

## FRANCHISE DISCLOSURE DOCUMENT

Sport Clips, Inc.  
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Georgetown, Texas 78628  
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www.sportclips.com



A Sport Clips franchisee sells, primarily to men and boys, hair cutting services and hair care products in an environment with a sports theme and multiple televisions featuring sports programming.

The total investment necessary to begin operation of a Sport Clips franchise is \$189,300 to \$354,500. This includes \$61,000 to \$95,500 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any 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 Pete Lindsey at 110 Briarwood, Georgetown, Texas 78628, telephone (512) 868-4661.

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 1-977-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](http://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 1, 2017

## STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state administrator listed in Exhibit A for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY NON-BINDING MEDIATION AND THEN LITIGATION ONLY IN TEXAS. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN TEXAS THAN IN YOUR OWN HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT TEXAS LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE SPOUSE(S) OF FRANCHISE OWNERS MUST EXECUTE A PERSONAL GUARANTY PLACING THE PERSONAL ASSETS OF THE FRANCHISE OWNERS AND SPOUSES AT RISK.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Date: See the next page for state effective dates.

## **Franchise Disclosure Document Effective Dates In Designated States**

The following states require that the Disclosure Document be registered or filed with the state or be exempt from registration: California, Florida, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This Franchise Disclosure Document is registered, on file, exempt from registration, or otherwise effective in the following states with franchise registration and disclosure (or business opportunity) laws as of the dated listed below:

State of California:	April 1, 2017 (exemption)
State of Hawaii:	pending
State of Indiana:	pending
State of Maryland:	pending (exemption)
State of Minnesota:	pending
State of New York:	pending (exemption)
State of North Dakota:	pending
State of Rhode Island:	pending
State of South Dakota:	pending
State of Virginia:	pending (exemption)
State of Wisconsin:	April 1, 2017
State of Washington:	pending (exemption)

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## ITEM 1

### THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Disclosure Document, "the Company," "SCI," or "we" means Sport Clips, Inc., the franchisor. "You" means the person who buys this franchise and your spouse, and may include a corporation or a partnership. If a corporation or a partnership is the franchisee, "you" will also include the franchisee's owners.

The Company does business as Sport Clips, Inc. and Sport Clips, and we do not do business under any other name. Our principal address is 110 Briarwood, Georgetown, Texas 78628. The Company is a Texas corporation was incorporated on July 13, 1995.

The Company's agents for service of process are disclosed in Exhibit A.

The Company has sold franchises for the operation of retail stores known as "Sport Clips" since November 1995. As of December 31, 2016, the Company had 1,552 franchised stores and 32 Company-owned stores operating under the name "Sport Clips." The Company has never offered franchises under any other name or in any other line of business. We have operated Sport Clips stores of the type described in this Disclosure Document since 1993.

A Sport Clips business offers hair cutting and hair styling services to primarily men and boys, and sells related hair care products within a sports themed environment. Sport Clips franchisees operate the franchise pursuant to our System, which includes our standards, specifications, approved products, methods and procedures. The System also includes the use of the trademark and trade name "Sport Clips." The services and products of Sport Clips stores are offered to all segments of the public, and the businesses are generally located in strip center locations. In addition to laws or regulations that apply to retail businesses generally, you will need to comply with local and state laws that regulate the operation of a hair care or cosmetology business, and your employees may be required to have a license issued by the state or other local government in order to provide hair cutting and related services.

Our Mission Statement is "To create a Championship Haircut Experience for men and boys in an exciting sports environment." As a Sport Clips franchisee, you will provide your customers with a relaxing atmosphere, surrounded by an exciting sports-themed environment, and be able to watch current and classic sporting events while they receive a consistently well-executed haircut. Some of the specific components of the Sport Clips environment include a flat-screen television in the front of the store, and television monitors at each haircutting station. The televisions are turned to live or recorded sports programming approved by the Company. Your store will also include specific signage and decorating items to create the "Sport Clips" look and atmosphere.

The Franchise Agreement includes a Supplemental Pre-Opening Services Agreement, under which the Company provides certain pre-opening services for a fee. These services will be provided to you either by the Company or its Area Developer, if there is an Area Developer in your area. See Item 5 for more information on the Supplemental Pre-Opening Services Agreement.

The Company offers a Multi-Unit Development Addendum ("MUDA"). We offer a 2 store MUDA if your store is in a city of less than 100,000 people and is at least 75 miles from any city that has more than 100,000 people. It is our policy to award a single-store Franchise Agreement only in specified circumstances, such as a Sport Clips store manager who is approved to become a franchisee or to a Veteran of the US Armed Services if they are not financially qualified for a MUDA. Under a MUDA, you will open 3 or more Sport Clips stores within a specified time period and you pay a reduced initial franchise fee for each additional store.

All information in this Disclosure Document applies to the MUDA and the Supplemental Pre-Opening Services Agreement unless specifically and otherwise stated.

The Company has Area Developers in some areas. An Area Developer has purchased a territory, has the right to sell franchises in the territory on behalf of the Company, and provides certain support services to franchisees in the area. As of December 31, 2016, SCI had 17 Area Developers in 36 states. Depending upon your location, an Area Developer may provide certain services offered by the Company under the Franchise Agreement. This Disclosure Document is not an offer for an Area Development Agreement, nor does it contain an Area Development Agreement. Area Developers do not sign your Franchise Agreement and do not have responsibility for the management of sales or operations of franchisees.

You will compete with other businesses that offer a wide range of hair cutting and hair care services and that sell hair care products, similar to those offered by a Sport Clips business, including businesses which may be located in the same strip center as your Sport Clips franchise. Existing or new competitors in the market may offer similar goods and engage in aggressive promotions that may include discounting.

### **Affiliates**

Sport Clips IP, LLC (“SCIP”) and Sport Clips I Prop., Ltd. (“SCLTD”) own several trademarks that are licensed to you by the Company under the Franchise Agreement. SCIP and SCLTD license the trademarks exclusively to the Company. The principal address of SCIP and SCLTD is 110 Briarwood, Georgetown, Texas 78628. SCIP is a Texas corporation that was formed on August 22, 1995 and SCLTD is a Texas limited liability partnership that was formed on July 6, 2004. Neither SCIP nor SCLTD has ever offered franchises under any name.

Sport Clips International, Inc. (SCII), a Texas corporation, was formed on May 9, 2008 for the purpose of offering Sport Clips Master Franchisor Agreements in countries other than the United States. The principal address of SCII is 110 Briarwood, Georgetown, Texas 78628. As of December 31, 2016, SCII has entered into a Master Franchise Agreement in Canada but has not offered or entered into any Master Franchise Agreements in any other country. SCII has never offered franchises under any other name.

VBlotique, Inc. (“VBI”) is a Texas corporation formed on December 28, 2015, and is a wholly-owned subsidiary of the Company. The principle address of VBI is 110 Briarwood, Georgetown, Texas 78628. VBI was formed for the purpose of owning and operating stores offering blow-dry hair services, specializing in offering these and similar grooming services and retail products targeted at women under the trade name “Vent Blotique.” As of December 31, 2016, VBI owned 5 Vent Blotique stores. VBI has never offered franchises under any name and does not provide any goods or services to Sport Clips franchisees.

### **Predecessors and Parent Companies**

There are no predecessors or parent companies required to be disclosed in this Disclosure Document.

All information contained in this Disclosure Document regarding the offer and sale of franchises applies only to such activity within the United States.

**ITEM 2**  
**BUSINESS EXPERIENCE**

1. Chief Executive Officer: Gordon B. Logan

Gordon B. Logan has served as Chief Executive Officer of the Company and SCIP since 1995. He has served as a Director of the Company since 1995. Gordon has been a Director of the International Salon/Spa Business Network, a trade association representing multi-unit operators of approximately 20,000 salons and served as President from May 2008 to April 2012. He served on the Board of Visitors of Southwestern University, Georgetown, Texas, from January 2010 to June 2013. He has served on the Board of the VFW Foundation since October 2011. He has served on the Board of the International Franchise Association (IFA) since January 2013, and is past Chairman of the IFA VetFran Committee. He has served on the Board of Trustees of the Southwest Research Institute, San Antonio, Texas since February 2017.

2. President: Mark Kartarik

Mark has served as President of the Company since August 2014. From March 2012 to February 2014 he was a franchisee with Rooster's Men's Grooming Center. From May 1984 to July 2011, he served as the President of the Franchising Division and Executive Vice President for Regis Corporation. Mark has served as a Director of the Company since October 2014 and as a Director of the International Salon/Spa Business Network since May 2015.

3. Vice President: Bettye B. Logan

Bettye B. Logan has served as Secretary of the Company and Vice President of SCIP since 1995. She served as Vice President of Company Store Operations from February 2008 to August 2013.

4. Chief Financial Officer: Scott Perry

Scott Perry was promoted to Chief Financial Officer in November 2014. Prior to his promotion, he served as Vice President of Finance from November 2006 to November 2014. Scott has served as Treasurer of the Company since 2007.

5. Chief Information Officer: Dan Miller

Dan Miller has served as Chief Information Officer since December 2014. From December 2008 to December 2014 he served as Chief Information Officer for Massage Envy SPA in Scottsdale, Arizona.

6. Vice President of Marketing: Martha England

Martha England has served as Vice President of Marketing since December 2009.



7. Vice President of Operations: Gordon Edward Logan

Gordon Edward has served as Vice President of Operations since January 2016. He was Senior Director of Operations from March 2014 to December 2015, responsible for directing the efforts of Area Directors supporting franchised Sport Clips stores. He served as a Area Director responsible for direct support of franchised stores from August 2013 to March 2014. He has been responsible for testing and proving all new programs, procedures and equipment for the Company prior to their introduction to the system as a whole as Director of Company Stores since January 2012.

8. Vice President of Franchising: Pete Lindsey

Pete Lindsey has served as Vice President of Franchising since August 2011.

9. Vice President of Franchise Development: Jean Booth

Jean Booth has served as Vice President of Franchise Development since August 2011.

10. Vice President of Real Estate: Greg Smith

Greg Smith has served as the Company's Vice President of Real Estate since December 2012 and Senior Director of Real Estate from December 2007 to December 2012.

11. Senior Director of Operations: Earl Blood

Earl Blood has served as the Company's Senior Director of Operations since February 2009.

12. Senior Director of Career Opportunities: Julie Vargas

Julie Vargas has served as Senior Director of Career Opportunities since November 2014. From March 2005 to November 2014 she served as Director of Career Opportunities.

13. Senior Director of Procurement and Construction: Lori Huddleston

Lori Huddleston has served as Senior Director of Procurement and Construction since October 2013. From February 2004 to October 2013 she served as Director of Operations.

14. Director of Franchise Development: Jerry Eulentrop

Jerry Eulentrop has served as Director of Franchise Development since July 2012. From November 1998 to July 2012 he served as Area Development Manager for The UPS Store, Inc.

15. Director of Franchise Development: Jim Atkinson

Jim Atkinson has served as Director of Franchise Development since July 2013. From December 2010 to July 2013 he served as Director of Non-Traditional Development for The UPS Store, Inc.

16. Director of Training: Sandra Craven

Sandra Craven has served as Director of Training since April 2004.

17. Director of Technical Education: Mary Carter

Mary Carter has served as Director of Technical Education since September 2009.

18. Member of the Board of Directors: Jay Novacek

Jay Novacek was elected to the Company's Board of Directors in July 2002. Mr. Novacek has owned and operated Upper 84 Ranch in Brady, Nebraska since March 1992.

19. Member of the Board of Directors: Louis Mancini

Louis Mancini was elected to the Company's Board of Directors in 1995. He served as President and CEO of Brookstone, Inc. from April 2006 to March 2009.

20. Member of the Board of Directors: Rick Herrman

Rick Herrman was elected to the Company's Board of Directors in December 1997. From January 1990 until December 2013, Mr. Herrman acted as an officer and founding principal of investment funds headquartered in Houston, Texas, and which operate under The Catalyst Group. He served as a Director and Audit Committee Chair of RFM, Inc. (RFMI, NASDAQ) from August 2009 to July 2012 when the company was sold. Mr. Herrman serves as Executive Director of the Chihuahuan Desert Research Institute, a 42-year-old nonprofit operating from a 507-acre Nature Center outside of Fort Davis, Texas.

21. Member of the Board of Directors: John W. Francis

John W. Francis was elected to the Company's Board of Directors in February 2009. From July 2001 to April 2011 he was the Area Franchisee of Minnesota and Wisconsin for PostNet International Franchise Corp. From April 2011 to April 2013 he served as a Strategic Business Advisor to PostNet. He served as Chairman of the International Franchise Association's Franchisee Forum from February 2008 to February 2009 and served as a Member of the Board of Directors of the International Franchise Association from February 2008 until February 2012. He currently serves other non-competitive brands as a franchise industry consultant, strategic advisor, and keynote speaker.

