business at 37 Highland Road, Westport, Connecticut 06880 ("Franchisor"), and _____ , a(n) _____ _____ , with its principal place of business located at _____ and _____ 's principal(s)_____, an individual residing at____ _____ and _____ , an individual residing at _____ _____("Controlling Principal(s)"). _____ and Controlling Principal(s) shall be collectively referred to in this Agreement as the "Franchisee".

WHEREAS, the Franchisor and Franchisee are parties to a Franchise Agreement of even date herewith which grants Franchisee the rights to establish a Hair It Is franchise business in accordance with said agreement (the "Franchise Agreement"); and

WHEREAS, Franchisor and Franchisee desire to amend the Franchise Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. **Territory**. The parties hereby acknowledge and agree that the Location for any Salon is to be located within a Meijer outlet and the Territory shall be the shopping center where the Meijer is located with a 3-mile radius surrounding Location.

2. **Relocation**. Section 1.3 of the Franchise Agreement is hereby deleted in its entirety and replaced with the following:

> "**1.4 Relocation**. Franchisee's rights to operate the Salon shall be limited to Franchised Business premises address and Territory set forth in Attachment 1, and no other. Franchisee shall not relocate the premises of the Franchised Business at any time without Franchisor's written approval, which approval shall be granted only in the sole and complete discretion of Franchisor, and, if permitted, shall be at Franchisee's sole expense and the Franchisee shall pay the then-current relocation fee."

3. **Site Selection**. Section 2.2 of the Franchise Agreement is hereby amended with the following:

> "**2.2 Site Selection**. Franchisor and Franchisee hereby acknowledge and agree that due to the limit nature of the offering of Hair It Is, the Franchisor shall provide the Franchisee with approved locations within the Meijer outlets. Franchisee shall choose from among the approved Meijer locations for their Location and Territory of the Salon."

4. **Initial Franchise Fee**. Franchisor and Franchisee hereby acknowledge and agree the Franchisee shall pay an Initial Franchise Fee in accordance with the Franchise Agreement cover page associated with the Unit Package agreed upon.

5. **Trademark**. Franchisee acknowledges the Franchisee will be operating their business under the trademark "Hair It Is"

6. **Miscellaneous.** The Franchise Agreement, as amended hereto, is hereby ratified and confirmed, and shall continue in full force and effect, subject to the terms and provisions thereof and hereof. In the event of any conflict between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control. All terms defined in the Franchise Agreement shall have the same meaning in this Addendum, unless otherwise defined in this Addendum.

The parties hereto have duly signed and executed this Addendum to the Sharkey's Cuts for Kids International Co., LLC Franchise Agreement as of the day and year first above written.

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

By:_____

Name:_____

Title:_____

Accepted On:_____
(the "Effective Date")

FRANCHISEE:

_____

By:_____

Name:_____

Title:_____

Date:_____

PRINCIPAL:

By: _____

Name:_____

By: _____

Name:_____

EXHIBIT D TO THE DISCLOSURE DOCUMENT

GRAND OPENING ADVERTISING

Marketing Fee Structure Overview

Sharkey's Cuts for Kids has established a comprehensive marketing program designed to support franchisees in launching and promoting their locations effectively. This program encompasses the development of marketing infrastructure, execution of grand opening campaigns, and targeted digital advertising to drive customer engagement and brand awareness.

Marketing Support for New Franchise Locations

- **Duration of Support:** Marketing services commence upon signing the franchise agreement and continue through six months post-grand opening, providing 9 months of support.
- **Services Included:**
    - **Onboarding and Asset Development:** Initial consultation and creation of customized marketing assets tailored to the new location.
    - **Pre-Grand Opening Campaigns:** Execution of four targeted campaigns leading up to the grand opening to build local awareness and anticipation.
    - **Grand Opening Campaign:** A comprehensive campaign to promote the official opening, including any necessary adjustments due to date changes.
    - **Digital Advertising:** Strategic advertising on Meta (Facebook and Instagram) and Google to reach local audiences effectively.
    - **Print Materials:** Provision of updated print marketing materials to reflect new ownership and ongoing promotions. I.E. New Smiles, New Styles Campaign Vouchers: "Bounce-back" voucher and "Refer a Friend" voucher.
    - **Landing Page Development:** Creation and maintenance of a professionally designed landing page optimized for local SEO and conversion.
    - **Social Media Bot Integration:** Development and maintenance of a chatbot integrated with the location's social media pages to enhance customer engagement.

Marketing Support for Resale Franchise Locations

- **Duration of Support:** Marketing services are provided for nine months following the transfer of ownership.
- **Services Included:**
    - **Onboarding and Asset Transfer:** Initial consultation and seamless transfer of existing marketing assets to the new owner.
    - **Landing Page Maintenance:** Maintenance of a professionally designed landing page optimized for local SEO and conversion
    - **Digital Advertising:** Advertising on Meta's platforms to maintain and grow the location's customer base. I.E. RE-grand opening ads, New Smiles New Styles Campaign, Brand Awareness Campaigns, etc.

- **Print Materials:** Provision of updated print marketing materials to reflect new ownership and ongoing promotions. I.E. New Smiles, New Styles Campaign Vouchers: "Bounce-back" voucher and "Refer a Friend" voucher.

Fund Management and Reporting

- **Corporate-Controlled Distribution:** Sharkey's Cuts for Kids corporate will collect the marketing fee from the franchisee at signing and manage the distribution of funds on their behalf.
- **Transparent Reporting:** Corporate will provide a detailed itemized report at the end of the six-month marketing period, outlining how the funds were allocated across various marketing initiatives.

Transition of Marketing Control to Franchise Owner

- **Phased Transition:** At Month 5, corporate will begin phasing out direct management of the location's marketing efforts.
- **Franchisee Control:** The franchisee will assume full control of their local marketing campaigns and ad spend from Month 6 onward.
- **Continued Investment:** Franchisees are strongly encouraged to continue investing in digital advertising beyond the initial launch period to maintain momentum, sustain business growth, and drive long-term customer retention.

This structured marketing support ensures that each Sharkey's Cuts for Kids location is equipped with the necessary tools and campaigns for a successful launch, effectively establishing a strong local presence and attracting new customers during the critical first months of operation

EXHIBIT E

PERSONAL GUARANTY OF PRINCIPALS

AGREEMENT TO BE BOUND AND TO GUARANTEE

AGREEMENT, dated _____, executed by _____ ("Guarantor") in favor of Sharkey's Cuts for Kids International Co., LLC ("Sharkey's").

WHEREAS, as an inducement for Sharkey's to execute and deliver, and to perform its obligations under, that certain Franchise Agreement (the "Franchise Agreement"), dated _____, by and between Sharkey's and _____ ("Franchisee"), Guarantor has agreed to jointly and severally guarantee the obligations of Franchisee under the Franchise Agreement and have agreed to be bound by the confidentiality provisions and restrictive covenants contained in the Franchise Agreement.

WHEREAS, Guarantor owns, directly or indirectly, a 5% or greater equity interest in Franchisee.

WHEREAS, Guarantor acknowledges and agree that Sharkey's will materially rely upon Guarantor's obligations under this Agreement.

NOW, THEREFORE, in consideration of the foregoing promises and the execution and delivery of the Franchise Agreement by Sharkey's, and the performance of Sharkey's obligations thereunder, Guarantor agrees, for the benefit of Sharkey's and its affiliates as follows:

1. Guarantor unconditionally guarantees and promises to pay to Sharkey's and/or its affiliates and to perform, for the benefit of Sharkey's and/or its affiliates, on demand, any and all obligations and liabilities of Franchisee in connection with, with respect to or arising out of the Franchise Agreement or any other agreement with Sharkey's or its affiliates.

2. (a) Guarantor agrees to be bound by the confidentiality provisions and restrictive covenants contained in the Franchise Agreement, including, without limitation, Section 13 thereof.

(b) Sharkey's will be entitled to use the name, likeness and voice of Guarantor for purposes of promoting the franchise, Sharkey's and its products, including all photos and audio and video recordings, and Guarantor hereby irrevocably consents thereto.

3. This is a guaranty of payment and not of collection. This Agreement shall remain in full force and effect until all amounts payable by Guarantor shall have been validly, finally and irrevocably paid in full and all obligations to be performed by Guarantor shall have been validly, finally and irrevocably performed in full.

4. This Agreement shall not be affected in any way by (a) the absence of any action to obtain such amounts from Franchisee or any other guarantor or indemnitor or of any recourse to any security for such amounts or (b) any extension, waiver, compromise or release of any or all of the obligations of Franchisee or any guarantor.

5. Guarantor hereby agrees that he/she will not exercise any rights of subrogation which he/she may acquire due to any payment or performance of the obligations of Franchisee pursuant to this Agreement unless and until all amounts payable to Sharkey's or its affiliates, and all obligations for the benefit of Sharkey's or its affiliates, shall have been validly, finally and irrevocably, paid and performed in full.

6. No failure or delay on the part of Sharkey's or its affiliates in exercising its rights hereunder shall operate as a waiver of, or impair, any such right. No single or partial exercise of any such right shall preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such

right shall be effective unless given in writing, specifying with particularity the nature of the waiver. No waiver of any such right shall be deemed a waiver of any other right hereunder. The rights provided for herein are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law.

7. Guarantor shall pay reasonable attorneys' fees and expenses and all other costs and expenses which may be incurred by Sharkey's or its affiliates in connection with enforcing this Agreement.

8. This Agreement shall be governed by, and construed and enforced in accordance with, the law of the State of Connecticut, notwithstanding any conflict-of-law rules to the contrary. Sharkey's and Guarantor hereby consent to the exclusive jurisdiction of the state and federal courts located in the State of Connecticut in connection with any dispute based on, arising out of or in connection with this Agreement.

9. This Agreement shall be binding upon Guarantor and his respective successors, heirs and assigns and shall inure to the benefit of Sharkey's, its affiliates and their respective successors and assigns.