**ITEM 3  
LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4  
BANKRUPTCY**

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

## ITEM 5

### INITIAL FEES

Except as described in this Item, all new franchisees pay a \$59,500 lump sum franchise fee when they sign a MUDA (\$25,000 for the first Franchise Agreement, \$19,500 for the second Franchise Agreement, and \$15,000 for the third Franchise Agreement), and have the right to open three Sport Clips stores within a specified area and during a specified time over a period of 3 years. If we award a single store Franchise Agreement or a two-store MUDA, the franchisee will pay a \$25,000 lump sum franchisee fee when the franchisee signs a Franchise Agreement for a single store, or a \$44,500 lump sum franchisee fee when the franchisee signs a Franchise Agreement with a 2 store MUDA (\$25,000 for the first Franchise Agreement and \$19,500 for the second Franchise Agreement). We will grant a 2 store MUDA if your store is in a city of less than 100,000 people and is at least 75 miles from any city that has more than 100,000 people. If we grant you a single store Franchise Agreement or a 2 store MUDA, you have no rights to buy additional franchises at a reduced price. There are no refunds under any circumstances. Examples of situations where we would award a single store Franchise Agreement or a two-store MUDA would be for a Sport Clips store Manager who qualifies to become a franchisee or for a Veteran of the US Armed Forces who does not financially qualify for additional licenses.

SCI participates in the International Franchise Association's VetFran program. Under this program, a new franchisee who is a veteran of the U.S. Armed Services, who has been honorably discharged, who has had at least one year of active service, is eligible to receive a 20% reduction on the initial franchise fee.

If you sign a MUDA for 3 or more stores, and you want to purchase additional stores after the commencement of your original Franchise Agreement and MUDA, it is our current policy to charge an initial franchise fee of \$15,000 per additional store.

If you have 5 or more Sport Clips stores open and operating, it is our current policy to charge an initial franchise fee of \$12,500 per additional store license.

If we offer Supplemental Services in your area, you will sign the Supplemental Services Agreement that is Attachment E to the Franchise Agreement and pay a Supplemental Services Fee of \$5,000 for your first store, \$4,000 for your second store, and \$3,000 for your third store and any additional stores in one lump sum. See Item 7, Note 7, for more information regarding the Supplemental Services Agreement. The Supplemental Services Fee is not refundable under any circumstances. At the present time, we offer Supplemental Services in all areas and these services and fees are mandatory. Supplemental Service Fees are also required in cases of store relocation.

Before you open your Sport Clips store, you must purchase from the Company a point-of-sale software license to use in your store. The cost for the software license is \$1,000. This fee is not refundable.

Before you open your Sport Clips store, you pay a Grand Opening advertising deposit of \$30,000 in one lump sum to promote your store in its local market area. Any part of the grand opening advertising deposit that is not spent promoting your store during the first 180 days after you open your store will be refunded to you.

**ITEM 6  
OTHER FEES**

<b>TYPE OF FEE</b>	<b>AMOUNT</b>	<b>DUE DATE</b>	<b>REMARKS</b>
<b>WEEKLY FEES</b>			
<b>Royalty</b>	6% of Net Sales	Payable on Monday of each week by ACH transfer	Net Sales include all revenue from the franchise location. Net Sales do not include sales tax.
<b>Advertising</b>	\$300 per week, or 5% of Net Sales, whichever is more	Same as royalty fee	See Note 2
<b>Training Fee</b>	Base Training Fee of \$25.00 per week, plus a Percentage Training Fee of \$55.00 per week or 1% of Net Sales, whichever is more	Same as royalty fee	See Note 3
<b>Stylist Recruitment Fee</b>	1% of net sales	Same as royalty fee	See Note 4
<b>Technology Fee</b>	1% of net sales	Same as royalty fee	See Note 5
<b>Local Advertising Coop Fee</b>	Up to \$300 per week	Same as royalty fee	See Note 6. Payable only if you are in an area that votes to establish a local Advertising Coop.
<b>Local Stylist Recruiting Coop Fee</b>	\$100 per week, or 1% of net sales, whichever is greater	Same as royalty fee	See Note 7. Payable only if you are in an area that has an established local Stylist Recruiting Coop.
<b>Sport Clips Wayne McGlone Memorial Relief Fund Contribution</b>	\$5.00 per week	Same as royalty fee	See Note 8
<b>MONTHLY FEES</b>			
<b>Computer Software Monthly Maintenance Fee</b>	\$125.00 per month currently	On the first Monday of each month	The fee includes support and updates to your required POS computer software. See Item 11. These fees are paid to a third party vendor.
<b>Accounting Software Maintenance Fee</b>	Not to exceed \$75 per month	On the first day of each month	Fees are paid by you to the franchisor or directly to third party supplier if such a program is established.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
<b>PERIODIC OR ONE-TIME FEES</b>			
<b>Supplemental Services Fee</b>	\$5,000 for your first store, \$4,000 for your second store, and \$3,000 for the third store and any additional stores.	Before you open your Sport Clips Store	See Item 7, Note 7
<b>Meeting Registration Fees</b>	Currently between \$670 and \$790 per person for the Annual Meeting. Subject to change, but will not exceed \$1,000 during the term of the Franchise Agreement	Upon registration for national and area meetings	
<b>Renewal Fee</b>	\$5,000 if you own fewer than 3 open franchised Sport Clips; \$3,500 if you own 3 or more open franchised Sport Clips	Upon renewal	
<b>OTHER FEES</b>			
<b>Audit</b>	Cost of audit plus 10% interest on underpayment.	30 days after billing	Payable only if audit shows an understatement of at least 2% of gross sales for any month.
<b>Transfer Fee</b>	\$5,000 for the first store transferred, and \$1,000 for each additional store or license transferred if the transfers are in one transaction	Prior to consummation of transfer	Payable when you sell your franchise. No charge if franchise transferred to a corporation that you control. See Note 9
<b>Fee for Failure to Maintain POS Computer System Communication</b>	\$100 per week for each week, or portion of a week, that your POS Computer System is not maintained with the current approved software or required Internet connection so that we can access your sales data with our standard access software.	Within 10 days of the end of the week that we cannot access your Computer System	

<b>TYPE OF FEE</b>	<b>AMOUNT</b>	<b>DUE DATE</b>	<b>REMARKS</b>
<b>Indemnification</b>	All losses and expenses incurred	Upon being incurred by SCI	Payable only if SCI incurs liability because of your actions
<b>Interest</b>	Maximum permitted by law, on late royalties and advertising fees	Upon payment of late royalties and advertising fees	
<b>Confidential Operating Manual Replacement Fee</b>	\$250 per volume, or \$1,000 per set of volumes	Upon reissue of Confidential Operating Manual	Payable only if your Confidential Operating Manual is lost or destroyed
<b>Extension Fee</b>	\$5,000 per Franchise Agreement to extend the time by 1 year to open your stores as stated in the Development Schedule attached to your Franchise Agreement	Within 30 days of the date that your store should be open, but is not	This extension is at SCI's option See Note 10
<b>Store Resale Assistance Fee</b>	5% of sales price, with a minimum fee of \$5,000 and a maximum fee of \$10,000.	Upon the closing of the sale of your store	Payable only if you execute a Resale Assistance Agreement requesting us to assist you in identifying a buyer for your store.
<b>Store Resale Broker Fee</b>	Currently \$15,000	Upon the closing of the sale of your store	Payable only if you sell your store to a party that was referred to you by a business broker with whom we have an on-going relationship. The fee is paid by you directly to the Broker.
<b>Product Review Fee</b>	SCI's out-of-pocket cost	Upon your request that SCI approve product	

**Note 1**

All fees are imposed by and are payable to the Company. All fees are non-refundable unless it is otherwise stated in these Notes. All fees are uniformly imposed; however, older existing franchise agreements may allow franchisees to currently pay a lower advertising fund contribution and training fee until the time of the franchisee's renewal.

**Note 2**

The Company has established and administers an Advertising Fund. Under the Franchise Agreement, you are required to pay the greater of \$300 each week, or 5% of your Net Sales for the previous week, as an Advertising Fund contribution. However, it is our current policy to charge you no more than \$475 per week as an Advertising Fund contribution. For example, if 5% of your Net Sales for the previous week exceeds \$475, we will only charge you a maximum of \$475 for that week. We can change this policy at any time, and we plan to review the maximum amount payable in December of each year. We currently expect that the cap on the maximum amounts payable each week will be increased in 2018 and removed in 2019, however, under the current Franchise Agreement we cannot charge you more than 5% of your Net Sales as an Advertising Fund Fee, with a minimum of \$300 each week.

There may be additional advertising requirements contained in your premises lease. The extent of such advertising requirements in your lease may or may not be subject to negotiation; consequently, the extent of any such advertising obligation, if any, may be unknown to the Company.

**Note 3**

Under the Franchise Agreement, you are required to pay a weekly Base Training Fee of \$25 per week, plus a Percentage Training Fee of \$55 or 1% of Net Sales, whichever is more. However, it is our current policy to charge you no more than \$95 per week as the Percentage Training Fee. For example, if 1% of your Net Sales for the previous week exceeds \$95, we will only charge you a maximum Percentage Training Fee of \$95 plus the Base Training Fee of \$25 for that week. We can change this policy at any time, and we plan to review the maximum amount payable in December of each year; however, under the current Franchise Agreement we cannot charge you more than the Base Training Fee of \$25 each week plus the greater of \$55 or 1% of your Net Sales each week as the Percentage Training Fee. Other than the weekly training fee, there is no additional charge for this training although you or your employees may incur expenses to travel to the training.

**Note 4**

Under the Franchise Agreement, you are required to pay a Stylist Recruitment Fee of 1% of your Net Sales for the previous week. However, it is our current policy to charge you no more than \$25 per week as the Stylist Recruitment Fee. For example, if 1% of your Net Sales for the previous week exceeds \$25, we will only charge you a maximum of \$25 for that week. We can change this policy at any time, and we plan to review the maximum amount payable in December of each year.

**Note 5**

Under the Franchise Agreement, you are required to pay a Technology Fee of 1% of your Net Sales for the previous week. However, it is our current policy to charge you no more than \$15 per week as the Technology Fee. For example, if 1% of your Net Sales for the previous week exceeds \$15, we will only charge you a maximum of \$15 for that week. We can change this policy at any time, and we plan to review the maximum amount payable in December of each year.

**Note 6**



If franchisees owning 75% or more of the stores in your market area vote to establish a local advertising cooperative, you are required to participate in the local advertising cooperative membership. The local advertising cooperative can assess each member store a fee of up to \$300 per week. The amount of the fee is decided by a vote of the cooperative's members. Currently, there are no active advertising cooperatives. See Item 11 for more information on the local advertising cooperatives.

**Note 7**

If franchisees owning 75% or more of the stores in your market area vote to establish a local Stylist Recruitment Cooperative, you are required to participate in the local Stylist Recruitment Cooperative membership. The local Stylist Recruitment Cooperative can assess each member store a fee not to exceed 1% of Net Sales, and can establish a minimum fee not to exceed \$100 per week. Decisions on how the funds are to be allocated are also made by a vote of the cooperative's members. Currently, there are no active Stylist Recruitment Cooperatives. See Item 11 for more information on the local Stylist Recruitment Cooperatives.

**Note 8**

The Sport Clips Wayne McGlone Memorial Relief Fund ("SCWMMRF") is an emergency assistance fund supported by and available only to Sport Clips franchisees, their employees, and SCI employees. SCWMMRF was started with a donation from SCI in the amount of \$25,000. Stores owned by SCI contribute to the SCWMMRF at the same rate as franchised stores.

Contributions to the fund may be tax deductible to you. All contributions to the SCWMMRF go into a general fund (not specified or designated for any particular emergency or hardship), and any distributions undergo the review process as designated by an Independent Selection Committee which is comprised of the then-current Sport Clips Manager of the Year, a franchisee selected by the Team Leader Advisory Council, and a representative of the Chisholm Trail Community Foundation. A copy of the Operating Agreement and tax filings for the SCWMMRF is made available to any franchisee upon written request.

In the event that the Fund balance exceeds \$150,000, the Independent Selection Committee has the ability to contribute to the local or national Red Cross or similar charities responding to emergencies occurring in areas where Sport Clips stores are located, and which have been declared a Federal Disaster Area. In this event, the SCWMMRF balance will not be depleted below \$100,000 by such contributions.

**Note 9**

If you sell your business to an existing Sport Clips franchisee, you pay a reduced fee of \$2,500 for the first store or license that is transferred to the existing franchisee, and \$1,000 for each additional store or license that is transferred.

**Note 10**

You are required to open your stores as stated on a Development Schedule that is Schedule A of your Franchise Agreement. If you do not open a store by the due date, you may request, and SCI may grant you at its option, a one-time, one-year extension to open the store if you pay a fee of \$5,000 for each store that does not open according to the date stated on Schedule A.