10. If more than one person signs this Agreement as a Guarantor, his, her or its obligation shall be joint and several.

11. Name(s) of Guarantor(s):_____

_____

Name of Franchisee:_____

EXECUTED as of:_____

Name:_____ (Print Name)

Name:_____ (Print Name)

Executed by:_____ (Sign Name)

Executed by:_____ (Sign Name)

CONSENT OF SPOUSE

The undersigned spouse of a party to the foregoing Agreement to be Bound and to Guarantee (the "Agreement") confirms that he/she has read the Agreement, understands same and consents and agrees to the terms of the Agreement.

Date:_____

_____	_____
(Sign Name)	(Sign Name)
_____	_____
(Print Name)	(Print Name)

EXHIBIT F TO THE DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC

GENERAL RELEASE AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20___ by and between Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company having its principal place of business located at 37 Highland Road, Westport, Connecticut 06880 (the "Franchisor"), and _____ (hereinafter referred to as "Releasor"), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. **Release by Releasor**:

Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees.

2. Releasor hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

4. Connecticut law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of Connecticut.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

[WASHINGTON STATE FRANCHISEES: THIS RELEASE SHALL NOT APPLY TO CLAIMS ARISING UNDER THE FRANCHISE INVESTMENT PROTECTION ACT, CHAPTER 19.100 RCW, OR THE RULES ADOPTED THEREUNDER IN ACCORDANCE WITH RCW 10.100.220(2).]

Witness:

_____

Witness:

_____

RELEASOR:

_____
(Name)

SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC:

By:_____
Name:_____
Title:_____

EXHIBIT G TO THE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce

State	State Agency	Agent for Service of Process
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222Phone	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6thFloor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard State Capitol, 14th Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

EXHIBIT H TO THE DISCLOSURE DOCUMENT

TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL – 7 SECTIONS

EXHIBIT I TO THE DISCLOSURE DOCUMENT
List of Franchisees

Brand	Address Line 1	City	State	ZIP	Phone
Sharkey's Cuts for Kids	750 Colonial Promenade Pkwy #4700	Alabaster	AL	35007	(205) 406-5215
Sharkey's Cuts for Kids	5263 Hwy 280 Suite 108	Birmingham	AL	35242	(205)991-5999
Sharkey's Cuts for Kids	637 E Joyce Blvd #112	Fayetteville	AR	72703	(479) 332-4236
Sharkey's Cuts for Kids	4050 W Ray Rd, Suite 17	Chandler	AZ	85226	(480) 656-8438
Sharkey's Cuts for Kids	2470 S. Val Vista Dr. #103	Gilbert	AZ	85295	(480)636-8886
Sharkey's Cuts for Kids	2015 E McKellips Rd	Mesa	AZ	85207	(480)844-4243
Sharkey's Cuts for Kids	24737 N Lake Pleasant Pkwy Suite 103	Peoria	AZ	85383	(480)655-6069
Sharkey's Cuts for Kids	13610 N Scottsdale Rd Ste 4 * ***Obtained via Transfer****	Scottsdale	AZ	85254	(480)590-0165
Sharkey's Cuts for Kids	3605 W. Cortaro Farms Rd., Ste. 149	Tucson	AZ	85742	(520) 308-4259
Sharkey's Cuts for Kids	1729 N Dysart Road Suite 106	Avondale	AZ	85392	623.289.7082
Sharkey's Cuts for Kids	7625 Via Campanile, Ste 124	Carlsbad	CA	92009	(760) 628-4826
Sharkey's Cuts for Kids	2587 Chino Hills Pkwy	Chino Hills	CA	91709	(909) 606-9993
Sharkey's Cuts for Kids	6080 Hamner Ave, Suite 103	Eastvale	CA	91752	(951) 416-1002
Sharkey's Cuts for Kids	4635 Frazee Rd, Suite B	Oceanside	CA	92057	(760)722-2887
Sharkey's Cuts for Kids	4674 Barranca Pkwy	Irvine	CA	92604	(949)861-2255
Sharkey's Cuts for Kids	4247 Rosewood Drive, suite 18B	Pleasanton	CA	94588	(925)737-0313
Sharkey's Cuts for Kids	17200 Ventura boulevard suite 108	Encino	CA	91316	(818)855-1353
Sharkey's Cuts for Kids	13307 South St.	Cerritos	CA	90703	(562)986-0420
Sharkey's Cuts for Kids	1477 Berryessa Rd unit 5	San Jose	CA	95133	(669) 609-6669

Sharkey's Cuts for Kids	2005 Crow Canyon Pl Suite 164	San Ramon	CA	94853	(925)804-6398
Sharkey's Cuts for Kids	12202 Poway Rd Suite A102	Poway	CA	92064	(858)883-4413
Sharkey's Cuts for Kids	24331 Muirlands Blvd, Suite G	Lake Forest	CA	92630	(949)431-0090
Sharkey's Cuts for Kids	179 E 17th St, Ste B	Costa Mesa	CA	92627	(949)764-9334
Sharkey's Cuts for Kids	30211 Golden Lantern Suite C	Laguna Niguel	CA	92677	949-545-7311
Sharkey's Cuts for Kids	2000 17th St	Santa Ana	CA	97205	714-665-4297
Sharkey's Cuts for Kids	3622 New Center Pt	Colorado Springs	CO	80922	719-358-7971
Sharkey's Cuts for Kids	3500 S College Ave, Suite 196	Fort Collins	CO	80525	(970) 237-5984
Sharkey's Cuts for Kids	9860 W Belleview Ave	Littleton	CO	80123	(303)979-9351
Sharkey's Cuts for Kids	19539 Hess Road	Parker	CO	80134	(303) 862-6168
Sharkey's Cuts for Kids	13648 North Orchard Parkway	Westminster	CO	80023	720-372-4636
Sharkey's Cuts for Kids	350 Heights Road	Darien	CT	6820	(917) 797-9525
Sharkey's Cuts for Kids	533 S Broad St	Meriden	CT	6450	(475) 775-5186
Sharkey's Cuts for Kids	1568 Post Rd E	Westport	CT	6880	(203)557-8700
Sharkey's Cuts for Kids	51 East Main Street	Avon	CT	6001	(860) 255-7205
Sharkey's Cuts for Kids	2653 Bruce B Downs Blvd, Ste. 103	Wesley Chapel	FL	33544	(813)345-8424
Sharkey's Cuts for Kids	16658 Sheridan St	Pembroke Pines	FL	33028	(954)505-7148
Sharkey's Cuts for Kids	2225 Aloma Avenue	Winter Park	FL	32792	(407)775-2767
Sharkey's Cuts for Kids	6647 W. Boynton Beach Blvd.	Boynton Beach	FL	33437	(561)826-6676
Sharkey's Cuts for Kids	7028 SW 24th St.	Miami	FL	33155	786-360-1552
Sharkey's Cuts for Kids	2350 N University Dr.	Coral Springs	FL	33065	(954) 688-9291
Sharkey's Cuts for Kids	4814 Florida Ave	Lakeland	FL	33813	863-644-5503
Sharkey's Cuts for Kids	21633 Village Lakes	Land O Lakes	FL	34639	(813) 388-2718

	Shopping Center Drive				
Sharkey's Cuts for Kids	1605 County Road 220 #175	Fleming Island	FL	32003	(904)644-8179
Sharkey's Cuts for Kids	13136 North Dale Mabry Hwy	Tampa	FL	33618	(813)442-8069
Sharkey's Cuts for Kids	4057 Henderson Blvd.	South Tampa	FL	33629	(813)281-2515
Sharkey's Cuts for Kids	1620 County Road 210	St. Johns	FL	32259	904-481-8487
Sharkey's Cuts for Kids	6762 Main Street	Miami Lakes	FL	33014	305-456-1323
Sharkey's Cuts for Kids	16334 Saddle Club Road	Weston	FL	33326	954-990-6641
Sharkey's Cuts for Kids	4637 9th St N Naples	Naples	FL	34103	239-331-4509
Sharkey's Cuts for Kids	1345 West Granada Blvd., Unit 7	Ormond Beach	FL	32174	(386) 236-9074
Sharkey's Cuts for Kids	4637 9th St N Naples	Fort Lauderdale	FL	33334	(954) 530-0406
Sharkey's Cuts for Kids	10915 Baymeadows Rd #107	Jacksonville	FL	32256	(904) 374-3801
Sharkey's Cuts for Kids	980 Birmingham Rd, Milton	Alpharetta	GA	30004	(470) 545-0140
Sharkey's Cuts for Kids	410 Peachtree Pkwy #362	Cumming	GA	30041	(470)253-8218
Sharkey's Cuts for Kids	1600 Kennesaw Due West Road NW Suite 102	Kennesaw	GA	30152	(770) 485-5503
Sharkey's Cuts for Kids	4880 Lower Roswell Rd, Suite 805 ***Obtained via Transfer***	Marietta	GA	30068	(770)672-7296
Sharkey's Cuts for Kids	980 Birmingham Rd, Milton,	Milton	GA	30004	470-545-0140
Sharkey's Cuts for Kids	4115 Columbia Rd, Ste 1	Augusta	GA	30907	(706) 955-8310
Sharkey's Cuts for Kids	10166 Maysville Rd Fort Wayne	Fort Wayne	IN	46835	(260)387-5437
Sharkey's Cuts for Kids	9850 N. Michigan Road, Suite c	Carmel	IN	46032	(317) 222-5119
Sharkey's Cuts for Kids	9745 Fall Creek Road, Suite 100	Indianapolis	IN	46256	(317) 516-1123
Sharkey's Cuts for Kids	13346 Pawnee Ln	Leawood	KS	66209	(913) 232-7044

Sharkey's Cuts for Kids	4097 Nichols Park Drive	Lexington	KY	40503	(859)288-0020
Sharkey’s Cuts for Kids	6411 Dutchmans Pkwy	Louisville	KY	40205	(502) 384-1413
Sharkey's Cuts for Kids	3363 Highway 190, suite 300 ***Obtained via Transfer***	Mandeville	LA	70471	(985)778-0922
Sharkey's Cuts for Kids	701 Metairie Rd, Suite 2A109 ***Obtained via Transfer***	Metairie	LA	70005	(504)766-8518
Sharkey's Cuts for Kids	18291 Highland Rd. Suite 106	Baton Rouge	LA	70810	(225)256-2814
Sharkey's Cuts for Kids	6925 Oakland Mills Rd, Suite A	Columbia	MD	21045	(443) 546-4087
Sharkey's Cuts for Kids	804 Muddy Branch Road	Gaithersburg	MD	20878	(240)912-6085
Sharkey's Cuts for Kids	1810 - I York Rd	Timonium	MD	21093	(410) 560-9000
Sharkey's Cuts for Kids	13000 Middlebelt Road, Suite 101 ***Obtained via Transfer***	Livonia	MI	48150	(734)521-5797
Sharkey's Cuts for Kids	2359 Health Dr SW	Wyoming	MI	49519	(616)734-6990
Sharkey's Hair It Is	5645 Jackson Road	Ann Arbor	MI	48103	(734)585-5089
Sharkey's Cuts for Kids	42884 Woodward Ave	Bloomfield Hills	MI	48304	(248) 977-4253
Sharkey's Cuts for Kids	308 N Canton Center Road	Canton	MI	48187	(734) 359-3920
Sharkey's Cuts for Kids	15594 Pilot Knob Road, Suite 300	Apple Valley	MN	55124	(952) 236-0494
Sharkey's Cuts for Kids	12913 Ridgedale Dr.	Minnetonka	MN	55305	(952)236-7757
Sharkey's Cuts for Kids	940 Prairie Center Dr	Eden Prairie	MN	55344	(952) 600-3077
Sharkey's Cuts for Kids	1505 Queens Dr, #109	Woodbury	MN	55125	(651) 849-9586
Sharkey's Cuts for Kids	1350 County Hwy 96, Suite 14	White Bear Lake	MN	55110	(612) 887-0718
Sharkey's Cuts for Kids	96 Thf Blvd	Chesterfield	MO	63005	(636)778-0237
Sharkey's Cuts for Kids	6311 Ronald Reagan Dr	Lake Saint Louis	MO	63367	(636) 265-2283
Sharkey's Cuts for Kids	5349 Ballantyne Commons Parkway Suite 500	Charlotte	NC	28277	(980)339-5189

Sharkey's Cuts for Kids	4181 Davis Dr Suite 200	Morrisville	NC	27560	(919) 234-0754
Sharkey's Cuts for Kids	3490 Kildaire Farm Rd, Ste. 188	Cary	NC	27518	(919)629-7266
Sharkey's Cuts for Kids	8439-A3 Davis Lake Pkwy	Charlotte – Davis Lake	NC	28269	(980) 999-5127
Sharkey's Cuts for Kids	2136 Ayrsley Town Blvd, Suite B	Charlotte – Steele Creek	NC	28273	(980) 999-5673
Sharkey's Cuts for Kids	5850 Fayetteville St. Suire 103	Duram	NC	27713	(919) 234-0754
Sharkey's Cuts for Kids	217 Timber Drive, Suite 255	Garner	NC	27529	(919) 301-8889
Sharkey's Cuts for Kids	8835 Six Forks Road	Raleigh	NC	27615	(919)615-3372
Sharkey's Cuts for Kids	19732 One Norman Boulevard ***Obtained via Transfer***	Cornelius	NC	28031	(704)-997-6056
Sharkey's Cuts for Kids	17940 Welch Plaza, Bay #101	Omaha	NE	68135	(402)315-9014
Sharkey's Cuts for Kids	85 Godwin Ave	Midland Park	NJ	7432	(201) 389-3858
Sharkey's Cuts for Kids	6500 Holly Ave. NE, Suite D3	Albuquerque	NM	87113	(505)800-6026
Sharkey's Cuts for Kids	9420 W. Sahara Ave. Suite 104	Summerlin	NV	89117	(702)240-4595
Sharkey's Cuts for Kids	641 Marks St., Suite C	Henderson	NV	89014	(702)547-0024
Sharkey’s Cuts for Kids	446 Evans Street	Amherst	NY	14221	(716) 580-7400
Sharkey’s Cuts for Kids	1814 Central Avenue	Colonie	NY	12205	(518) 213-7871
Sharkey's Cuts for Kids	250 NY-59, Nanuet	Nanuet	NY	10954	(845) 215-5559
Sharkey's Cuts for Kids	1033 Lexington Avenue	New York	NY	10021	(646)559-2150
Sharkey's Cuts for Kids	1477 Weaver St	Scarsdale	NY	10583	(914) 574-5537
Sharkey's Cuts for Kids	4885 Arthur Kill Road suite C	Staten Island	NY	10309	(347)838-6966
Sharkey's Cuts for Kids	1278 Hicksville Rd, Seaford	Seaford	NY	11783	516-765-3683
Shareky’s Cuts for Kids	8285 Jericho Turnpike, Unit 4G	Woodbury-Syosset	NY	11797	(516) 718-4247
Sharkey's Cuts for Kids	Avon Commons, 35968 Detroit Road	Avon	OH	44011	(440)695-1011

Sharkey's Cuts for Kids	1257 N Hamilton Rd.	Gahanna	OH	43230	(614)532-0336
Sharkey's Cuts for Kids	693 Worthington Road	Westerville	OH	43082	(614)568-8088
Sharkey's Cuts for Kids	4344 Beldon Village St, NW	Canton	OH	44718	(330)639-1200
Sharkey's Cuts for Kids	6011 Tylersville Road, Suite B	Mason	OH	45040	(513)-234-2929
Sharkey's Cuts for Kids	3088 Kingsdale Center	Upper Arlington	OH	43221	(614) 824-1200
Sharkey's Cuts for Kids	1722 N 9th St	Broken Arrows	OK	74012	(539) 367-1658
Sharkey's Cuts for Kids	10700 S Pennsylvania Ave Unit 22	Oklahoma City	OK	73170	(405)692-2887
Sharkey's Cuts for Kids	3451 36th Ave NW	Norman	OK	73072	(405)-217-4936
Sharkey's Cuts for Kids	1380 W.Covell Road, Suite 140	Edmond	OK	73003	(405) 594 9865
Sharkey's Cuts for Kids	9895 SE Sunnyside Rd, Suite H	Clackamas	OR	97015	(971) 233-8590
Sharkey's Cuts for Kids	7500 SW Dartmouth St. Suite 120	Tigard	OR	97223	(503) 453-1016
Sharkey’s Cuts for Kids	355 S Cedar Crest Blvd	Allentown	PA	18104	(484) 369-8434
Sharkey's Cuts for Kids	450 Home Drive	Pittsburgh	PA	15275	(412)788-4450
Sharkey's Cuts for Kids	4957 Carlisle Pike	Mechanicsburg	PA	17050	(717)458-1942
Sharkey's Cuts for Kids	323 E. Gay St. Suite B2B	West Chester	PA	19380	(484) 887-8292
Sharkey's Cuts for Kids	70 Buckwalter Road Store #310 ***Obtained via Transfer***	Limerick	PA	19468	(484) 369-8434
Sharkey's Cuts for Kids	9600 Perry Highway	North Pittsburgh	PA	15237	(412) 318-4193
Sharkey's Cuts for Kids	615 Greenwich Ave, Suite 5	Warwick	RI	2886	(401) 854-5928
Sharkey's Cuts for Kids	1119 Wappoo Road Suite A	Charleston	SC	29407	(843) 793-3669
Sharkey's Cuts for Kids	729 Stockbridge Dr	Fort Mill	SC	29708	(803) 547-4275
Sharkey's Cuts for Kids	918 N Lake Dr, Suite E	Lexington	SC	29072	(803)520-8373
Sharkey's Cuts for Kids	21 Orchard Park Dr, Ste. E	Greenville	SC	29615	(864)203-3939

Sharkey's Cuts for Kids	2305 Madison St, Suite A	Clarksville	TN	37043	(931) 919-2644
Sharkey's Cuts for Kids	7834 Montvue Center Way	Knoxville	TN	37919	(865)357-1735
Sharkey's Cuts for Kids	11955 Dallas Parkway #800	Frisco	TX	75033	(214)387-8200
Sharkey's Cuts for Kids	19189 North Freeway, Research Shopping Plaza, Suite K	Shenandoah	TX	77385	281-651-2264
Sharkey's Cuts for Kids	280 Commerce St ***Obtained via Transfer***	Southlake	TX	76092	(817)421-2887
Sharkey's Cuts for Kids	7608 Denton Hwy Ste 312 ***Obtained via Transfer***	Watauga	TX	76148	(817)893-5887
Sharkey's Cuts for Kids	10670 Culebra Rd	San Antonio	TX	78251	(210)200-8988
Sharkey's Cuts for Kids	238 N Loop 1604 W. #207	San Antonio	TX	78232	(210)496-9200
Sharkey's Cuts for Kids	6032 FM 3009 #160	Schertz, TX	TX	78154	(210)858-8711
Sharkey's Cuts for Kids	3975 State Highway 6 S, Ste. 1000	College Station	TX	77845	(979)704-6196
Sharkey's Cuts for Kids	6203 N. Capital of Texas Hwy, Ste 200-A	Austin	TX	78731	(512)215-8889
Sharkey's Cuts for Kids	1538 West Grand Parkway South	Katy	TX	77494	(832)437-0296
Sharkey's Cuts for Kids	9612 Highway 6 Suite 140	Missouri City	TX	77459	(832)937-9600
Sharkey's Cuts for Kids	6710 E. Virginia Parkway, Ste. 200	McKinney	TX	75071	(972)294-6420
Sharkey's Cuts for Kids	9660 Audelia Suite 109	Dallas	TX	75238	(469)466-2710
Sharkey's Cuts for Kids	2440 W. Loop Suite 340 A8	Waco	TX	76711	(254)265-6989
Sharkey's Cuts for Kids	18121 Tuckerton Rd., Suite 130	Cypress	TX	77433	(281)213-2044
Sharkey's Cuts for Kids	1914 Wescott Ave	Sugar Land	TX	77479	(281)201-2363
Sharkey's Cuts for Kids	2215 S Loop 288 Suite 326	Denton	TX	76205	(940)323-8475
Sharkey's Cuts for Kids	12357 Kingsride Lane	Houston Memorial	TX	77024	(832) 831-9143
Sharkey's Cuts for Kids	6155 E.Hwy 191, suite B	Odessa	TX	79762	(432)362-0001
Sharkey's Cuts for Kids	120 S Denton Tap Rd, Ste 440	Coppell	TX	75019	(214) 513-9233