**ITEM 7**

**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

<b>TYPE OF EXPENDITURE</b>	<b>AMOUNT</b>	<b>METHOD OF PAYMENT</b>	<b>WHEN DUE</b>	<b>TO WHOM PAYMENT IS MADE</b>
Initial Franchise Fee	\$25,000- \$59,500 (Note 2)	Lump sum	Prior to Execution of Franchise Agreement	The Company
Travel and living expenses while attending initial training	\$1,000- \$2,000	As Incurred	During Initial Training	Airlines, Hotels and Restaurants
Real Estate	(Note 3)			
Opening Inventory	\$4,000- \$6,000 (Note 4)	Lump Sum	Prior to Opening	Vendors
Fixtures and Equipment (including computer equipment)	\$41,000- \$48,000 (Note 5)	Lump Sum	Prior to Opening	Contractors and/or Suppliers
Leasehold Improvements	\$35,000- \$100,000 (Note 6)	Lump Sum	Prior to Opening	Contractors and/or Suppliers
Supplemental Services Fee	\$3,000- \$5,000 (Note 7)	Lump Sum	Prior to Opening	The Company
Professional Fees	\$1,000- \$5,000 (Note 8)	As Incurred	Prior to Opening	Suppliers
Permits and Licenses	\$1,000- \$3,500	As Incurred	Prior to Opening	Local and State Agencies
Lease Deposit	\$0- \$5,000	Lump Sum	Prior to Opening	Landlord
Signage	\$4,000- \$8,000 (Note 9)	Lump Sum	Prior to Opening	Suppliers

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Miscellaneous Opening Costs	\$3,000- \$5,000 (Note 10)	As Incurred	As Incurred	Suppliers, Utilities, etc.
Insurance	\$1,300- \$2,500 (Note 11)	Lump Sum	Prior to Opening	Insurance Company
Grand Opening Advertising	\$30,000 (Note 12)	Lump Sum	Prior to Opening	The Company
Additional Funds - 6 Months	\$40,000- \$75,000 (Note 13)	As Incurred	As Needed	Employees, Creditors and/or Suppliers
<b>*TOTAL</b>	<b>\$189,300 - \$354,500</b>			

**\*Does not include Real Estate Costs, Royalties, or Marketing Fund Contributions.**

**\*\* Except for the initial franchise fee (which reflects the cost for up to 3 stores), the amounts in the chart above reflect the estimated cost to open one store.**

**Note 1**

Except as stated in these Notes, none of the fees listed above are refundable once it is incurred by you. Neither the Company nor any affiliate of the Company offers financing for any of the fees listed above. See Item 10.

**Note 2**

When you sign a MUDA Agreement, the initial franchise fee is \$25,000 for the first store, \$19,500 for the second store, and \$15,000 for the third store. A total of \$59,500 is due in one lump sum when you sign the MUDA Agreement; therefore there is no additional franchise fee due for the second and third stores. When you sign a 2 store MUDA Agreement, the initial franchise fee due is \$25,000 for the first store, and \$19,500 for the second store. A total of \$44,500 is due in one lump sum when you sign the MUDA Agreement; therefore there is not additional franchise fee due for the second store. When you sign a single store Franchise Agreement, the initial franchise fee is \$25,000. If you purchase more than 3 franchises under a MUDA, the initial franchise fee is \$12,500 for each franchise that is in addition to 3 Sport Clips stores if these licenses are purchased at the time the MUDA is executed. If additional franchise licenses are purchased after the commencement of the MUDA, the cost is \$15,000 per license. See Item 5.

**Note 3**

Lease payments will vary significantly depending upon the geographic location, terms of the lease, the total area of your store, and various other fees for occupancy charged by the lessor. The typical space that the Company will approve will range from 1,000 to 1,500 square feet, although smaller or larger spaces may be approved in special situations. The rent may range from \$10.00 to \$50.00 per square foot per year, depending on a number of factors. In most areas, rents typically run between \$20.00 and \$40.00 per square foot per year.

**Note 4**

The cost of initial inventory will vary depending on your store size. The estimated amount is based on our previous experience with franchisees. You are required to purchase an initial inventory of approved hair products for retail sale and in-store use.

**Note 5**

The cost of the fixtures and equipment will vary depending on the size, configuration, and location of your store. This amount includes such items as hair cutting furniture and equipment, television sets, merchandise displays, computer equipment and point-of-sale software. See Item 11 for a detailed description of computer equipment you are required to purchase for your store.

**Note 6**

The estimated amount for leasehold improvements is based on the Company's experience with existing franchisees. Your cost of construction will depend upon the size of the space, whether the space is new construction or previously occupied, if there is a landlord allowance in the form of either cash or free rent, and your geographical area of the country. Depending on raw materials cost (such as steel, flooring, drywall and other construction materials), construction costs may vary significantly during the course of a year. Leasehold improvements for most stores will range from \$60,000 to \$90,000 before any allowance (if any) from the landlord. If a landlord allowance is available, it can range from \$10 to \$40 per square foot, with the average being approximately \$20 per square foot range for new construction and approximately \$10 per square foot range for existing centers.

**Note 7**

If we or an Area Developer in your geographical area offer Supplemental Services, you are required to participate in this service plan. Currently, we offer these services in all areas. If you sign a MUDA, we will charge you a Supplemental Services fee of \$5,000 for the first store, \$4,000 for the second store, and \$3,000 for the third store and any additional stores.

**Note 8**

This estimate includes the cost of initial legal, accounting and architectural services. Some cities and/or landlords may require that you use a professional architect or engineer to complete the plans beyond that which is provided by our store designer.

**Note 9**

The estimated amount for signage includes both store front and in-store signs. Pricing will vary depending on your landlord's sign criteria.

**Note 10**

This amount includes utility deposits, miscellaneous business licenses and permits. Some states require a tax deposit, which can be covered by a bond or interest bearing deposit with a bank or with the state.

**Note 11**

Insurance requirements under the Franchise Agreement are summarized as follows:

Comprehensive General Liability	\$ 2,000,000
Worker's Compensation	Per state requirements
Commercial General Liability	\$ 2,000,000
Professional Liability	\$ 1,000,000
Business Interruption Insurance	\$ 100,000
Employment Practices Liability	\$ 500,000
Life Insurance (recommended)	\$ 1,000,000

Insurance costs may not be uniform since premiums differ depending upon location, amounts of insurance acquired, the insurance company's assessment of risk, the location of the insured business and business premises, insurance requirements of the landlord as set forth in the business premises lease, and applicable law.

**Note 12**

The amount of \$30,000 is paid to the Sport Clips Ad Fund and is spent by the Ad Fund to promote your store in its local market area using a mix of public relations, promotions, advertisements, direct mail, coupons, and other marketing strategies determined by us and in our sole discretion. You may spend additional amounts on other promotional activities that are arranged by or approved by us. Any part of the grand opening advertising deposit that is not spent promoting your store during the first 180 days after you open your store will be returned to you.

**Note 13**

This estimates your initial start-up expenses. These expenses include payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: How well you execute and how thoroughly you implement our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product and services; the prevailing wage rate; competition; and the sales level reached during the initial period.

## ITEM 8

### RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICE

You must purchase all equipment, supplies and inventory in accordance with specifications issued by the Company. These specifications include design, appearance and quality. You must also purchase inventory and equipment from our approved vendors. Our specifications for vendor approval include warranty, reliability and delivery. All specifications for inventory and vendors will be given to you upon your request.

In order to maintain a consistent image, store design and quality throughout the System, you are required to purchase for resale, and maintain a minimum inventory level of, Paul Mitchell and other brands of hair care products as specified by Sport Clips from time to time. If you wish to purchase inventory or equipment not previously approved by the Company, or from an unapproved vendor, you must submit to us a written request. We will investigate the vendor and examine the product, and assess whether or not the product will enhance the System's integrity and uniformity. We may charge you a fee that will not exceed the cost of our examination. Typically, we will give you a written response within 30 days. Our criteria for approving suppliers are available to franchisees at the franchisee's written request.

The Company maintains a National Vendor Program list. The vendors on the list are approved by us, and in many cases we have negotiated purchase arrangements with these vendors, including price and credit terms. However, you are not prohibited from negotiating your own terms with these or other vendors.

We may purchase some supplies in large quantities to reduce the unit cost to you. These items are sold to you at our cost plus a markup to cover overhead and handling costs. Except for the salon point-of-sale software described below, you are not required to purchase these items from us, and these supplies will constitute less than 5% of your initial and on-going expenses. In the calendar year 2016, our total revenue from the sale of supplies, including the point-of-sale software, to franchisees was \$364,000, which was less than 1% of our total revenue for the year 2016. Our cost to purchase these supplies was approximately \$458,000.

Your purchases from SCI or our designated or approved sources or under our specifications will be approximately 75% of your total initial investment (not including the initial franchise fee) and approximately 5% of your ongoing expenses (not including royalties, training and advertising fees) in the operation of the Franchised Business.

You must purchase the Sport Clips point-of-sale computer software system for your store from the Company, because we are the only supplier of this system. We purchase the point-of-sale software from OpenSpend, Inc., dba Salon Ultimate in bulk, and mark up the price when we sell it to franchisees in order to cover our costs, including the cost of maintaining an off-site host computer system with multiple safeguards against loss of data and down time. In the calendar year ending December 31, 2016, our revenue from the sale of the point-of-sale system to franchisees was \$364,000, which was less than 1% of our total revenue for the year 2016. Our cost during the year of 2016 to distribute the system and related supplies to franchisees was \$458,000. The cost of the point-of-sale software system from SCI is less than 3% of your total purchases in connection with establishment of your store. See Item 11 for more information on the computer software you are required to purchase.

CDW, in Vernon Hills, Illinois, is the only approved supplier of certain computer hardware you are required to purchase. OpenSpend, Inc. allows its proprietary software to be loaded onto the computer by CDW who tests it before selling it to you. Except for its agreement to supply Sport

Clips franchisees and Area Developers with computer hardware, we are not affiliated with CDW and we do not derive any income from your purchase of computer hardware from CDW. The cost of the computer hardware that you are required to purchase from CDW is less than 2% of your total purchases in connection with establishment of your store. See Item 11 for more information on the computer you are required to purchase.

We do not seek or accept commissions or any other payments or consideration from approved vendors. Some vendors may contribute to the cost of hosting an annual or area meeting for franchisees. In this case, we may accept the contribution and, if the contribution is in cash, we will deposit the contribution into our general operating account.

If you are in an area that we or an Area Developer offers certain Supplemental Services, then the Company or the Area Developer is the only approved vendor for these services. These services include assistance with site review, working with the store designer or architect, soliciting and comparing construction bids, assistance with ordering signs, and coordination with your general contractor. The charge for Supplemental Services is less than 5% of your initial startup costs. During the calendar year of 2016, our total revenue for supplemental services provided to franchisees was \$474,000 and \$159,000 of this amount was paid to Area Developers for the services they provided. The remaining amount of \$315,000 from these fees was less than 1% of our total revenue for the year 2016.

Your premises lease is subject to the Company's approval. In order to obtain our approval, the lease must include the following provisions:

- 1) The premises are used for the business licensed under the Franchise Agreement.
- 2) The Company will have the right to enter the premises to make any modifications necessary to protect our Proprietary Marks.
- 3) Upon the written request of the Company, the landlord will supply us with a written copy of the lease, your account information, sales reports, and any other related information.
- 4) The Company will have the option, but not the obligation, to assume the lease and occupy the business premises, with the right to sublease to another franchisee, upon the default, termination or expiration of the Franchise Agreement or the lease. The landlord will give the Company 30 days upon termination of your rights under the lease to exercise its option.
- 5) The lease may not be amended, assigned or sublet without the Company's prior written approval.

Other than as disclosed in this Item, neither the Company, nor any officer of the Company, nor any affiliate of the Company, is an approved supplier, the only approved supplier, or owns any interest in an approved supplier, for any products or services offered by you in a Sport Clips store, nor does the Company or any affiliate of the Company derive revenue or any other material consideration as a result of required purchases or leases.

As of the date of this Disclosure Document, there are no purchasing and distribution cooperatives in the Sport Clips System, except as disclosed in this Item. We provide no material benefits (such as renewal or granting additional franchises) based on your use of designated or approved sources.

## 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	Articles I(B), IV(A), V(B) and V(C) of Franchise Agreement	Items 6 and 11 in the Disclosure Document
b. Pre-opening purchases/leases	Articles V(E) and V(J) of Franchise Agreement	Item 8 in the Disclosure Document
c. Site development and other pre-opening requirements	Article V of Franchise Agreement	Items 6, 7 and 11 in the Disclosure Document
d. Initial and on-going training	Article V(F) of Franchise Agreement	Item 11 in the Disclosure Document
e. Opening	Articles IV(A), V(D), V(E), and V(F) of Franchise Agreement	Item 11 in the Disclosure Document
f. Fees	Article III of Franchise Agreement	Items 5 and 6 in the Disclosure Document
g. Compliance with standards and policies/Policies & Procedures Manual	Articles Article V(J), V(K), V(L), and VII of Franchise Agreement	Item 11 in the Disclosure Document
h. Trademarks and proprietary information	Article VI of Franchise Agreement	Items 13 and 14 in the Disclosure Document
i. Restrictions on product services offered	Articles V(I), V(J), V(K) and V(L) of Franchise Agreement	Item 16 in the Disclosure Document
j. Warranty and customer service requirements	Article V(N) of Franchise Agreement	Item 11 in the Disclosure Document
k. Territorial development and sales	None	Not Applicable
l. On-going product/service purchases	Articles V(K) of Franchise Agreement	Item 8 in the Disclosure Document



<b>OBLIGATION</b>	<b>ARTICLE IN AGREEMENT</b>	<b>DISCLOSURE DOCUMENT ITEM</b>
m. Maintenance, appearance and remodeling requirements	Articles II(B)(2), V(E), V(J) of Franchise Agreement	Item 11 in the Disclosure Document
n. Insurance	Article X of Franchise Agreement	Items 6 and 8 in the Disclosure Document
o. Advertising	Article IX of Franchise Agreement	Items 6 and 11 in the Disclosure Document
p. Indemnification	Articles X(A), XI(F)2, XI(H), and XVI(E) of Franchise Agreement	Item 6 in the Disclosure Document
q. Owner's participation/management/staffing	Articles V(F)(1) and (V)(F)(2) of Franchise Agreement	Items 11 and 15 in the Disclosure Document
r. Records/reports	Article VIII of Franchise Agreement	Item 6 in the Disclosure Document
s. Inspections/audits	Article VIII(G) of Franchise Agreement	Items 6 and 11 in the Disclosure Document
t. Transfer	Article XI of Franchise Agreement	Item 17 in the Disclosure Document
u. Renewal	Article II of Franchise Agreement	Item 17 in the Disclosure Document
v. Post-termination obligations	Article XIII of Franchise Agreement	Item 17 in the Disclosure Document
w. Non-competition covenants	Article XIV of Franchise Agreement	Item 17 in the Disclosure Document
x. Dispute resolution	Article XVII of Franchise Agreement	Item 17 in the Disclosure Document

**ITEM 10**

**FINANCING**

**SUMMARY OF FINANCING OFFERED**

<b>Item Financed (Source)</b>	<b>Source of Financing</b>	<b>Amount Financed</b>	<b>Down Payment</b>	<b>Term (years)</b>	<b>Inter-est Rate</b>	<b>Monthly Payment</b>	<b>Prepay Penalty</b>	<b>Security Required</b>	<b>Liability Upon Default</b>	<b>Loss of Legal Right Upon Default</b>
Initial Franchise Fee	None	None								
Financing for build-out, inventory, equipment and fixtures	None	None								
Lease Space (Note 1)	SCI	Guarantee of Lease	1 or 2 months of rent	5-10 years	None	None	None	Personal Guaranty, Equipment, Fixtures and Inventory	Loss of franchise, and unpaid rent and attorney fees	None
Financing for Additional Stores (Note 2)	SCI	Guarantee of Loan	Varies	5-7 years	Varies	Varies	Varies	Personal Guaranty, Equipment, Fixtures and Inventory	Loss of franchise, liquidated damages of two months payments under the loan, and attorney fees	None

**Note 1**

In some cases, we will guarantee your lease with a third party if you have acceptable credit and that is the only way to obtain an exceptional location. (Agreement to Guaranty Lease, Section 3). If we agree to guarantee your lease, you, your corporation and all the shareholders of your corporation, or all the members of your limited liability company must execute our Agreement to Guaranty Lease, a copy of which is included in Exhibit E to this Disclosure Document (See Item 22). We will charge you a fee for this guarantee, equal to two months' rent (including your "Triple Net Charges" that you pay to the landlord, which include Common Area Maintenance, taxes and insurance allocations) if you are a new franchisee, and one month's rent (including Triple Net Charges) if you already have at least one open Sport Clips store. For leases with terms of 10 years, these charges will be adjusted to an amount equal to four months' rent (including Triple Net Charges) if you are a new franchisee and two months' rent (including Triple Net Charges) if you already have at least one open Sport Clips store. We will require your personal guaranty, and the personal guaranty of all shareholders and members if you are a corporation or a limited liability

company, and we will also require a security interest in your equipment and fixtures. (Agreement to Guaranty Lease, Section 2). Generally, leases can be prepaid without penalty at any time during the term. We require that you pledge your fixtures, equipment and inventory as collateral for our guaranty (Agreement to Guaranty Lease, Section 9). If you do not make a rent payment on time and the landlord seeks payment from us, we have the right to collect the unpaid rent plus an additional two months' rent as liquidated damages. (Agreement to Guaranty Lease, Section 7). We can also obtain court costs and attorney's fees if a collection action is necessary. (Agreement to Guaranty Lease, Section 14).

**Note 2**

In some cases, we may guarantee your loan with a third party lender for your second or other additional stores if you have acceptable credit and you have identified a location that we believe is an exceptional location. This program is not available for a first Sport Clips location owned by you. In order to qualify for this program, you must be in full compliance with your existing Franchise Agreements. If we agree to guarantee your loan, you and your corporation and the shareholders of your corporation or members of your limited liability company must execute our Guaranty, a copy of which is included in Exhibit F to this Disclosure Document (see Item 22). We require that you pledge your fixtures, equipment and inventory as collateral for the guaranty (Guaranty, Section 9). We charge a fee for this guarantee that is 5% of the loan amount, and you must pay this amount before closing the loan. If you do not make a note payment on time and the lender seeks payment from us, we have the right to collect the unpaid note payment plus an additional two months' payment under the note as liquidated damages (Guaranty, Section 7). We can also obtain court costs and attorney fees if a collection action is necessary (Guaranty, Section 14).

Except as disclosed in these Notes, the Company does not offer financing that requires you to waive notice, confess judgment or waive a defense against the Company, although you may lose your defenses against the Company and others in a collection action on a note that is sold or discounted. SCI does not have the practice or intent to sell, assign or discount to a third party any part of the financing arrangement. The Company does not receive direct or indirect payments for placing financing. The Company does not arrange financing from other sources.

Except as disclosed in Notes 1 and 2, the Company does not offer financing or guarantee your obligations to third parties.

## ITEM 11

### FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

**Except as listed below, the Company is not required to provide you with any assistance.**

Before you open your business, the Company or the Area Developer will:

1) Review and approve your location within 30 days of your request, including a completed Site Package that conforms to our requirements for information to be included for us to make an informed decision regarding your proposed site, but this review and approval is not a warranty or guarantee of the likelihood of success of your Sport Clips business (Article IV.A.1). We do not own premises that are leased to franchisees.

The Company generally approves sites in shopping centers that have adequate parking, are in a market that serves at least 25,000 people, and are highly visible. Our approval of your site is not a guarantee of success, and we only verify that the site meets our minimum requirements. We do not verify the strength of co-tenants or the likelihood that the co-tenants may vacate the center in the future. We do not research highway department plans for roads in the area, and highway construction may affect the accessibility of your location. We do not research city, county, state or federal plans for future development in your area.

The Company may review a site before you sign the Franchise Agreement. However, you usually sign your Franchise Agreement before you have selected a site and before we have approved your site. We will approve or disapprove your site within 30 days of receiving written notice from you of a selected site, including a completed Site Package that conforms to our then-current requirements for information to be included for us to make an informed decision regarding your proposed site. You have one year, from the date you sign a Franchise Agreement, to obtain our approval for a location and to open a store. If you do not obtain our approval of a location and open a store within this one-year period, your Franchise Agreement and development rights will be terminated and you will lose your initial franchise fee unless you pay the Extension Fee. See Item 6 for more information about the Extension Fee.

If you sign a MUDA, and we become aware of a potential site in your area, we may refer you to the site for your appraisal. However, by referring the site to you for your appraisal, we are not recommending or endorsing the site. We maintain a written Real Estate Priority Policy that outlines how we notify franchisees in the same geographical area of available sites that come to our attention. Upon your request, you may review this Policy before you sign the Franchise Agreement.

2) Within 30 days of signing the Franchise Agreement, provide written specifications for store construction or remodeling and for all required and replacement equipment, inventory and supplies (Franchise Agreement, Article IV.A.3). See Item 8 of this Disclosure Document. We do not provide, install or deliver these items directly, but provide you with the names of approved suppliers.

3) Within 12 months of signing your Franchise Agreement, train and instruct you and one other person (Franchise Agreement, Article IV.A.4).

4) Within 12 months of signing your Franchise Agreement, and before you open your store, train your store manager (Franchise Agreement, Article IV.A.4). We may provide this training in your local market area if there is a training facility in the area. If there is no training facility, your manager will travel to another market area to receive this training. We do not charge a fee for this training, but you will need to pay the travel and living expenses for your store manager during the

training, which is usually 1 or 2 weeks in duration, depending on the skill level and experience of your manager.

5) Within 12 months of signing your Franchise Agreement, and during the week before your first store opens and for three to five days after your store opens, provide on-site assistance to you at your store location (Franchise Agreement, Article IV.A.5). The time that the Company or an Area Developer spends at your location will vary at our discretion, but will typically decrease as you gain experience in opening stores. This on-site assistance includes training of your stylists and receptionist. We may provide some of this training at a central training center in your market area.

Franchisees typically open their stores from 6 to 12 months after signing the Franchise Agreement. The factors which affect this time include identification of and agreement on a site, lease negotiations with the landlord, permitting with the city or county, store construction, delayed installation of equipment, fixtures, and signs, and merchandising.

During the operation of your franchised business, the Company or the Area Developer will:

- 1) Provide you with the Company's updated standards and specifications.
- 2) Provide periodic inspections of your business and evaluate the products and services which you sell.
- 3) Provide recommended prices for services and products.

The Company is not obligated under the Franchise Agreement to conduct advertising. However, the Company operates an advertising program and provides marketing, public relations and advertising materials and services to you through the Advertising Fund. Materials provided by the Advertising Fund to all franchisees are prepared by the Company's in-house marketing department, or by an outside advertising agency. The materials include radio, television commercials, digital creative, print advertisements and other collateral materials. You will receive these materials at no additional charge, and by request, or you may create materials using approved templates available on the Company's web based marketing repository. The Advertising Fund also uses at least 80% of the weekly Ad Fund Contribution for consumer marketing, most of which may be spent in the markets where the funds were contributed although there is no requirement to spend any certain percentage of these funds in the areas where the stores that contributed are located. If you wish additional advertising over and above what is placed by the Company for you through the Advertising Fund, you must place these advertisements at your own cost. Any ads placed by you must be approved in advance in writing by the Company unless you use advertising materials that are provided by the Company or are made available to you through our authorized third party vendors. We will approve or disapprove any advertisements that you submit to us within 30 days of receipt. You may not advertise over the Internet except as approved by the Company.

You may develop advertising materials for your own use, using pre-approved Sport Clips templates. You may also develop ads without using a pre-approved template at your own cost. However, the Company must approve, in advance and in writing, the use of any advertising materials that are created without a pre-approved template. If you do not receive written disapproval from the Company within 30 days from the date we receive the materials, you may use the advertising materials.

In the past, the Company has negotiated fees paid to celebrities to represent Sport Clips. It is not anticipated that any fees will be payable to celebrities from the Advertising Fund in 2017, although the use of celebrities to promote Sport Clips is a possibility. Major League Baseball (MLB), National Basketball Association (NBA), National Hockey League (NHL), National Football League (NFL), NASCAR, National Collegiate Athletic Association (NCAA) and other sponsorships may be paid out of the Advertising Fund to build the brand at a national as well as the regional and local level.

The Company is reimbursed by the Advertising Fund to cover the cost of administering the Fund. The Advertising Fund is used to promote the products and services sold by franchisees and is not used to sell additional franchises.

The Advertising Fund collects advertising contributions from all franchisees and from all Company-owned stores that contribute to the Advertising Fund on the same basis as franchisees. Company-owned stores contribute an amount to the Advertising Fund at the level that is charged to all new franchisees.

All payments to the Advertising Fund must be used for administration expenses, market research, cost of producing and distributing advertising materials, cost of promotional prizes and fulfillment, development of digital consumer marketing platforms, celebrity spokesperson fees, NASCAR or other sports sponsorships and associated activation costs, cause related sponsorships, public relations support, stylist recruitment advertising and association fees, and charges for placing consumer advertising in a variety of media selected by the Company. You must contribute the amounts described in Item 6, under Note 2.

The Advertising Fund is administered by the Company's Vice President of Marketing (See Item 2). We administer the Fund to ensure uniformity of the marketing message, and to ensure the most cost-effective media mix. Sums that you contribute to the Advertising Fund are maintained in a separate account, and we allocate the funds as we deem appropriate in our sole discretion. We may make a reasonable allocation for overhead expenses we incur in administering and managing the Fund, including all or part of some employee salaries and their fringe benefits. During the last fiscal year of the Advertising Fund (ending on December 31, 2016), the Advertising Fund spent 10% of its total disbursements on the development and production of advertisements, market research, and administrative expenses, and spent 90% of its disbursements on consumer advertising, including but not limited to, media purchases, sports sponsorships, cause related programs and field marketing support. Advertising fees not spent in the year they are collected remain part of the Advertising Fund and are carried forward to the next year. No part of the Advertising Fund is used exclusively to solicit franchisees, but we reserve the right to include a notation in any advertisement indicating that franchise opportunities are available. If the Company includes such notation, the Company will reimburse the Advertising Fund for its proportionate share of its use of the materials.

An annual unaudited accounting of the Advertising Fund expenditures is provided to all Franchisees, usually in the first quarter of each year. The Company provides additional accountings and quarterly and/or annual plans to Franchisees as it deems necessary in its sole discretion, or upon a franchisee's written request.