	Obtained via Transfer				
Sharkey's Cuts for Kids	22503 Hwy 249 ***Obtained via Transfer***	Tomball	TX	77070	(281)213-2044
Sharkey's Cuts for Kids	2613 Sentinel Way, Suite 350	Melissa	TX	75454	972-369-7755
Sharkey's Cuts for Kids	1640 W.Frontier Pkwy, Suite 200	Prosper-Celina	TX	75078	(469) 481-6014
Sharkey's Cuts for Kids	750 W.Bonds Ranch Rd, Suite 600 ***Obtained via Transfer***	North Ft. Worth	TX	76131	(682) 224-6241
Sharkey's Cuts for Kids	3000 Hulen Street, Suite 105	Ft. Worth	TX	76109	(817)887-9172
Sharkey's Cuts for Kids	4425 W.WadleyAvenue, #120	Midland	TX	79707	(432)-247-1233
Sharkey's Cuts for Kids	7801 Alma Drive, Suite 101	Plano	TX	75025	(469)606-2552
Sharkey's Cuts for Kids	5207 Brodie Lane, suite 215	Sunset Valley (South Austin)	TX	78745	(737) 202-4966
Sharkey's Cuts for Kids	4500 East Palm Vally Blvd. #108	Round Rock	TX	78665	(512) 215-2040
Sharkey's Cuts for Kids	17174 Preston Road, Suite 120	Addison	TX	75248	(214) 272-7279
Sharkey's Cuts for Kids	2745 N Collins Street, Suite 109 ***Obtained via Transfer***	Arlington	TX	76006	(682) 270-0118
Sharkey's Cuts for Kids	11200 Broadway St Suite 150 *** Sold by Franchisor***	Pearland	TX	77584	(346) 635-4000
Sharkey's Cuts for Kids	348 Matlock Road, Suite 108, Mansfield	Mansfield	TX	76063	1 682-400-8190
Sharkey's Hair It Is	28550 Northwest Fwy	Cypress	TX	77433	(346)-293-1354
Sharkey's Cuts for Kids	5412 Slide Rd	Lubbock	TX	79414	(806) 771-8080
Sharkey's Cuts for Kids	2901 FM 544	Wylie	TX	75098	(469) 519-9902
Sharkey's Cuts for Kids	5101 Main St., Bldg. A, Suite 200	The Colony	TX	75056	(972) 292-9133
Sharkey's Cuts for Kids	2105 W Davis St	Conroe	TX	77304	(203) 637-8911

Sharkey's Cuts for Kids	6531 FM 1488 #313, Magnolia	Magnolia	TX	77354	(281) 789-7046
Sharkey's Cuts for Kids	3600 Gus Thomasson Rd. Ste 126	Mesquite	TX	75150	(214) 272-3687
Sharkey's Cuts for Kids	2931 Ridge Road, #107	Rockwall	TX	75032	(469) 338-5059
Sharkey's Cuts for Kids	15609 Ronald Reagan Blvd, Suite B-160	Leander	TX	78641	(512) 456-0042
Sharkey's Cuts for Kids	1020 Mayfield Street, Suite 620	Grand Prairie	TX	75052	(214) 235-0205
Sharkey's Cuts for Kids	2230 FM 407, Suite 220	Highland Village	TX	75077	(214) 222-5061
Sharkey's Cuts for Kids	18822 W. Airport Blvd. Suite 600	Richmond	TX	77406	(713) 239-3959
Sharkey's Cuts for Kids	515 Bay Area Blvd Suite #200,	Houston	TX	77058	(346)483-0029
Sharkey's Cuts for Kids	4211 Benner Road, Ste 210	Kyle	TX	78640	(512) 256-5391
Sharkey's Cuts for Kids	2127 Lohman's Crossing, Suite 316	Lakeway	TX	78734	(512) 284-8381
Sharkey's Cuts for Kids	4814 Beechnut	Houston (Meyerland)	TX	77096	(713) 505-1131
Sharkey's Cuts for Kids	1644 Towne Center Dr #1	South Jordan	UT	84095	(385)900-5795
Sharkey's Cuts for Kids	1012 N.Redwood Road, Suite B	Saratoga Springs	UT	84045	(801) 854-5074
Sharkey's Cuts for Kids	5642 S 900 E Suite B4	Murray	UT	84121	(385) 347-5910
Sharkey's Cuts for Kids	8971 Ox Rd.	Lorton	VA	22079	(703)690-0900
Sharkey's Cuts for Kids	21040 Sycolin Road, Suite 110	Ashburn	VA	20147	(571)831-3990
Sharkey's Cuts for Kids	14260-C Centreville Square	Centreville	VA	20121	(571)655-2356
Sharkey's Cuts for Kids	524 Battlefield Blvd, suite 102	Chesapeake	VA	23322	(757) 330-2314
Sharkey's Cuts for Kids	12320 Towncenter Plz	Sterling	VA	20164	(571)500-5859
Sharkey's Cuts for Kids	1522 Belle View Boulevard	Alexandria	VA	22307	(571)371-8080
Sharkey's Cuts for Kids	1725 Laskin Road	Virginia Beach	VA	23454	(757) 937-5817

Sharkey's Cuts for Kids	7397 Lee Hwy, Shops at West , Suite D	Falls Church	VA	22042	(571) -378 -0038
Sharkey's Cuts for Kids	24305 Liberty Harvest Court Suite 120	Dulles (Sterling)	VA	20166	(703) 891-1302
Sharkey's Cuts for Kids	4300 Pouncey Tract R	Glen Allen	VA	23060	(804) 201-8494
Sharkey's Cuts for Kids	10294 Bristow Center Dr,	Bristow	VA	20136	(571) 208-1399
Sharkey's Cuts for Kids	2181 Upton Dr. Suite 408	Virginia Beach	VA	23454	(757) 522-7220
Sharkey's Cuts for Kids	4609 14th Ave NW, Suite 104	Seattle	WA	98107	(206)812-8850
Sharkey's Cuts for Kids	340 Bellevue Way NE Bellevue Square	Bellevue	WA	98004	(425)453-3446
Sharkey's Cuts for Kids	6501 N Cedar Rd, Bldg. 4, Suite A ***Obtained via Transfer***	Spokane	WA	99208	(509)309-2594
Sharkey's Cuts for Kids	18336 Aurora Avenue N, Suite 110	Shoreline	WA	98133	(206) 629-4088
Sharkey's Cuts for Kids	15610 Woodinville-Duvall Rd, Suite 103 ***Obtained via Transfer***	Woodinville	WA	98072	(425) 286-6463
Sharkey's Cuts for Kids	31231 3rd Ave	Black Diamond	WA	98010	(360) 469-4185
Sharkey's Cuts for Kids	1102 Outlet Collection Way SW Suite 103	Auburn	WA	980012	(253) 294-8878
Sharkey’s Cuts for Kids	6077 W Mequon Road	Mequon	WI	53092	(262) 236-9621

SIGNED BUT NOT OPEN AS OF 12/31/2025

Brand	Name	City	State	Telephone
ARIZONA				
Sharkey's Cuts for Kids	Louvilynn Nguy #2	TBD #2	AZ	408-507-3384
CALIFORNIA				
Sharkey's Cuts for Kids	Danny Tran	South San Jose	CA	408-442-9243
Sharkey's Cuts For Kids	Ahmeed Ismail	San Diego	CA	858-380-8696
Sharkey's Cuts for Kids	Chintan Maniar	Hayward	CA	510- 676-1792
Sharkey's Cuts for Kids	Chintan Maniar #2	TBD	CA	510- 676-1792
Sharkey's Cuts for Kids	Chintan Maniar #3	TBD	CA	510- 676-1792
Sharkey's Cuts for Kids	Guy Brenner	Lafayette	CA	949-307-3476
Sharkey's Cuts for Kids	Guy Brenner #2	TBA	CA	949-307-3476
Sharkey's Cuts for Kids	Pritesh Patel #2	Corona	CA	909-927-9346
Sharkey's Cuts for Kids	John Steman	TBD	CA	352-494-4483
Sharkey's Cuts for Kids	John Steman	TBD #2	CA	352-494-4483
COLORADO				
Sharkey's Cuts for Kids	Geri Maroney #2	Castle Rock	CO	720-480-9267
Sharkey's Cuts for Kids	Ryan Wood	TBD #2	CO	(303) 453-9935
Sharkey's Cuts for Kids	Ryan Wood	TBD #3	CO	(303) 453-9935
Sharkey's Cuts for Kids	Dave Gray	TBD #1	CO	720-561-0653
Sharkey's Cuts for Kids	Dave Gray #2	TBD #2	CO	720-561-0653
Sharkey's Cuts for Kids	Dave Gray #3	TBD#3	CO	720-561-0653
Sharkey's Cuts for Kids	Derrick Miller	TBD	CO	574-361-9416
FLORIDA				

Sharkey's Cuts for Kids	Elizabeth Shanahan	Sarasota	FL	716-417-3355
Sharkey's Cuts for Kids	Falgun Patel	Mandarin	FL	904-655-3478
Sharkey's Cuts for Kids	Phil Spano	TBD	FL	904-673-8131
Sharkey's Cuts for Kids	Danielle Summa (Mullen)	TBD	FL	386-627-5345
Sharkey's Cuts for Kids	Keri Hamilton	Tallahasse	FL	850-661-8366
Sharkey's Cuts for Kids	Krzysztof Borawski	TBD	FL	917-593-0350
Sharkey's Cuts for Kids	Krzysztof Borawski	TBD #2	FL	917-593-0350
Sharkey's Cuts for Kids	Krzysztof Borawski	TBD #3	FL	917-593-0350
ILLINOIS				
Sharkey's Cuts for Kids	Bassam Tahir #2	Chicago	IL	718-427-0900
Sharkey's Cuts for Kids	Bassam Tahir #3	Glenview	IL	718-427-0900
Sharkey's Cuts for Kids	Bassam Tahir	Wilmette	IL	718-427-0900
Sharkey's Cuts for Kids	Nik Patel	Bolingbrook	IL	630-362-9459
Sharkey's Cuts for Kids	Nik Patel	TBD #2	IL	630-362-9459
Sharkey's Cuts for Kids	Nik Patel	TBD #3	IL	630-362-9459
Sharkey's Cuts for Kids	Matt Laurinas	TBD	IL	219-614-3409
Sharkey's Cuts for Kids	Matt Laurinas	TBD #2	IL	219-614-3409
Sharkey's Cuts for Kids	Matt Laurinas	TBD #3	IL	219-614-3409
INDIANA				
Sharkey's Cuts for Kids	Glenn Antoine #2	TBD	IN	317-426-1899
Sharkey's Cuts for Kids	Tib Tsakik #2	Commerce Township	MI	248-756-2017
MASSACHUSETTS				
Sharkey's Cuts for Kids	Travis & Cathy Webb	Newton	MA	301-312-3793
MINNESOTA				
Sharkey's Cuts for Kids	Jason Walker	Blaineshay	MN	651-334-9173
Sharkey's Cuts for Kids	Jason Walker	TBD #2	MN	651-334-9173