The Company does not represent or warrant that contributions to the Advertising Fund will be spent in any local market in proportion to contributions made by franchisees in that market. The Company's right and discretion to place advertising and spend funds is not required to be proportionate to the Advertising Fund income received from any local market or from any particular franchisee. The Company is not required to spend any amount on advertising in your area or territory.

The Company may initiate marketing programs intended to enhance sales. These may include, by way of illustration and not of limitation, coupons, gift certificates, combination or interchange programs with other companies, print advertising, direct mail, and email, digital and social messaging. You are obligated to participate fully in all such programs according to their terms as prescribed by the Company, and you are required to honor discounts and redeem coupons, up to a redeemed value of \$5,000 each year, that are part of any local, regional, or national marketing programs or promotions sponsored or approved by the Company or the Advertising Fund.

Currently, the Company consults with the Team Leader Advisory Council (“TLAC”) and the Area Developer Advisory Council (“ADAC”) to provide advice and counsel to the Company in preparation and execution of marketing programs. However, we have the final authority to direct expenditures from, and administer, the Advertising Fund. The TLAC consists of five franchisees elected by their peers, one franchisee appointed by the elected members, and one franchisee appointed by us. The ADAC consists of three Area Developers elected by their peers. Other than the TLAC and the ADAC, there is no committee or council of franchisees that has the primary purpose of advising the Company on, or participating in, the administration of the Advertising Fund.

Under the Franchise Agreement the Company does not have the power to require advertising cooperatives to be formed, charged, dissolved or merged. However, under the Franchise Agreement, when franchisees owning 75% or more of the stores in your area market vote to establish a local advertising cooperative, you are required to participate in the local advertising cooperative membership. The rules of the local cooperative are established by the adoption of by-laws drafted by the participating stores and are subject to our approval. An annual financial statement available for review by the participating franchisees is a condition of our approval. This financial statement does not need to be audited, unless the cooperative votes to require an audit. The cooperatives can include collective advertising for employee recruitment if there is no Stylist Recruitment Cooperative active in the area. Contributions to the cooperatives are determined by a majority vote of the franchisees within the respective areas, with each open store receiving one vote, but cannot be more than \$300.00 per week. If we own a store in the market area, our store will not vote to establish the local advertising cooperative, but our store will belong to the cooperative if it is formed. The Company-owned store will also pay the same contribution to the cooperative as franchised stores, and will have the same voting rights within the cooperative as franchised stores. Currently, there are no advertising cooperatives that assess its members. You are not required to participate in any other advertising funds or programs that are not described in this Item.

Under the Franchise Agreement the Company does not have the power to require Stylist Recruitment Cooperatives to be formed, charged, dissolved or merged. However, under the Franchise Agreement, when franchisees owning 75% or more of the stores in your market vote to establish a local Stylist Recruitment Cooperative, you are required to participate in the local Stylist Recruitment Cooperative membership. The rules of the local cooperative are established by the adoption of by-laws drafted by the participating stores and are subject to our approval. An annual financial statement available for review by the participating franchisees is a condition of our approval. This financial statement does not need to be audited, unless the Cooperative votes to require an audit. Contributions to the Cooperatives are determined by a majority vote of the franchisees within the respective areas, with each open store receiving one vote. The local Stylist Recruitment Cooperative can assess each member store fee of up to \$100.00 per week or 1% of Net Sales, whichever is greater. If we own a store in the market area, our store will not vote to establish the local Cooperative, but our store will belong to the Cooperative if it is formed. The Company-owned store will also pay the same contribution to the Cooperative as franchised stores, and will have the same voting rights within the Cooperative as franchised stores. Currently, there are not any Stylist Recruitment Cooperatives that assess its members. You are not required to participate in any other stylist recruitment funds or programs that are not described in this Item.

You must buy at least one computer system designated for POS (point-of-sale), two Client facing Self Check-In computer systems, a Client facing digital display to display the POS Wallboard, EMV enabled payment terminal, cash drawer, the necessary software, and required peripherals for each of your Sport Clips stores to allow for electronic communications and point-of-sale (POS) recordings. The computer system keeps track of sales, cash received, and other data. We have independent access to the sales, information and reports generated on this computer system, and

we will poll your computer system at least daily in order to collect this information. The Franchise Agreement does not limit our ability to collect information through your computer system. The cost of the computer system(s) and its required peripherals is currently approximately \$8,525 with an additional annual cost for the anti-virus subscription. Also required is the purchase of the current mandated firewall solution and the included IT Security online tools. There is an upfront cost of \$200 and a monthly cost of \$65 per month for firewall and related security tools. Some of these items must be purchased from OpenSpend, Inc., CDW, Trustwave or other approved vendors. The cost of the point-of-sale software license that you must purchase from the Company is \$1,000 for each license. You must also have an always-on broadband Internet connection with a minimum of 5 mbps download and 1.5 mbps upload in your store which runs through the mandated firewall solution. We maintain a system wide Technology fee of 1% of your Net Sales for the previous week. However, it is our current policy to charge you no more than \$15 per week as the Technology Fee. We can change this policy at any time, and we plan to review the maximum amount payable in December of each year. Additional fees for PCI DSS compliance and computer security, up to but not exceeding \$100 per month may also be mandated to ensure compliance with current credit card security standards.

You have an obligation under the Franchise Agreement to update or upgrade the hardware or the software when it is necessary and when updates become available. The Franchise Agreement does not set a limit on your obligation to keep current with computer updates. Currently, the software supplier (not SCI) charges you a monthly fee of \$125.00 to maintain the POS software system, and this fee includes upgrades and updates to the POS software system and telephone technical support. Except for upgrades to the POS software, we cannot predict the cost of future upgrades for other software or hardware, because these costs are set by the manufacturers.

We host a web enabled application available via your browser which allows you to view data and reports from your Store and modify settings in your Store remotely via an Internet connection.

Upon registration in the initial training program, we will lend to you one copy of Sport Clips Operating Manuals that contain mandatory and suggested standards and procedures. The Manuals and the periodic updates are distributed through our intranet system. The Manuals are confidential and remain the Company's property. The Company may modify this Manual, but the modifications will not alter your status and rights under the Franchise Agreement. The table of contents of the Manual is as follows:

<b><i>Subject</i></b>	<b><i>Number of Pages</i></b>
Store Operations	151
Reception and Desk Procedures (Including 2 POS software guides)	305
Team Development	120
Franchise Operations	190
Sample Store Team Member Handbook	56
Store Opening Playbook	15
OSHA/MSDS	306



Management Training Camp	339
Grand Opening Recruitment Guide	37
Guide to Successful Neighborhood Marketing	18
<b>Total Number of Pages</b>	<b>1,537</b>

The initial training program is generally offered each month, except the month of our national convention. It is conducted at the Company's office in Georgetown, Texas. This training program is mandatory for all new franchisees. You must complete the initial training program to our satisfaction approximately 5 months before you may open your business. The minimum level of experience of the instructors in the field that is relevant to the subject taught and our operations is 2 years. The average number of years of experience of the instructors teaching the initial training program is 19.

The Company does not charge for the initial training program, but you must pay the travel and living expenses for you and one other person. Training materials consist of our Training Workbook and various handouts.

The following table describes our initial training program as of the end of our most recent fiscal year:

#### TRAINING PROGRAM

Subject	Hours Of Classroom Training	Hours Of Field/On The Job Training	Location
Team Leader Orientation	N/A	2	Virtual or Area Developer's Pilot Store
Team Leader Orientation Lessons (Business Operations, Team Development, Marketing)	33	N/A	At any location chosen by you, including your home, that has Internet access
Client Experience Standards	4	N/A	Area Training Center
Management Training Camp	36	N/A	Area Training Center
Team Leader Training Camp Qualifying Exam	1	N/A	On-line examination from Franchisee's home
Team Leader Training Camp Prep Call	N/A	0.25	Any location chosen by you, including your home, that has telephone access
Business Planning & Tools	4	1-2	Classroom training in Georgetown, Texas, and field training in Area Training Center or remote

<b>Subject</b>	<b>Hours Of Classroom Training</b>	<b>Hours Of Field/On The Job Training</b>	<b>Location</b>
Sport Clips Standards	4	36	Classroom training in Area Training Center. Field review of manuals at any location chosen by you (duration may vary)
The 5 Point Play	2	N/A	Classroom training in Georgetown, Texas
Compensation Plans	2	1	Classroom training in Georgetown, Texas, and field training at Area Training Center
Scheduling and Productivity	2	2	Classroom training in Georgetown, Texas, and field training at Area Training Center or virtual/online
Team Recruitment, Interviewing & Hiring	7	2	Classroom training in Georgetown, Texas, and field training at Area Training Center or virtual/online
Marketing	8	2	Classroom training in Georgetown, Texas and field training in local market or virtual/online
Setting and Tracking Goals	N/A	1	Field training is virtual/online
Feedback, Coaching and Counseling	2	1	Classroom training in Georgetown, Texas, and field training in Area Training Center
Culture and Communication	3	N/A	Classroom training in Georgetown, Texas
Grand Opening Process and Supplier Management	1	N/A	Classroom training in Georgetown, Texas
Post-Class Action Plan	.5	N/A	Classroom training in Georgetown, Texas

In addition to the initial training program, the Company may require you to attend other training programs, and hire employees who have attended certain other training programs, during the term of the Franchise Agreement. If you are required to attend additional training, you must bear the cost of transportation, lodging and meals.

The Company will bear the cost of instruction and training materials for your Manager, Coordinators and Stylists for most training, but not the annual meeting. For the annual meeting, the

registration fee for the Manager (but not for a Franchisee who is acting as the Manager unless the Franchisee is a licensed stylist) is waived.

The Company holds an annual national meeting and area meetings to discuss sales techniques, merchandising, and advertising programs. Currently, we charge a registration fee between \$670 and \$795 per person for these meetings. You and your manager are required to attend the national meeting. This fee may increase in the future but in no case will it exceed \$1,000 per person per year during the term of your Franchise Agreement. You must pay all your travel and living expenses when you attend the annual or area meetings. These meetings are held at locations chosen by the Company. If you are not in default of the Franchise Agreement, and you and your Store Manager attend the entire annual national meeting and required seminars, we will pay you \$1,300 within 30 days after the annual national meeting. If your store is open for less than 12 months, or if you have been a party to this Franchise Agreement for less than 12 months, at the time your first attendance of the national meeting since the date of signing this Franchise Agreement, we will pay you \$100 for each full calendar month your store has been open and operating under that store's current Franchise Agreement at the time of the annual national meeting.

## ITEM 12 TERRITORY

Each Sport Clips Franchise Agreement is for one specific location approved by the Company, and you must receive the Company's permission before relocating.

You will receive an exclusive territory during the initial 5-year term of your Franchise Agreement. The territory is the lesser of a 1-mile radius around your location or a radius around your location that encompasses a population of 25,000 people. During the initial term, we may not sell any franchises nor open any Company-owned Sport Clips stores in the territory. After the initial 5-year term, you do not have an exclusive territory, but we will give you the first right of refusal to open a location within the territory as long as you are not in default of the Franchise Agreement. To exercise your first right of refusal, you must sign a Franchise Agreement for the additional location within 30 days of receiving written notice from the Company. If you do not sign a Franchise Agreement, we are free to sell a franchise or open a Company-owned store within the territory. After the initial term, you will not have an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

If you sign a MUDA, we will define for you a non-exclusive territory (the "MUDA Territory") for you to open your stores. We may sell franchises and open Company-owned stores within the MUDA Territory until you open a store and obtain a territory under a Franchise Agreement for that location as defined in this Agreement. After you sign a lease for a location, your territory will be the lesser of a 1-mile radius around your location or a radius around your location that encompasses a population of 25,000 people, as defined in the Franchise Agreement.

Except as described in this Item, your exclusive territory does not depend on achieving any particular sales volume, market penetration or other contingency, and there are no other circumstances that will allow the exclusive territory to be altered.

We will approve the relocation of your store if you obtain a new lease and site that we approve, and your proposed site meets our standard location criteria.

There are no restrictions on franchisees from soliciting or accepting orders outside of their defined territories, except that you may not sell hair care products by mail order or over the Internet except in accordance with the Company's Confidential Manual. Currently, under the Confidential Manual, the sale of hair care products by mail order or over the Internet is not permitted. You may solicit business outside your territory without paying any compensation.

There are no restrictions on the Company from soliciting or accepting orders within your defined territory through either mail order or the Internet. We currently do not solicit or accept orders except through our Company-owned stores. However, we may solicit or accept orders through the Internet or through mail order in the future, and we do not need to pay you compensation for orders solicited in your territory. You do not receive the right to acquire additional franchises within your territory under the Franchise Agreement except as expressly provided for in the Agreement.

Neither the Company nor its Affiliates are restricted by the Franchise Agreement from establishing other franchises or Company-owned outlets or other channels of distribution selling or leasing similar products or services under a different trademark, including through the Internet. We, or our Affiliates, may acquire companies with stores that offer hair cutting services and sell hair care supplies under a different trademark, including stores in your area. In this case, we or our affiliates may operate and franchise these stores.

**ITEM 13**  
**TRADEMARKS**

The principal Sport Clips commercial symbol that we will license to you appears on the cover of this Disclosure Document.

The Company grants you the right to operate a store under the name "Sport Clips." By trademark, the Company means trade names, trademarks, service marks and logos used to identify your store. The Company and/or its Affiliates registered the below trademarks on the United States Patent and Trademark Office principal register, and when required all affidavits have been filed:

Sport Clips (S/M):	Registration No.: 1879349	Date: 02/14/95
Sport Clips (Design) (S/M):	Registration No.: 2025462	Date: 12/24/96
Guys Win (S/M):	Registration No.: 2898302	Date: 10/26/04
Sport Clips Haircuts (Design) (S/M):	Registration No.: 3023412	Date: 08/19/04
Sport Clips Haircuts (S/M):	Registration No.: 3099213	Date: 05/30/06

These trademarks are licensed exclusively to the Company by SCIP and SCLTD (see Item 1) through a Licensing Agreement between the Company, SCIP and SCLTD that is dated October 1, 1995. Under the Licensing Agreement, the Company has the exclusive and worldwide right to grant a license to use the trademarks. The Licensing Agreement's duration is perpetual, and can only be terminated if the Company ceases to do business, becomes insolvent, or fails to enforce quality control standards throughout the System. The Licensing Agreement may be modified only with the consent of all parties to the Licensing Agreement.

There are currently no effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any state or any court, involving the Sport Clips trademarks, nor is there any pending infringement, opposition or cancellation proceedings, or material litigation involving the trademarks. No agreements limit the Company's right to use or license the use of the Company's trademarks.

You must notify the Company immediately when you learn about an infringement of or challenge to your use of our trademark. The Company will take the action we think appropriate. Under the Franchise Agreement, the Company is required to defend you against a claim against your use of our trademark, if you have used the trademark in an authorized manner. We have the right to control any administrative proceedings or litigation involving our trademarks. The Franchise Agreement does not require the Company to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving our trademarks, or if the proceeding is resolved unfavorably to you. The Franchise Agreement provides you with no rights if you must discontinue the use of the trademark as a result of a proceeding or settlement.

You must follow our rules when you use this trademark. You cannot use a name or mark as part of a corporate name or with modifying words, designs or symbols except for those which the Company licenses to you. You may not use the Company's registered name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by the Company. You may not use the Company's registered name or marks in connection with any Internet web site or Email address unless specifically authorized in writing by the Company.

The Company does not know of any superior rights or infringing uses which could materially affect your use of the trademarks.

## **ITEM 14**

### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

You do not receive the right to use an item covered by a patent or copyright, but you can use the proprietary information in the Company's Operating Manual.

Although the Company has not filed an application for a copyright registration for the Confidential Operating Manual, we claim a common law copyright and the information is proprietary. Proprietary information contained in the Operating Manual includes sales techniques, employee recruitment methods, and advertising strategies. The Company is not obligated to defend you against a claim against your use of the Operating Manual, but it is our policy to do so.

## **ITEM 15**

### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

The Company does not require that you personally supervise the franchised business, but we recommend that you do and you are ultimately responsible for your franchised business. The business must be directly supervised "on-premises" by a manager who has successfully completed the Company's training program and approved by the Company to manage your location. The manager need not have an ownership interest in a corporate or partnership franchise, but the Company does require that the manager sign a confidentiality agreement to protect our trade secrets.

Each individual who owns a 5% and greater interest in the franchisee entity, and his or her spouse, must sign an agreement assuming and agreeing to personally discharge all obligations of the "Franchisee" under the Franchise Agreement. This agreement is included as Attachment D to the Franchise Agreement, which is Exhibit D to this Disclosure Document.

## **ITEM 16**

### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You may offer and sell only those goods and services that the Company has approved (See Item 8).

You must offer products and services that the Company designates as required for all franchisees. The required products and services are haircuts, hair care services, hair care products, and specified hair care accessories. All products sold in your store must be approved by the Company (See Item 8).

The Company has the right to change the brands and type of hair care products and accessories you sell in your store. However, the Company cannot change the nature of your store in that your store will always offer haircuts, hair care services, and hair care products. The Company does not restrict you from soliciting any customers, no matter whom they are or where they are located. However, you may not sell goods or services over the Internet or by mail except in accordance with the Company's Operating Manual. These sales are not currently authorized.

## ITEM 17

### RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

#### THE FRANCHISE RELATIONSHIP

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

<u>PROVISION</u>	<u>ARTICLE IN FRANCHISE OR OTHER AGREEMENT</u>	<u>SUMMARY</u>
a. Length of the franchise term	Article II	5 Years
b. Renewal or extension of the term	Article II	Every 5 years if you are in good standing you can add an additional term of 5 years.
c. Requirements for you to renew or extend	Article II	Notify the Company, sign then-current agreement (which may include materially different terms and conditions than in your original Franchise Agreement), participate in any required training courses, pay renewal fee, remodel if required, sign release and not be in default with the landlord or the Company
d. Termination by you	None	N/A
e. Termination by the Company without cause	None	N/A
f. Termination by the Company with cause	Article XII	The Company can terminate only if you default on any Agreement with the Company, including an Area Developer Agreement



g.	"Cause" defined - defaults which can be cured	Article XII.B	You have 30 days to cure: non-payment of fees, non-submission of reports, failure to obtain the Company's approval of any matter required by Franchise Agreement, failure to complete training programs, failure to operate your franchise in accordance with the Operating Manual or in an unclean or unsafe manner, and sale of unauthorized product or services, failure to cure a default under any other Agreement with the Company, including another Franchise Agreement or an Area Developer Agreement
h.	"Cause" defined – non-curable defaults	Article XII.A	Non-curable defaults: conviction of felony, abandonment, trademark misuse, false sales reports, unauthorized use of the premises, and unapproved transfers
i.	Your obligations on termination/non-renewal	Article XIII	Obligations include complete de-identification, payment of amounts due, and return of all store records, telephone numbers, Manuals and training materials, and sale of fixtures and assignment of lease upon the request of the Company (also see "r" below)
j.	Assignment of contract by the Company	None	There is no restriction on the Company's right to assign
k.	"Transfer" by you - definitior	Article XI	Includes transfer of contract or assets or ownership change
l.	The Company's approval of transfer by franchisee	Articles XI.D	The Company has the right to approve all transfers but will not unreasonably withhold approval. Your store must be open and operating for at least 3 months before you can transfer the attendant Franchise Agreement.
m.	Conditions for the Company's approval of transfer	Article XI.D	New franchisee qualifies, transfer fee paid, purchase agreement approved, training arranged, release signed by you and current agreement signed by new franchisee, new franchisee renovates premises to then-current specifications

10 days before the transfer (also see r below),

n.	The Company's right of first refusal to acquire your business	Article XI.C	The Company can match any offer for your business
o.	The Company's option to purchase your business	Article XIII.E	Upon termination, the Company may purchase your inventory, furniture, equipment, and supplies and assume your store lease
p.	Your death or disability	Article XI.G	Franchise must be assigned by estate to approved buyer within 6 months
q.	Non-competition covenants during the term of the franchise	Article XIV.B	No involvement in competing business anywhere in U.S.
r.	Non-competition covenants after the franchise is terminated or expires	Article XIV.C	No competing business for 2 years within 10 miles of your Location or any other Sport Clips franchise (including after assignment)
s.	Modification of the agreement	Article XX	No modifications generally but Operating Manual subject to change
t.	Integration/merger clause	Article XX	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside the Disclosure Document and Franchise Agreement may not be enforceable
u.	Dispute resolution by arbitration or mediation	Article XVII.B	Non-binding mediation for all disputes for at least 8 hours before any legal action in a court
v.	Choice of forum	Article XVII.C	Litigation must be in Williamson County, Texas, or the U.S. Central District Court of Texas
w.	Choice of law	Article XVII.A	Texas law applies, unless stated otherwise in the state addendum to your Franchise Agreement

**See the state addenda to the Franchise Agreement and Disclosure Document for special state disclosures.**

## **ITEM 18**

### **PUBLIC FIGURES**

We have in the past produced TV and radio commercials, print ads and brochures that featured celebrities representing Sport Clips. We do not have any celebrity spokespersons at the present time other than as described below.

In 2017, the Company will be a primary sponsor of cars owned by Joe Gibbs Racing (JGR) and Furniture Row Racing (FRR): We will be the primary sponsor of the #11 JGR car driven by Denny Hamlin in the Sprint Cup Series in races at Fontana, CA in March; and at Darlington, SC in September; and in the Xfinity Series Race at Darlington. Erik Jones will be the driver of the #77 FRR Sport Clips Car in the Sprint Cup races at Bristol in April, Indianapolis in July, and Texas in November. We are also an associate sponsor of the Joe Gibbs Racing Motocross and Supercross teams. Denny Hamlin and Erik Jones will also serve as spokespersons for the Company. No fees have been paid to Mr. Hamlin, Mr. Jones or Mr. Gibbs other than the cost of the sponsorships.

## 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 that 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.

At the end of calendar year 2016, there were 1,552 franchised Sport Clips stores. The 2 Statements of Gross Sales below do not include 4 stores in Rochester, New York, which are not typical Sport Clips stores and operate under a special limited services license agreement that is not offered to new franchisees. We know that the gross sales of the stores in Rochester, New York are, on average, less than other stores in the System. The 2 Statements of Gross Sales below also do not include 32 Company-owned stores located in Austin, Texas and Las Vegas, Nevada.

All stores included in the Statements of Gross Sales did not receive any services that were not generally available to other Sport Clips stores, and each store offered similar products and services as would generally be offered by a typical Sport Clips store.

The gross sales figures included in the first Statement of Gross Sales below are based upon all 1,105 Sport Clips franchise stores that were in continual operation for the entire calendar years of 2014, 2015, and 2016. The gross sales figures are taken directly from gross sales reports made by the stores to the Company.

<b>STATEMENT OF GROSS SALES YEAR 2016 GROSS SALES AS REPORTED TO THE COMPANY (1,105 Stores In Continual Operation During 2014, 2015 and 2016)</b>		
Gross Sales	Number of Stores	Percentage of Stores/Cumulative % of stores at each level or higher
Over \$600,000	110	10%/10%
\$500,001 - \$600,000	142	13%/23%
\$450,001 - \$500,000	115	10%/33%
\$400,001 - \$450,000	150	14%/47%
\$350,001 - \$400,000	183	16%/63%
\$300,001 - \$350,000	187	17%/80%
\$250,001 - \$300,000	140	13%/93%
Less than \$250,000	78	7%/100%
<b>Total</b>	<b>1,105</b>	<b>100%</b>

These 1,105 stores had average sales of \$412,661 for the entire year 2016. 478 stores had sales above this average, and 627 stores had sales lower than the average. The median sales for these 1,105 stores was \$385,934 for the entire year of 2016.

The gross sales figures included in the second Statement of Gross Sales below are based upon all 1,256 Sport Clips franchise stores and Company-owned stores that were in continual operation for the entire calendar years of 2015 and 2016. The gross sales figures are taken directly from gross sales reports made by the stores to the Company.

<b>STATEMENT OF GROSS SALES</b> <b>YEAR 2016 GROSS SALES AS REPORTED TO THE COMPANY</b> <b>(1,256 Stores In Continual Operation During 2015 and 2016)</b>		
Gross Sales	Number of Stores	Percentage of Stores/ Cumulative % of stores at each level or higher
Over \$600,000	110	9%/9%
\$500,001 - \$600,000	147	11%/20%
\$450,001 - \$500,000	116	10%/30%
\$400,001 - \$450,000	159	12%/42%
\$350,001 - \$400,000	196	16%/58%
\$300,001 - \$350,000	225	18%/76%
\$250,001 - \$300,000	173	14%/90%
Less than \$250,000	130	10%/100%
<b>Total</b>	<b>1,256</b>	<b>100%</b>

These 1,256 stores had average sales of \$398,216 for the entire year 2016. 538 stores had sales above this average, and 718 stores had sales lower than the average. The median sales for these 1,256 stores was \$371,110 for the entire year of 2016.

**Some outlets have sold this amount. Your individual results may differ. There is no assurance you will sell as much.**

The financial performance representations above do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Sport Clips franchise. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

In addition to actual sales, an important metric for any retail business is the growth in same store sales year-over-year. For the fourth quarter of 2016, the 1,362 franchised stores that were open one year or more at the beginning of the quarter averaged \$7,429 per week in sales, which annualized would be \$386,308. 580 stores had average sales higher than this amount, and 782 had lower sales. This was an increase for these same stores over the fourth quarter of 2015 of 8.2%, with 2.5% of this increase coming from increases in Client counts and the remainder

from increases in average ticket. Increases in average ticket came from a combination of some individual store price increases, a decrease in the amount of couponing and discounting, and an increase in the number of Clients who purchased a more expensive service (such as our signature MVP service) or who bought more hair care products to take home. The median sales for these same 1,362 stores was \$6,926 for the fourth quarter of 2016, which annualized would be \$360,152.