Sharkey's Cuts for Kids	Jason Walker	TBD #3	MN	651-334-9173
NEW JERSEY				
Sharkey's Cuts for Kids	Tim Robinson #3	TBD	NJ	917-301-0044
NEW YORK				
Sharkey's Cuts for Kids	Erin McKenna #2	TBD	NY	917-797-9525
Sharkey's Cuts for Kids	Erin McKenna #3	TBD	NY	917-797-9525
Sharkey's Cuts for Kids	Nicole & Jeff Comas	TBD #2	NY	347-203-0686
Sharkey's Cuts for Kids	Nicole & Jeff Comas	Woodbury	NY	347-203-0686
Sharkey's Cuts for Kids	Uliana Lysychko	TBD	NY	646-329-4994
Sharkey's Cuts for Kids	Uliana Lysychko	TBD #2	NY	646-329-4994
Sharkey's Cuts for Kids	Nicole & Jeff Comas	TBD	NY	347-203-0686
Sharkey's Cuts for Kids	Nicole & Jeff Comas	TBD #2	NY	347-203-0686
Sharkey's Cuts for Kids	Nicole & Jeff Comas	TBD #3	NY	347-203-0686
NORTH CAROLINA				
Sharkey’s Cuts for Kids	Prabha Gopalakrishnan	Holly Springs	NC	201-289-0596
Sharkey's Cuts for Kids	Eduardo Back #2	Wake Forrest	NC	919-900-0716
Sharkey's Cuts for Kids	Vivek Shah #3	TBD #3	NC	803-767-2626
Sharkey's Cuts for Kids	Kashif Ahmed	TBD	NC	919-656-5024
Sharkey's Cuts for Kids	Ward Baggett	TBD	NC	919-906-8486
OHIO				
Sharkey's Cuts for Kids	Jess Slack	TBD	OH	614-285-8471
Sharkey's Cuts for Kids	Jess Slack	TBD #2	OH	614-285-8471
Sharkey's Cuts for Kids	Jess Slack	TBD #3	OH	614-285-8471
OREGON				
Sharkey's Cuts for Kids	Josh Markell	TBD #3	OR	(208) 731-1558
Sharkey's Cuts for Kids	Nathan Beatty	TBD	OR	503-929-4185

Sharkey's Cuts for Kids	Nathan Beatty	TBD #2	OR	503-929-4185
Sharkey's Cuts for Kids	Nathan Beatty	TBD #3	OR	503-929-4185
PENNSYLVANIA				
Sharkey's Cuts for Kids	Wesam Kamhia	TBD #2	PA	484-634-1673
Sharkey's Cuts for Kids	Wesam Kamhia	TBD #3	PA	484-634-1673
Sharkey's Cuts for Kids	Sokha Nhek	Pittsburgh	PA	412-320-0233
TENNESSEE				
Sharkey's Cuts for Kids	Amanda Field	TBD	TN	760-330-0639
Sharkey's Cuts for Kids	Amanda Field #2	TBD	TN	760-330-0639
Sharkey's Cuts for Kids	Kelly Erbse #2	Hendersonville	TN	270-991-5734
TEXAS				
Sharkey’s Cuts for Kids	Daniel Macedo	Atascocita	TX	346-409-0739
Sharkey's Cuts for Kids	Corey Welch	TBD#2	TX	512-636-5408
Sharkey's Cuts for Kids	Corey Welch	TBD#3	TX	512-636-5408
Sharkey's Cuts for Kids	Corey Welch	TBD#4	TX	512-636-5408
Sharkey's Cuts for Kids	Corey Welch	TBD#5	TX	512-636-5408
Sharkey's Cuts for Kids	Charles Lair #2	Duncanville	TX	817-983-4901
Sharkey's Cuts for Kids	Hassan Zoghby	Mesquite	TX	512-221-0369
Sharkey's Cuts for Kids	Hassan Zoghby	TBD	TX	512-221-0369
Sharkey's Cuts for Kids	Jared Hobs	TBD	TX	830-563-5895
Sharkey's Cuts for Kids	Jared Hobs	TBD #2	TX	830-563-5895
Sharkey's Cuts for Kids	Jared Hobs	TBD #3	TX	830-563-5895
Sharkey's Cuts for Kids	Cassie Coker	TBD	TX	940-391-2422
Sharkey's Cuts for Kids	Cassie Coker	TBD #2	TX	940-391-2422
Sharkey's Cuts for Kids	Cassie Coker	TBD #3	TX	940-391-2422
Sharkey's Cuts for Kids	Shamsha Lalani & Khuram	Richmond	TX	713-269-8428

	Bhai			
Sharkey's Cuts for Kids	Shamsha Lalani & Khuram Bhai	TBD	TX	713-269-8428
Sharkey's Cuts for Kids	Panna & Kaushal Shah	TBD #2	TX	512-638-2657
Sharkey's Cuts for Kids	Panna & Kaushal Shah	TBD #3	TX	512-638-2657
Sharkey's Cuts for Kids	Bryan & Shelly King	TBD	TX	512-736-0423
Sharkey's Cuts for Kids	Jerrica & Andrew George	Magnolia	TX	512-638-2657
Sharkey's Cuts for Kids	Bryan & Shelly King	TBD #2	TX	512-736-0423
Sharkey's Cuts for Kids	Deepak Chaulagain& Birendra Tuladhar	TBD #3	TX	318-497-2335
Sharkey's Cuts for Kids	Laurie Lueveno(Keyser)?	TBD #2	TX	813-495-3025
Sharkey's Cuts for Kids	Laurie Lueveno(Keyser)?	TBD #3	TX	813-495-3025
Sharkey's Cuts for Kids	Jack Behan	TBD #2	TX	713-819-5144
Sharkey's Cuts for Kids	Jack Behan	TBD #3	TX	713-819-5144
Sharkey's Cuts for Kids	Vince Caswell	TBD	TX	704-213-9996
Sharkey's Cuts for Kids	Todd Spears	TBD	TX	210-885-1522
Sharkey's Cuts for Kids	Todd Spears	TBD #2	TX	210-885-1522
Sharkey's Cuts for Kids	Todd Spears	TBD #3	TX	210-885-1522
Sharkey's Cuts for Kids	Brian Matthies	TBD	TX	719-651-2790
Sharkey's Cuts for Kids	Brian Matthies	TBD #2	TX	719-651-2790
VIRGINIA				
Sharkey's Cuts for Kids	Gary Devinger #3	TBD	VA	703-217-9911
Sharkey's Cuts for Kids	Michael & Alisha Horindge	TBD	VA	850-776-1619
Sharkey's Cuts for Kids	Michael & Alisha Horindge	TBD #2	VA	850-776-1619
Sharkey's Cuts for Kids	Michael & Alisha Horindge	TBD #3	VA	850-776-1619
Sharkey's Cuts for Kids	Vikas Kapila	TBD	VA	804-833-9639

Sharkey's Cuts for Kids	Vikas Kapila	TBD #2	VA	804-833-9639
Sharkey's Cuts for Kids	Vikas Kapila	TBD #3	VA	804-833-9639
Sharkey's Cuts for Kids	Vikas Kapila	TBD #4	VA	804-833-9639
Sharkey's Cuts for Kids	Vikas Kapila	TBD #5	VA	804-833-9639
Sharkey's Cuts for Kids	Vikas Kapila	TBD #6	VA	804-833-9639
Sharkey's Cuts for Kids	Vikas Kapila	TBD #7	VA	804-833-9639
WISCONSIN				
Sharkey's Cuts for Kids	Kartik Shah	Green Bay	WI	605-691-2015
Sharkey's Cuts for Kids	Kartik Shah	TBD #3	WI	605-691-2015

***LIST OF FRANCHISEES OF THE PREDECESSOR FRANCHISOR**

International Outlets
ISRAEL: Sharkey's Cuts for Kids Sderot Rothschild 9 Hadera, Israel 38443 Tel: 972-7-325-15151

EXHIBIT J TO THE DISCLOSURE DOCUMENT

FRANCHISEES WHO HAVE LEFT THE SYSTEM
as of December 31, 2025

Sharkey's Cuts for Kids International Co., LLC
Ceased Operations for Other Reasons

Sharkey's Cuts for Kids	8246 Laguna Blvd #360	Elk Grove	CA	95758	(916) 896-0463
Sharkey's Cuts for Kids	12574 SW 88th St	Kendall	FL	33186	(786) 431-1532
Sharkey's Cuts for Kids	1650-11 San Pablo Rd S	Jacksonville	FL	32224	(904) 619-8979
Sharkey's Cuts for Kids	5976 Meijer Drive, Suite C	Milford	OH	45150	(513) 239-5390
Sharkey's Cuts for Kids	3373 Princeton Rd Suite F105	Hamilton	OH	45011	(513) 499-2005
Sharkey's Cuts for Kids	11066 Pecan Park Blvd. D-415	Cedar Park	TX	78613	(512) 257-1957
Sharkey's Cuts for Kids	1102 Yale St #250	Houston Heights	TX	77028	(713) 485-0364