The following chart illustrates store sales growth over the last five years measured by average weekly revenues for all stores open for at least 13 months at the end of the indicated year. Percent change represents growth over the previous year. The chart below does not include the 4 stores in Rochester, New York, which are not typical Sport Clips stores and operate under a special limited services license agreement that is not offered to new franchisees. It also does not include any Company-owned stores or stores that were not in continual operation during the calculated period. The stores included in the chart below did not receive any services that were not generally available to other Sport Clips stores. Each store offered similar products and services as would generally be offered by a typical Sport Clips store, and the Company received sales report information directly from the franchisee.

**Sales Growth for Stores Continually Open for at Least 13 Months**

	2012 (793 stores)	2013 (938 stores)	2014 (1,096 stores)	2015 (1,246 stores)	2016 (1,386 stores)
Percent Sales Growth	8.7%	6.7%	8.2%	8.4%	7.0%

**Expense Reports for Company-Owned Stores During 2016**

The Expense Report below shows the average expenses at each store’s sales level and those expenses as a percentage of total revenue in each column.

We owned and operated 32 stores in the Austin, Texas and Las Vegas, Nevada markets during 2016.

We are not offering franchises in these markets.

The Expense Report below excludes one store that is operated in a substantially different environment and one store that was not open for the entire year of 2016.

The managers of the Company-owned stores included in the Expense Report did not receive any services that were not generally available to other Sport Clips stores. Each store offered similar products and services as would generally be offered by a typical Sport Clips store, except for limited tests of procedures, products and/or services that may or may not be eventually incorporated into the system, depending on the success of the tests.

We owned and operated 30 stores in Austin and Las Vegas for the entire year of 2016 that are reported below.

	<b>Sales Less Than \$350,000</b>	<b>Sales \$350,001 To \$400,000</b>	<b>Sales \$400,001 To \$450,000</b>	<b>Sales Greater Than \$450,001</b>	<b>Average of all stores</b>
<b>Number of Stores</b>	4	2	7	17	30
<b>Gross Sales</b>	\$ 307,732 100%	\$ 393,904 100%	\$ 428,742 100%	\$ 580,368 100%	\$ 505,853 100%
<b>Variable Costs (Note 1)</b>	\$ 33,492 11%	\$ 35,996 9%	\$ 40,531 9%	\$ 51,824 9%	\$ 46,546 9%
<b>Payroll (Note 2)</b>	\$ 150,793 49%	\$ 155,052 40%	\$ 173,844 41%	\$ 234,696 40%	\$ 206,190 41%
<b>Occupancy (Note 3)</b>	\$ 65,357 21%	\$ 58,873 15%	\$ 64,163 15%	\$ 66,724 12%	\$ 65,940 13%
<b>Advertising (Note 4)</b>	\$ 17,415 6%	\$ 20,498 5%	\$ 21,736 5%	\$ 24,500 4%	\$ 22,889 5%
<b>Miscellaneous (Note 5)</b>	\$ 4,254 1%	\$ 4,973 1%	\$ 5,341 1%	\$ 5,352 1%	\$ 5,202 1%
<b>Operating Profit (Note 6)</b>	\$ 36,421 12%	\$ 118,512 30%	\$ 123,127 29%	\$ 197,272 34%	\$ 159,084 31%

Note 1. Variable Costs include operating supplies, cost of goods sold, bank service charges, credit card discounts, and advertising to recruit Stylists.

Note 2. Payroll includes direct payroll, including payroll for an on-site full-time manager, payroll taxes and fringe benefits except for 401K and medical insurance costs.

Note 3. Occupancy includes rent, pass-through expenses from the landlord, utilities, phone charges, and repairs and maintenance.

Note 4. Advertising includes the weekly payments to the Ad Fund plus other advertising and marketing expenses for the store.

Note 5. Miscellaneous expense includes magazine subscriptions, store insurance, contributions to the Technology Fund, the Recruitment Fund, the Sport Clips Wayne McGlone Memorial Relief Fund, and overages and/or shortages from the cash drawer.

Note 6. Operating Profit does not include an amount paid for royalties or weekly training fees. The numbers in the Expense Report are unaudited, but we believe that these numbers are substantially correct.

**A NEW FRANCHISEE'S INDIVIDUAL FINANCIAL RESULTS ARE LIKELY TO DIFFER FROM THE RESULTS STATED IN THE STATEMENTS OF GROSS SALES AND THE EXPENSE REPORT.**

Written substantiation for the financial performance representation will be made available to the prospective franchisee at the Company's office at 110 Briarwood, Georgetown, Texas 78628.

Other than the preceding financial performance representation, Sport Clips, Inc. does 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 Gordon B. Logan, 110 Briarwood, Georgetown, Texas, 78628, telephone (512) 869-1201, the Federal Trade Commission, and the appropriate state regulatory agencies.



ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

System Wide Outlet Summary  
For Years 2014 To 2016

Table No. 1

Franchised and Company-Owned Stores

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2014	1,123*	1,272*	+149
	2015	1,272*	1,423*	+151
	2016	1,423*	1,552*	+129
Company-Owned	2014	28	32	+4
	2015	32	32	+0
	2016	32	32	+0
Total Outlets	2014	1,151	1,304	+153
	2015	1,304	1,455	+151
	2016	1,455	1,584	+129

\*The Company owns an equity interest in two franchised outlets in Texas that opened in 2013.

**Table No. 2**

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)  
For Years 2014 to 2016**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>Alabama</b>	2014	0
	2015	0
	2016	0
<b>Alaska</b>	2014	0
	2015	2
	2016	0
<b>Arizona</b>	2014	0
	2015	0
	2016	0
<b>Arkansas</b>	2014	3
	2015	1
	2016	0
<b>California</b>	2014	5
	2015	15
	2016	8
<b>Colorado</b>	2014	6
	2015	5
	2016	10
<b>Florida</b>	2014	3
	2015	3
	2016	1
<b>Georgia</b>	2014	1
	2015	4
	2016	1
<b>Idaho</b>	2014	0
	2015	0
	2016	2
<b>Illinois</b>	2014	5
	2015	7
	2016	3
<b>Indiana</b>	2014	4
	2015	0
	2016	6

<b>Kansas</b>	2014	0
	2015	1
	2016	2
<b>Kentucky</b>	2014	0
	2015	1
	2016	3
<b>Louisiana</b>	2014	0
	2015	0
	2016	0
<b>Maryland</b>	2014	0
	2015	2
	2016	3
<b>Massachusetts</b>	2014	0
	2015	2
	2016	0
<b>Michigan</b>	2014	0
	2015	1
	2016	0
<b>Minnesota</b>	2014	0
	2015	5
	2016	7
<b>Mississippi</b>	2014	1
	2015	0
	2016	2
<b>Missouri</b>	2014	0
	2015	0
	2016	0
<b>Nevada</b>	2014	0
	2015	0
	2016	0
<b>New Mexico</b>	2014	4
	2015	0
	2016	0
<b>New Jersey</b>	2014	1
	2015	0
	2016	0
<b>New York</b>	2014	0
	2015	1
	2016	0

<b>North Carolina</b>	2014	0
	2015	1
	2016	10
<b>Ohio</b>	2014	1
	2015	4
	2016	0
<b>Oregon</b>	2014	0
	2015	7
	2016	0
<b>Pennsylvania</b>	2014	0
	2015	1
	2016	1
<b>South Carolina</b>	2014	3
	2015	0
	2016	0
<b>South Dakota</b>	2014	0
	2015	0
	2016	0
<b>Tennessee</b>	2014	0
	2015	3
	2016	0
<b>Texas</b>	2014	3
	2015	0
	2016	3
<b>Utah</b>	2014	0
	2015	2
	2016	0
<b>Virginia</b>	2014	0
	2015	3
	2016	8
<b>Washington</b>	2014	2
	2015	4
	2016	1
<b>Wisconsin</b>	2014	0
	2015	8
	2016	6
<b>Total</b>	2014	<b>42</b>
	2015	<b>83</b>
	2016	<b>77</b>

Table No. 3

Status of Franchised Outlets  
For Years 2014 to 2016

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Alabama	2014	20	2	0	0	0	0	22
	2015	22	4	0	0	0	0	26
	2016	26	0	0	0	0	0	26
Alaska	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Arizona	2014	33	7	0	0	0	0	40
	2015	40	5	0	0	0	0	45
	2016	45	3	0	0	0	0	48
Arkansas	2014	16	1	0	0	0	0	17
	2015	17	1	0	0	0	0	18
	2016	18	1	0	0	0	0	19
California	2014	104	12	0	0	0	0	116
	2015	116	14	0	0	0	1	129
	2016	129	8	0	0	0	2	135
Colorado	2014	33	6	0	0	0	0	39
	2015	39	4	0	0	0	0	43
	2016	43	9	0	0	0	0	52
Connecticut	2014	3	0	0	0	0	0	3
	2015	3	2	0	0	0	0	5
	2016	5	5	0	0	0	0	10
Delaware	2014	0	1	0	0	0	0	1
	2015	1	2	0	0	0	0	3
	2016	3	1	0	0	0	0	4
Florida	2014	49	10	0	0	0	0	59
	2015	59	10	0	0	0	0	69
	2016	69	7	0	0	0	0	76
Georgia	2014	43	3	0	0	0	0	46
	2015	46	5	0	0	0	0	51
	2016	51	9	0	0	0	0	60

<b>Hawaii</b>	2014	0	2	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
<b>Idaho</b>	2014	9	1	0	0	0	0	10
	2015	10	0	0	0	0	0	10
	2016	10	0	0	0	0	0	10
<b>Illinois</b>	2014	82	10	0	0	0	0	92
	2015	92	10	0	0	0	0	102
	2016	102	7	0	0	0	0	109
<b>Indiana</b>	2014	31	2	0	0	0	0	33
	2015	33	5	0	0	0	0	38
	2016	38	2	0	0	0	0	40
<b>Iowa</b>	2014	15	1	0	0	0	0	16
	2015	16	2	0	0	0	0	18
	2016	18	0	0	0	0	0	18
<b>Kansas</b>	2014	20	3	0	0	0	0	23
	2015	23	0	0	0	0	0	23
	2016	23	0	0	0	0	0	23
<b>Kentucky</b>	2014	11	2	0	0	0	0	13
	2015	13	2	0	0	0	0	15
	2016	15	1	0	0	0	0	16
<b>Louisiana</b>	2014	12	2	0	0	0	0	14
	2015	14	2	0	0	0	0	16
	2016	16	1	0	0	0	0	17
<b>Maine</b>	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
<b>Maryland</b>	2014	32	2	0	0	0	0	34
	2015	34	3	0	0	0	0	37
	2016	37	1	0	0	0	0	38
<b>Massachusetts</b>	2014	4	5	0	0	0	0	9
	2015	9	2	0	0	0	0	11
	2016	11	3	0	0	0	0	14
<b>Michigan</b>	2014	7	4	0	0	0	0	11
	2015	11	4	0	0	0	0	15
	2016	15	3	0	0	0	0	18
<b>Minnesota</b>	2014	28	8	0	0	0	0	36
	2015	36	5	0	0	0	0	41
	2016	41	5	0	0	0	0	46

<b>Missouri</b>	2014	35	4	0	0	0	0	39
	2015	39	1	0	0	0	0	40
	2016	40	4	0	0	0	0	44
<b>Mississippi</b>	2014	8	0	0	0	0	0	8
	2015	8	1	0	0	0	0	9
	2016	9	0	0	0	0	0	9
<b>Montana</b>	2014	2	2	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	1	0	0	0	0	5
<b>Nebraska</b>	2014	10	2	0	0	0	0	12
	2015	12	1	0	0	0	0	13
	2016	13	1	0	0	0	0	14
<b>Nevada</b>	2014	2	0	0	0	0	0	2
	2015	2	1	0	0	0	0	3
	2016	3	0	0	0	0	0	3
<b>New Hampshire</b>	2014	2	0	0	0	0	0	2
	2015	2	1	0	0	0	0	3
	2016	3	0	0	0	0	0	3
<b>New Jersey</b>	2014	12	11	0	0	0	0	23
	2015	23	5	0	0	0	0	28
	2016	28	4	0	0	0	0	32
<b>New Mexico</b>	2014	5	0	0	0	0	0	5
	2015	5	1	0	0	0	0	6
	2016	6	0	0	0	0	0	6
<b>New York</b>	2014	10	1	0	0	0	0	11
	2015	11	1	0	0	0	0	12
	2016	12	2	0	0	0	0	14
<b>North Carolina</b>	2014	43	7	0	0	0	0	50
	2015	50	5	0	0	0	0	55
	2016	55	4	0	0	0	0	59
<b>North Dakota</b>	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	2	0	0	0	0	4
<b>Ohio</b>	2014	37	4	0	0	0	0	41
	2015	41	9	0	0	0	0	50
	2016	50	3	0	0	0	0	53
<b>Oklahoma</b>	2014	15	2	0	0	0	0	17
	2015	17	1	0	0	0	0	18
	2016	18	0	0	0	0	0	18