Franchisees that left the System via Transfer

Sharkey's Cuts for Kids	13610 N Scottsdale Rd Ste	Scottsdale	AZ	85254	(480) 590-0165
Sharkey's Cuts for Kids	13648 Orchard Pkwy	Westminster	CO	80023	(720) 360-0385
Sharkey's Cuts for Kids	7028 SW 24th St,	West Gables	FL	33155	(786) 360-1552
Sharkey's Cuts for Kids	4880 Lower Roswell Rd Suite 805	Marietta	GA	30069	(770) 672-7296
Sharkey's Cuts for Kids	663 US-190 STE 30	Mandeville	LA	70471	(985) 231-7073
Sharkey's Cuts for Kids	701 Metairie Rd Suite 2A109	Metairie	LA	70005	(504) 354-9438
Sharkey's Cuts for Kids	19732 One Norman Boulevard	Cornelius	NC	28031	704 997 6056
Sharkey's Cuts for Kids	70 Buckwalter Road Store #310	Limerick	PA	19468	484 369 8434
Sharkey's Cuts for Kids	2745 N Collins St	Arlington	TX	76006	682 270 0118

Sharkey's Cuts for Kids	750 W.Bonds Ranch Rd, Suite 600	North Fort Worth	TX	76131	682 224 6241
Sharkey's Cuts for Kids	280 Commerce St	Southlake	TX	76092	817 421 2887
Sharkey's Cuts for Kids	22503 Texas 249	Tomball	TX	77070	8328436034
Sharkey's Cuts for Kids	7608 Denton Hwy, Ste 312	Watauga	TX	76148	817 893 5887
Sharkey's Cuts for Kids	15610 Woodinville-Duvall Rd, Suite 103.	Woodinville	WA	98072	(425) 286-6463

EXHIBIT K TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

ADDENDUM TO SHARKEY'S FRANCHISING CO. LLC
DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND MULTI-UNIT ADDENDUM
REQUIRED BY THE STATE OF CALIFORNIA

CALIFORNIA APPENDIX

1. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains provisions that are inconsistent with the law, the law will control.

2. The Franchise Agreement provide for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).

3. The Franchise Agreement contains covenants not to compete which extend beyond the termination of the agreements. These provisions may not be enforceable under California law.

4. Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

5. Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 79a et seq., suspending or expelling such persons from membership in such association or exchange.

6. The franchise agreement requires binding arbitration. The arbitration will occur in Connecticut with the costs being borne by the franchisee and franchisor. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as A binding arbitration provision may not be enforceable under generally applicable contract defenses, such as fraud, duress, or unconscionability.

7. The Franchise Agreement requires application of the laws of Connecticut. This provision may not be enforceable under California law.

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

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

10. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

11. OUR WEBSITE, www.sharkeyscutsforkids.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS

WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

12. California's Franchise Investment Law (Corporations Code section 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

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

The parties hereto have duly executed, sealed and delivered this Addendum dated _____ _____.

Sharkey's Cuts for Kids International Co., LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____

ADDENDUM TO THE SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND MULTI-UNIT ADDENDUM
REQUIRED BY THE STATE OF ILLINOIS

Illinois law shall apply to an govern the Franchise Agreement.

Payment of Initial Franchise 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.

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 Illinois.

Franchisees' rights upon Termination and Non-Renewal 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 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated _____.

ATTEST
CO., LLC

_____
Witness

SHARKEY'S CUTS FOR KIDS INTERNATIONAL

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____

_____
Witness

ADDENDUM TO THE SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

This will serve as the State Addendum for Sharkey's Cuts for Kids International Co., LLC the State of Maryland for Sharkey's Cuts for Kids International Co., LLC Franchise Disclosure Document. The amendments to the Disclosure Document and agreements included in this addendum have been agreed to by the parties.

1. The provision contained in the termination sections of the Franchise Agreement may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 etseq.).

2. Item 17 of the Franchise Disclosure Document shall be amended to state that the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law. The appropriate sections of the Franchise Agreement are hereby amended accordingly.

3. The Franchisee Disclosure Acknowledgement Statements are amended to state all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. Item 17 of the Franchise Disclosure Document is amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise. The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are hereby amended accordingly.

5. Item 17 of the Franchise Disclosure Document and the appropriate sections of the Franchise Agreement are amended to state that a franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. The Franchise Disclosure Document is amended to include the following risk factor:

Significant Expansion. During the last 2 years, the franchisor expanded significantly and plans to continue to expand aggressively. This franchise is likely to be a riskier investment than a franchise that grows gradually.

7. Section 3.3(e) of the Franchise Agreement is hereby deleted.

8. Section 18.3 of the Franchise Agreement is here by deleted.

9. **Based upon our financial condition, the Maryland Securities Commissioner requires that all initial fees and payments shall be deferred until such time as the franchisor completes its initial obligations under the agreement.**

10. 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 hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST

_____
Witness

Sharkey's Cuts for Kids International Co., LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____
Witness

_____

DISCLOSURE REQUIRED BY THE STATE OF MICHIGAN

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

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

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

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

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

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

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, franchisee has the right to request an escrow arrangement.

Any questions regarding this notice should be directed to:

Consumer Protection Division
Attn: Marilyn McEwen
525 W. Ottawa Street, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST

_____
Witness

Sharkey's Cuts for Kids International Co., LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____
Witness

_____

ADDENDUM TO DISCLOSURE DOCUMENT, AND FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

This addendum to the Disclosure Document is agreed to this day of _____, 20__, and effectively amends and revises said Disclosure Document and Franchise Agreement as follows:

1. Item 13 of the Disclosure Document and Section 14 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchise from any loss, costs or expenses arising out of any claim, suit or demand regarding such use."

2. Item 17 of the Disclosure Document and Section 15 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Stat. Sec. 80c.14, Subd.3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Disclosure Document."

3. Item 17 of the Disclosure Document and Section 14 of the Franchise Agreement and are amended by the addition of the following language to the original language that appears therein:

> "Minn. Stat. Sec. 80C.21 and Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside 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 Franchise Disclosure Document or agreements can abrogate or reduce any of the 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 jurisdiction."

4. Item 17 of the Disclosure Document and Sections 3, 13.4, and 13.7 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release."

5. Any reference to liquidated damages in the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits requiring you to consent to liquidated damages.

6. Any limitations of claims must comply with Minnesota Statutes, Section 80C.17, Subd.5

7. Item 5 and Item 7 of the Disclosure Document are amened to state: "Payment of Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business."

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST

Sharkey's Cuts for Kids International Co., LLC

_____
Witness

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____
Witness

_____

ADDENDUM TO THE SHARKEY'S FRANCHISING CO. LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT G OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. 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 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 Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. 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.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor":

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.

8. 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.

ATTEST Sharkey's Cuts for Kids International Co., LLC

_____ By:_____

Witness

Name:_____
Title:_____

FRANCHISEE:

_____
Witness

_____

ADDENDUM TO SHARKEY'S FRANCHISING CO. LLC
DISCLOSURE DOCUMENT REQUIRED BY THE COMMONWEALTH OF VIRGINIA

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Sharkey's Cuts for Kids International Co., LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable.

The Special Risks Page is hereby amended to include the following:

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from $163,420to $225,495. This amount exceeds the franchisor's stockholder's equity as of December 31, 2020, which is $(4,831,128).

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 its pre-opening obligations under the franchise agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST

Sharkey's Cuts for Kids International Co., LLC

_____
Witness

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____
Witness

_____

ADDENDUM TO THE SHARKEY'S FRANCHISING CO. LLC
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF WASHINGTON

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

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

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

A release or waiver of rights executed by a franchisee (such as Exhibit F of this Franchise Disclosure Document) 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.

In the State of Washington, we will defer the payment of the initial franchise fee, and any other initial payment until all of our material pre-opening obligations have been satisfied and until you open your business and itis operating. If the option for development rights is used as offered the collection of the development fee will be prorated with a portion of the development fee being collected after each unit opens.

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 hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST	Sharkey's Cuts for Kids International Co., LLC
_____	By:_____
Witness	Name:_____
	Title:_____
	FRANCHISEE:
_____	_____
Witness	

ADDENDUM TO THE SHARKEY'S FRANCHISING CO. LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON

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

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

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

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

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

Section 1 of the Multi-Unit Addendum is revised add the following statement:

> In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business. Because franchisor has material pre-opening obligations with respect to each franchised business Franchisee opens under the Multi-Unit Addendum, payment of the franchise fee will be released proportionally with

respect to each franchise outlet opened and until franchisor has met all its pre-opening obligations under the Agreement and Franchisee is open for business with respect to each such location.

Section 11 of the Franchise Agreement is amended to state the following:

Franchisees have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party's gross negligence, willful misconduct, strict liability, or fraud.

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

The undersigned does hereby acknowledge receipt of this addendum. Dated this _____ day of _____ 20_____.

_____	_____
FRANCHISOR	FRANCHISEE

ADDENDUM TO THE SHARKEY'S FRANCHISING CO. LLC
MULTI-UNIT ADDENDUM REQUIRED BY THE STATE OF WASHINGTON

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

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

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

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

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

Section 3.1 of the Franchise agreement is revised add the following statement:

> In the State of Washington, we will defer the payment of the initial franchise fee, and any other initial payment until all of our material pre-opening obligations have been satisfied and until you open your business, and it is operating.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under

any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The undersigned does hereby acknowledge receipt of this addendum. Dated this _____ day of _____ 20_____.

_____ _____

FRANCHISOR FRANCHISEE

EXHIBIT L TO THE DISCLOSURE DOCUMENT

FORM OF RESTRICTIVE COVENANT

RESTRICTIVE COVENANT

AGREEMENT, dated as of _____, by _____ ("Employee") and _____ ("Franchisee").

WHEREAS, Franchisee is engaged in the business of providing hair styling services and family oriented entertainment and party services.

WHEREAS, Employee desires to be employed, or to continue to be employed, by Franchisee and/or attend the training program offered by Sharkey's Cuts for Kids International Co., LLC, a Connecticut limited liability company ("Franchisor").

WHEREAS, in connection therewith, Employee will have access and/or has had access to information that requires Franchisor's and Franchisee's highest trust and confidence in Employee.

WHEREAS, Employee acknowledges and agrees that Franchisee and Franchisor will materially rely upon Employee's obligations under this Agreement.

NOW, THEREFORE, in consideration of the foregoing promises, the compensation paid or to be paid to Employees, and/or other good and valuable consideration, Employee covenants and agrees as follows:

1. Confidential Information.

(a) Employee acknowledges that Franchisor and Franchisee are engaged in a highly competitive business, the success of which is dependent upon, among other things, confidential and proprietary information, including, without limitation, Franchisor's and Franchisee's training materials, method of operation, business plans, techniques and procedures (collectively, the "Proprietary Information"). Employee further acknowledges that the Proprietary Information constitutes valuable trade secrets.

(b) Employee shall use Proprietary Information only in connection with the performance of its duties for Franchisee and shall not disclose any such information, either during the term of Employees employment or association with Franchisee or any time thereafter and shall take every reasonable precaution to safeguard all Proprietary Information. In connection therewith, Employee shall fully and strictly comply with all security measures prescribed by Franchisor and/or Franchisee for maintaining the confidentiality of all Proprietary Information.

(c) Upon the termination of Employee's employment or association with Franchisee, Employee shall delivery promptly to Franchisee all documents containing Proprietary Information, whether or not prepared by or for Employee.

(d) Employee acknowledges that to breach its obligations under this Section 1 would cause damage to Franchisor, Franchisee and Franchisor's other franchisees, and that Employee would be liable for such damage.

(e) Notwithstanding the foregoing, Employee may disclose Proprietary Information to a person who is bound by the terms of a similar provision or agreement regarding confidentiality and restrictive covenant contemplated by Section 2 hereof. In addition, notwithstanding the foregoing,

(f) Notwithstanding the foregoing, the following shall not be subject to the provisions of this Section 1:

(1) Information which is in the public domain as of the date of receipt by Franchisee;

(2) Information which becomes known to the public without a breach of any confidentiality agreement or provision in favor of Franchisor or Franchisee; and

(3) Information which is required by law to be disclosed or revealed, but only strictly to the extent required by law.

2. Covenant Not to Compete. Employee shall not, during the term of Employee's employment or other association with Franchisee or for the two (2) year period thereafter, directly or indirectly (as an owner, partner, director, officer, employee, manager, consultant, shareholder, representative, agent, lender or otherwise), be engaged in a business that provides hair styling services and/or family oriented entertainment and party services within fifty (50) miles of any Sharkey's Salon in the System.

3. Restriction on Hiring. Employee may not, during the term of Employee's employment or other association with Franchisee and for the two-year period thereafter, directly or indirectly (as an owner, partner, director, officer, employee, manager, consultant, shareholder, representative, agent, lender or otherwise), employ, hire or engage as an independent contractor or otherwise any person who is or was (at any time during the term of this Agreement) employed or engaged as an independent contractor or otherwise by Franchisor or any of its affiliates.

4. Use of Name, Likeness. Franchisor will be entitled to use the name, likeness and voice of Employee for purposes of promoting the franchise, Franchisor and its products, including all photos and audio and video recordings of Employee, and Employee hereby irrevocably consents thereto.

5. Reasonable Restraints; Remedies. Employee acknowledges that the covenants contained in this Agreement (including, without limitation, the territorial and time restraints) are reasonable and necessary and agrees that his failure to adhere strictly to the restrictions contained herein shall cause substantial and irreparable damage to Franchisor, Franchisee and to Franchisor's other franchisees. In the event of any breach by Employee of any of the terms of this Agreement, Franchisor and/or Franchisee shall be entitled to institute and prosecute proceedings, at law or in equity, in any court of competent jurisdiction, to obtain an injunction to enforce the provisions of this Agreement and to pursue any other remedy to which Franchisor and/or Franchisee may be entitled. Employee agrees that the rights conveyed by this Agreement are a unique and special nature and that Franchisor's and Franchisee's remedy at law for any breach would be made inadequate and agrees and consents that temporary or permanent injunctive relief may be granted in any proceeding which may be brought to enforce any provision hereof, without the necessity of posting bond therefor or proof of actual damages.

6. Modification; Severability. If the scope of any restriction contained in this Agreement is too broad to permit the enforcement of such restriction to its fullest extent, then such restriction shall be enforced to maximum extent permitted by law, the Employee hereby consents and agrees that such scope may be judicially limited or modified accordingly in any proceeding brought to enforce such restriction. Each covenant contained in this Agreement is independent and severable and, to the extent that any such covenant shall be declared by a court of competent jurisdiction to be illegal, invalid or unenforceable, such declaration shall not affect the legality, validity or enforceability of any other provision contained herein or the legality, validity or enforceability of such covenant in any other jurisdiction.

7. General and Miscellaneous.

(a) Entire Agreement; Amendment. This Agreement contains the entire agreement and understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing signed by each of the parties hereto. Nothing in this or any related agreement, however, is intended to disclaim the representations made by Franchisor in the Franchise Disclosure Document that was furnished to Franchisee by Franchisor.

(b) Binding Nature of Agreement. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

(c) Governing Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement will be governed by and construed, interpreted and enforced in accordance with the laws of the State of Connecticut, notwithstanding any Connecticut or other conflict of laws provisions to the contrary. Employee and Franchisee hereby consent to the exclusive jurisdiction of the state and federal courts located in the State of Connecticut in connection with any disputed based on or arising out of this Agreement or any breach hereof.

(d) No Waiver. Franchisor or Franchisees failure to act with respect to a breach by Employee of this Agreement does not constitute a waiver of Franchisor's or Franchisee's right to act with respect to subsequent or similar breaches.

(e) Third Party Beneficiary. Franchisor is an express third-party beneficiary of this Agreement and may, directly or indirectly, enforce any obligation of Employee hereunder.

Employee has read this entire Agreement carefully and fully understands the limitations that this Agreement imposes upon Employee and acknowledges and agrees that those limitations are reasonable.

EXECUTED as of _____

_____
Signature of Employee

Franchisee:_____

By:_____

Name:_____

Title:_____

EXHIBIT M

HAIR IT IS SUPPLEMENTAL ADDENDUM

SUPPLEMENTAL DISCLOSURE TO THE SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC
2026 FRANCHISE DISCLOSURE DOCUMENT

This Supplemental Information Statement supplements Sharkey's Cuts for Kids International Co., LLC Franchise Disclosure Document issued on April 20, 2026 (the "FDD"). All capitalized terms used but not specifically defined in this Supplemental Information Statement have the meanings stated in the FDD.

This Supplemental Information Statement has an issuance date of April 20, 2026, with the purpose of providing the following updated information:

Cover Page:

The total investment necessary to begin operation of a Single Sharkey's Hair It Is franchise is $242,410-$323,435. This includes $169,990 that must be paid to the franchisor and/or its affiliate. (Timing and amount of payment may vary for lending)

The total investment necessary to begin operation of a 2-Pack of Sharkey's Hair It Is franchises is $409,840 -$571,890. This includes $265,000 ($132,500 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate. (Timing and amount of payment may vary for lending)

The total investment necessary to begin operation of a 3-Pack of Sharkey's Hair It Is franchises is $546,260 - $789,335. This includes $329,000 ($109,667 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate. (Timing and amount of payment may vary for lending)

The total investment necessary to begin operation of a 6-Pack of Sharkey's Hair It Is franchises is $1,052,520 - $1,538.670. This includes $618,000 ($103,000 per unit, includes Grand Opening Advertising) that must be paid to the franchisor and/or its affiliate. (Timing and amount of payment may vary for lending)

Franchisee will execute the Hair It Is Addendum located in the Franchise Agreement in Attachment 6.

Item 5:

In the event that you are purchasing a 2-Pack of Sharkey's Hair It Is franchise, the Initial Franchise Fee plus initial turn-key package is $235,000 that must be paid to the franchisor and/or its affiliate $117,500 per franchise, $265,990 due at signing which includes Grand Opening Advertising.(Franchisee is given 2 years to open 2 Sharkey's salons. Franchisee awarded the rights to two locations of their choice). (Timing and amount of payment may vary for lending)

In the event that you are purchasing a 3-Pack of Sharkey's Hair It Is franchise, the initial franchise fee plus initial turn-key package shall be $284,000 that must be paid to the franchisor and/or its affiliate, $94,667 per franchise, $329,000 due at signing which includes Grand Opening Advertising. (Franchisee is given 3 years to open 3 Sharkey's salons. Franchisee awarded the rights to two locations of their choice). (Timing and amount of payment may vary for lending)

In the event that you are purchasing a 6-Pack of Sharkey's Hair It Is franchise, the initial franchise fee plus initial turn-key package shall be $528,000 that must be paid to the franchisor and/or its affiliate, $88,000 per franchise, $618,000 due at signing which includes Grand Opening Advertising. (Franchisee is given 6 years to open 6 Sharkey's salons. Franchisee awarded the rights to two locations of their choice). (Timing and amount of payment may vary for lending)

Item 7:

The following changes have been made to the Item 7 table.

ESTIMATED INITIAL INVESTMENT

Sharkey's Hair It Is Single Unit Package

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$45,000	One payment	On signing the Franchise Agreement	Us
Initial Turn-Key Package	$109,990	One Payment (timing of payment may vary for SBA lending)	On signing of the Franchise Agreement	Us
Rental – 1 months (1)(8)	$950 to $1,950	Per lease	Per lease	Landlord
Leasehold Improvements (1b)	$58,000 to $70,000 (After TI reimbursement)	As arranged	As arranged	Contractor
Professional Fees (2)	$0 to $4,000	As incurred	As incurred	Attorney
Blueprints and Plans (3)	$0 to $4,000	As arranged	As arranged	Architect; Government Agencies
Computer Systems & Software, Indoor & Outdoor Signage, Lighting, Tile, Paint, Washer/Dryer	$11,500 - $19,000		Before Opening	Third party vendor
Insurance Premiums – Per Month (4)	$175 to $250	Lump sum	Before opening	Insurance Companies
Security Deposits	$0 to $1,950	Lump sum	Before opening	Landlord; Utility Companies
Grand Opening Advertising (5)	$15,000	Lump Sum	On the signing of the Franchise Agreement	Us
Main TV Advertising Media Player Installation and First Month	$795	As incurred	Before opening	Third party vendor
Recruiting Technology Fee	$750	As incurred	Before opening	Third party vendor
Permits and Licenses (6)	$250 to $750	As incurred	Before opening	Governmental Agencies

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Additional Funds – Three Months (7)	$0 to $50,000	As incurred	As incurred	Suppliers, Employees, etc.
TOTAL (1b) & (7)	**$242,410 - $323,435**			

(8) Rental Fee includes 0-6 months of free rent.

None of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable and the initial franchise fee is partially refundable in certain circumstances (see Item 5). We do not finance any portion of your initial investment.

ESTIMATED INITIAL INVESTMENT

Sharkey's Hair It Is 2-Pack

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE A				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$90,000	Lump sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$145,000	Lump sum (timing of payment may vary for SBA lending)	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1& #2 &3	$174,840 - $336,890	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
Total	**$409,840 - $571,890 ($204,920 - $285,945 per unit)**			

ESTIMATED INITIAL INVESTMENT

Sharkey's Hair It Is 3 Pack Franchise Package

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE A				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$135,000	Lump sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$149,000	Lump sum (timing of payment may vary for SBA lending)	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1& #2&#3	$262,260-$505,335	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
Total	**$546,260-$789,335 ($182,0867 - $263,112 per unit)**			

ESTIMATED INITIAL INVESTMENT

Sharkey's Hair It Is 6 Pack Franchise Package

YOUR ESTIMATED INITIAL INVESTMENT-SHARKEY'S FRANCHISE PACKAGE A				
Item	**Estimated Cost**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee	$270,000	Lump Sum	Upon signing of the Franchise Agreement	Us
Initial Turn-Key Package	$258,000	Lump sum (timing of payment may vary for SBA lending)	Upon signing of the Franchise Agreement	Us
Other Expenditures for Salon #1, #2, # 3, #4, #5, #6	$524,520 - $1,010,670	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
Total (1b)	**$1,052,220 - $1,538,670** **($175,420-$256,445 per unit)**			

Item 19:

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

Table 7: Hair It Is Unit Total Revenue

Location	Total Revenue 2023	Total Revenue 2024	Total Revenue 2025
Ann Arbor, MI[1]	$238,887.64	$259,792.32	$250,623.77
Cypress, TX[2]	$184,556.64	$157,549.50	$164,891.67
Total Unit Revenue	$423,444.28	$417,341.82	$415,515.44

[1]The Ann Arbor, MI outlet is located in a Meijer store.
[2]The Cyress, TX outlet is located in a H-E-B store. (New HEB locations are not available for Sharkey's Hair it is)

ACKNOWLEDGED AS RECEIVED AND UNDERSTOOD ON THE DATE SET FORTH BELOW BY:

CANDIDATE:

By:_____

Name:_____

Date:_____

EXHIBIT N

<u>*NOT FOR USE IN CALIFORNIA*</u>

<u>*DO NOT SIGN THIS ACKNOWLEDMENT STATEMENT IF YOU ARE A RESIDENT OF MARYLAND OR THE BUSINESS IS OPERATED IN MARYLAND*</u>

SHARKEY'S CUTS FOR KIDS ACKNOWLEDGEMENT STATEMENT

Acknowledgement of the truthfulness of the statements below are an inducement for the Franchisor to enter into a Franchise Agreement (or Multi-Unit Development Agreement). Notify Franchisor immediately, prior to acknowledgment, if any statement below is incomplete or incorrect.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

1. Franchisee (or Developer) has conducted an independent investigation of all aspects relating to the financial, operational, and other aspects of the business of operating the Franchised Business. Franchisee (or Developer) further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee (or Developer) by Franchisor and Franchisee (or Developer) and any and all Principals hereby waive any claim against Franchisor for any business failure Franchisee (or Developer) may experience as a franchisee (or developer) under this Agreement.

_____
Initial

2. Franchisee (or Developer) has conducted an independent investigation of the business contemplated by this Agreement and understands and acknowledges that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of Franchisee (or Developer) and its efforts as an independent business operation.

_____
Initial

3. Franchisee (or Developer) agrees that no claims of success or failure have been made to it or him or her prior to signing the Franchise Agreement (or Multi-Unit Development Agreement) and that it/she/he understands all the terms and conditions of the Franchise Agreement (or Multi-Unit Development Agreement). Franchisee (or Developer) further acknowledges that the Franchise Agreement (or Multi-Unit Development Agreement) contains all oral and written agreements, representations, and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

_____
Initial

4. Franchisee (or Developer) has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement (or Multi-Unit Development Agreement) that are contrary to the terms of the Franchise Agreement (or Multi-Unit Development Agreement) or the documents incorporated herein. Franchisee (or Developer) acknowledges that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement (or Multi-Unit Development Agreement). Franchisee (or Developer) represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations in obtaining the Franchise Agreement (or Multi-Unit Development Agreement).

_____

Initial

5. Franchisor expressly disclaims the making of, and Franchisee (or Developer) acknowledges that it has not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement (or Multi-Unit Development Agreement).

_____
Initial

6. Franchisee (or Developer) acknowledges that Franchisor's approval or acceptance of Franchisee's (or Developer's) Business location does not constitute a warranty, recommendation, or endorsement of the location for the Franchised Business, nor any assurance by Franchisor that the operation of the Franchised Business at the premises will be successful or profitable.

_____
Initial

7. Franchisee (or Developer) acknowledges that it has received the Sharkey's Cuts for Kids International Co., LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement (and Multi-Unit Development Agreement) and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement (or Multi-Unit Development Agreement) was executed. Franchisee (or Developer) further acknowledges that Franchisee (or Developer) has read such Franchise Disclosure Document and understands its contents.

_____
Initial

8. Franchisee (or Developer) acknowledges that it has had ample opportunity to consult with its own attorneys, accountants, and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee (or Developer) with respect to the Franchise Agreement (or Multi-Unit Development Agreement) or the relationship thereby created.

_____
Initial

9. Franchisee (or Developer), together with Franchisee's (or Developer's) advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement (or Multi-Unit Development Agreement).

_____
Initial

10. Franchisee (or Developer) is aware of the fact that other present or future franchisees (or developers) of Franchisor may operate under different forms of agreement(s), and consequently that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

_____
Initial

11. It is recognized by the parties that Franchisor is also (or may become) a manufacturer or distributor of certain products under the Marks licensed herein; and it is understood that Franchisor does not warrant that such products will not be sold within the Franchisee's (or Developer's) Territory by others who may have purchased such products from Franchisor.

_____
Initial

12. BY EXECUTING THE FRANCHISE AGREEMENT (OR MULTI-UNIT DEVELOPMENT AGREEMENT), FRANCHISEE (OR DEVELOPER) AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF FRANCHISEE'S (OR DEVELOPER'S) AND SUCH PRINCIPAL'S HEIRS, LEGAL

REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE SHARKEY'S CUTS FOR KIDS INTERNATIONAL CO., LLC, AND ANY OF THE ABOVE'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AND THE FOREGOING ENTITIES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THE FRANCHISE AGREEMENT (OR MULTI-UNIT DEVELOPMENT AGREEMENT), INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF. THIS RELEASE SHALL NOT APPLY TO ANY CLAIMS ARISING FROM REPRESENTATIONS MADE BY FRANCHISOR IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT RECEIVED BY FRANCHISEE (OR DEVELOPER).

_____
Initial

[WASHINGTON FRANCHISEES ONLY: This Acknowledgment does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.]

FRANCHISEE:

_____

By:_____

_____,_____
(Print Name, Title)

Date:_____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date states below:

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	February 17, 2026
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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 O

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Sharkey's Cuts for Kids International Co., 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.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Sharkey's Cuts for Kids International Co., 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit G.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Scott Sharkey 37 Highland Road Westport, CT 06880 (203) 637-8911		

Issuance Date: April 20, 2026

I received a Disclosure Document dated April 20, 2026, that included the following Exhibits:

EXHIBIT A: Financial Statements
EXHIBIT B: Application for Franchise
EXHIBIT C: Franchise Agreement
EXHIBIT D: Grand Opening Advertising
EXHIBIT E: Personal Guaranty of Principals
EXHIBIT F: Form of General Release
EXHIBIT G: List of State Franchise Administrators and Agents for Service of Process
EXHIBIT H: Operations Manual Table of Contents
EXHIBIT I: Outlets as of the date of this Disclosure Document
EXHIBIT J: Franchisees Who Have Left the System
EXHIBIT K: State Addenda
EXHIBIT L: Form of Restrictive Covenant
EXHIBIT M: Hair It Is FDD Supplemental Addendum
EXHIBIT N: Acknowledgement Statement
State Effective Page
EXHIBIT O: Receipt

Date Received: _____ DATE:_____
(If other than date signed)

Print Name:_____

Print Address: _____

City, State: _____

_____
(Signature of recipient)

Please return signed receipt to Sharkey's Cuts for Kids International Co., LLC,
37 Highland Road
Westport, CT 06880

EXHIBIT O

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Sharkey's Cuts for Kids International Co., 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.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Sharkey's Cuts for Kids International Co., 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit G.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Scott Sharkey 37 Highland Road Westport, CT 06880 (203) 637-8911		

Issuance Date: April 20, 2026

I received a Disclosure Document dated April 20, 2026, that included the following Exhibits:

EXHIBIT A: Financial Statements
EXHIBIT B: Application for Franchise
EXHIBIT C: Franchise Agreement
EXHIBIT D: Grand Opening Advertising
EXHIBIT E: Personal Guaranty of Principals
EXHIBIT F: Form of General Release
EXHIBIT G: List of State Franchise Administrators and Agents for Service of Process
EXHIBIT H: Operations Manual Table of Contents
EXHIBIT I: Outlets as of the date of this Disclosure Document
EXHIBIT J: Franchisees Who Have Left the System
EXHIBIT K: State Addenda
EXHIBIT L: Form of Restrictive Covenant
EXHIBIT M: Hair It Is FDD Supplemental Addendum
EXHIBIT N: Acknowledgement Statement
State Effective Page
EXHIBIT O: Receipt

Date Received: _____ DATE:_____
(If other than date signed)

Print Name:_____

Print Address: _____

City, State: _____

_____
(Signature of recipient)

KEEP FOR YOUR RECORDS