<b>Oregon</b>	2014	14	2	0	0	0	0	16
	2015	16	1	0	0	0	0	17
	2016	17	3	0	0	0	0	20
<b>Pennsylvania</b>	2014	25	5	0	0	0	0	30
	2015	30	9	0	0	0	0	39
	2016	39	6	0	0	0	0	45
<b>Rhode Island</b>	2014	0	1	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	1	0	0	0	0	3
<b>South Carolina</b>	2014	29	3	0	0	0	0	32
	2015	32	1	0	0	0	0	33
	2016	33	3	0	0	0	0	36
<b>South Dakota</b>	2014	1	1	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
<b>Tennessee</b>	2014	37	2	0	0	0	0	39
	2015	39	6	0	0	0	0	45
	2016	45	1	0	0	0	0	46
<b>Texas</b>	2014	174*	7	0	0	1	0	180*
	2015	180*	15	0	0	0	0	195*
	2016	195*	9	0	0	0	0	204*
<b>Utah</b>	2014	18	3	0	0	0	0	21
	2015	21	1	0	0	0	0	22
	2016	22	6	0	0	0	0	28
<b>Vermont</b>	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
<b>Virginia</b>	2014	33	4	0	0	0	0	37
	2015	37	3	0	0	0	0	40
	2016	40	1	0	0	0	0	41
<b>Washington</b>	2014	23	5	0	0	0	0	28
	2015	28	3	0	0	0	0	31
	2016	31	7	0	0	0	0	38
<b>West Virginia</b>	2014	1	0	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	1	0	0	0	0	3
<b>Wisconsin</b>	2014	30	0	0	0	0	1	29
	2015	29	0	0	0	0	0	29
	2016	29	3	0	0	0	0	32



<b>Wyoming</b>	2014	0	1	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	1	0	0	0	0	3
<b>Total</b>	<b>2014</b>	<b>1,123</b>	<b>151</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1,272</b>
	<b>2015</b>	<b>1,272</b>	<b>152</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1,423</b>
	<b>2016</b>	<b>1,423</b>	<b>131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1,552</b>

\*The Company owns an equity interest in two franchised outlets in Texas that opened in 2013

**Table No. 4**

**Status of Company-Owned Outlet  
For Years 2014 to 2016**

<b>State</b>	<b>Year</b>	<b>Outlets at Start of Year</b>	<b>Outlets Opened</b>	<b>Outlets Reacquired From Franchisees</b>	<b>Outlets Closed</b>	<b>Outlets Sold to Franchisees</b>	<b>Outlets At End of the Year</b>
<b>Nevada</b>	2014	10	2	0	0	0	12
	2015	12	0	0	0	0	12
	2016	12	0	0	0	0	12
<b>Texas</b>	2014	18	1	1	0	0	20
	2015	20	0	0	0	0	20
	2016	20	0	0	0	0	20
<b>Total</b>	<b>2014</b>	<b>28</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>32</b>
	<b>2015</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32</b>
	<b>2016</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32</b>

Table No. 5

Projected Single Unit Openings As Of December 31, 2016

State	Franchise Agreements Signed But Store Not Open	Projected New Franchised Stores in the Next Fiscal Year	Projected New Company Owned Stores in the Next Fiscal Year
Alabama	3	1	
Alaska	5	0	
Arizona	25	8	
Arkansas	2	1	
California	88	13	
Connecticut	8	2	
Colorado	20	2	
Delaware	1	0	
Florida	75	11	
Georgia	26	4	
Hawaii	10	1	
Idaho	3	1	
Illinois	38	6	
Indiana	16	7	
Iowa	2	1	
Kansas	4	1	
Kentucky	4	2	
Louisiana	4	2	
Maine	3	1	
Maryland	21	3	
Massachusetts	25	4	
Michigan	22	3	
Minnesota	25	4	
Mississippi	3	2	
Missouri	6	1	
Montana	0	0	
Nebraska	3	1	
Nevada	4	0	1
New Hampshire	8	2	
New Jersey	45	6	
New Mexico	1	0	
New York	11	2	

<b>N. Carolina</b>	18	3	
<b>N. Dakota</b>	4	0	
<b>Ohio</b>	48	12	
<b>Oklahoma</b>	6	1	
<b>Oregon</b>	13	2	
<b>Pennsylvania</b>	42	8	
<b>Rhode Island</b>	9	1	
<b>S. Carolina</b>	14	2	
<b>S. Dakota</b>	0	0	
<b>Tennessee</b>	13	4	
<b>Texas</b>	47	17	1
<b>Utah</b>	8	1	
<b>Vermont</b>	0	0	
<b>Virginia</b>	24	3	
<b>Washington</b>	12	2	
<b>West Virginia</b>	1	0	
<b>Wisconsin</b>	15	2	
<b>Wyoming</b>	3	0	
<b>Total</b>	<b>788</b>	<b>150</b>	<b>2</b>

A list of names, business addresses, and business telephone numbers of all franchised stores, and of all Area Developers, as of December 31, 2016 is attached to this Disclosure Document as Exhibit B.

The name and last known home address and telephone number of every franchisee who has had an outlet terminated, canceled, not renewed, sold their franchise 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 the Franchisor within 10 weeks of the application date is listed in the chart below. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Name	City & State	Telephone
Nan Bloodworth	Folsom, CA	(916) 817-8674
Eric Jeska	San Marcos, CA	(760) 798-4346
Wayne Parker	Trabuco Canyon, CA	(949) 459-6869
Robert Wu	Walnut, CA	(626) 353-3808
Don Berger*	Danville, CA	(925) 336-9388
Ben Mangels*	Lafayette, CA	(925) 284-2222
EJ Armstrong	Golden, CO	(303) 347-2164
Brad Whitt*	Lee's Summit, MO	(816) 554-8630
Kurt Schwahn*	Bellaire, FL	(727) 585-3945
James Clifton	Statesboro, GA	(912) 842-2727
Scott McKelvey	Garden City, ID	(208) 938-6250
Cathleen Neibch*	Batavia, IL	(630) 406-0170
David Hrabrich	Lisle, IL	(630) 964-4571
David Miller	Fishers, IN	(317) 581-0065
Anthony Sawyer*	Midlothian, VA	(804) 897-0207
Beth Vorst	West Lafayette, IN	(765) 583-4472
Paul Holmes	Overland Park, KS	(913) 451-1271
Stanford Obi	Crestwood, KY	(502) 412-1531
Allen Otis	Walton, KY	(859) 384-8198
Sharon Slotterback	Grasonville, MD	(410) 827-4490
Gary Pfaff*	Finksburg, MD	(410) 517-2044
Preston Luman	Bloomington, MN	(952) 927-6916
Mike Wellner & Steve Pawlyshyn	Chanhassen, MN	(952) 470-5845
Ahmed Helmy	Eden Prairie, MN	(718) 986-1500
Rick Chandler	Mankato, MN	(507) 340-5064
Joe Ewing	Madison, MS	(712) 251-8537
Jason McManus	Indian Trail, NC	(704) 200-5208
Michael Quest	Arden, NC	(214) 794-4611
Bob Sharman	Greenville, MS	(336) 856-1178
Paula Bullock	Raleigh, NC	(919) 301-8982
David Rowley	Raleigh, NC	(919) 570-1526
Jeff Crooks	Overland Park, KS	(913) 383-2671
Cody Lovins*	Montgomery, TX	(713) 885-7505
Robby Whittleman*	Seabrook, TX	(281) 627-3249
Jeff Kibben	Manassas, VA	(703) 946-2444
Steve Konopka	Glen Allen, VA	(804) 360-0883
Holly Ouellette*	Manassas, VA	(703) 794-7064

Corey Belle*	Bothell, WA	(425) 374-3063
Jim Clement	Germantown, WI	(262) 255-1992
Perry Tonn	Green Bay, WI	(920) 360-2239
Steve Smith*	Cross Plains, WI	(608) 413-0188
Juan Gala*	Burlingame, CA	(650) 689-5265
Jeff Simms*	Cameron Park, CA	(530) 344-7346

\* These individuals remain a franchisee in the Sport Clips system as of December 31, 2016.

During the last 3 fiscal years, we have not signed any confidentiality clauses with any former or current franchisees or Area Developers. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Sport Clips franchise system. You may wish to speak with current and former franchisees and franchisees, but be aware that not all such franchisees will be able to communicate with you.

There are no franchisee organizations associated with the Sport Clips franchise system that we have created, sponsored, or endorsed. No independent franchisee organizations have asked to be included in this Disclosure Document, and don't know of any such organizations formed for Sport Clips franchisees.

## **ITEM 21**

### **FINANCIAL STATEMENTS**

Attached to this Disclosure Document as Exhibit C is a copy of our audited financial statements for the periods of January 1, 2014 to December 31, 2014, January 1, 2015 to December 31, 2015, and January 1, 2016 to December 31, 2016.

## **ITEM 22**

### **CONTRACTS**

Attached to this Disclosure Document as Exhibit D is a copy of the Franchise Agreement, which includes the MUDA, and a copy of the Release you will sign if you are renewing or selling the Franchise Agreement. Attached to this Disclosure Document as Exhibit E is a copy of the Agreement to Guaranty Lease, which you will sign only if we agree to guaranty your premises lease, and as Exhibit F is a copy of the Guaranty Lease only if the Company agrees to guaranty your loan from a third party. Attached to this Disclosure Document as Exhibit G is a copy of the Store Resale Assistance Agreement, which you will sign only if you request the Company to assist you in finding a buyer for your store. No other agreements are proposed for use by the Company in connection with the franchise described in this Disclosure Document.

## **ITEM 23**

### **RECEIPTS**

You will find copies of a detachable receipt at the very end of this Disclosure Document.

**ADDENDUM TO SPORT CLIPS, INC.  
FRANCHISE DISCLOSURE DOCUMENT  
STATE REGULATIONS**

**FOR RESIDENTS OF THE STATE OF CALIFORNIA**

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT. Item 2 is amended to state the following: Neither the franchisor nor any person in Item 2 of the UFDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange. The California Franchise Relations Act, Business and Professions Code Sections 20000 to 20043, provides the Franchisee with certain rights on termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control. The Franchise Agreement provides for termination upon bankruptcy. Federal bankruptcy law may prohibit termination of a franchise on filing of a petition in bankruptcy by a Franchisee (11 U.S.C.A. '101 et seq.). If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California. The Franchise Agreement requires application of the law of the State of Texas. This provision may not be enforceable under California law. Section 31125 of the California Corporations Code requires us to give you a Disclosure Document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise. You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT [www.corp.ca.gov](http://www.corp.ca.gov). Item 2 is amended to state the following: Neither the franchisor nor any person in Item 2 of the UFDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

## **FOR RESIDENTS OF THE STATE OF ILLINOIS**

The conditions under which the franchise can be terminated and the Franchisee's rights upon non-renewal may be affected by 815 ILCS 705/1 through 705/44. For choice of law purposes, and for the interpretation and construction of the Franchise Agreement, the Illinois Franchise Disclosure Act governs.

Item 17 is amended to provide that litigation between you and the Company may be instituted in any court of competent jurisdiction located in the State of Illinois.

## **FOR RESIDENTS OF THE STATE OF MARYLAND**

Item 17 is amended to provide that, pursuant to COMAR 01.01.08.16L, the general release required as a condition of renewal and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law, and to provide that the Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Item 17 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 provision in the Franchise Agreement which provides for termination upon bankruptcy of the franchise may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.). This Amendment also applies to non-residents of Maryland who will operate a Sport Clips franchise in the state of Maryland.

## **FOR RESIDENTS OF THE STATE OF MINNESOTA**

Minnesota statute §80C14 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of jurisdiction.

Minnesota statute §80C14 provides: It shall be deemed unfair and inequitable for any person to:

(A) Terminate or cancel a franchise without first giving written notice setting forth all the reasons for the termination or cancellation to the Franchisee at least 90 days in advance of termination or cancellation, and the recipient of a notice fails to correct the reasons stated for cancellation or termination within 60 days within receipt of the notice, except that the notice shall be effective immediately upon receipt where the alleged grounds are:

- 1) Voluntary abandonment of the franchise relationship by the Franchisee;
- 2) The conviction of the Franchisee of an offense directly related to the business conducted pursuant to the franchise; or
- 3) Failure to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the Franchisor's trade name, trademark, service mark, logotype or other commercial symbol after the Franchisee has received written notice to cure of at least 24 hours in advance thereof;

(B) Terminate or cancel a franchise except for good cause. "Good cause" shall be failure by the Franchisee substantially to comply with reasonable requirements imposed upon him by the franchise including, but not limited to:

- 1) The bankruptcy or insolvency of the Franchisee;
- 2) Assignment for the benefit of creditors or similar disposition of the assets of the franchise business;
- 3) Voluntary abandonment of the franchise business;
- 4) Conviction or a plea of guilty or no contest to a charge of violating any law relating to the franchise business; or



- 5) Any act by, or conduct of, the Franchisee which materially impairs the goodwill associated with the Franchisor's trademark, trade name, service mark, logotype or other commercial symbol; or

(C) Unless the failure to renew the franchise is for good cause as defined in clause (b), Franchisor may not fail to renew a franchise unless (i) the Franchisee has been given written notice of the intention not to renew at least 180 days in advance thereof and (ii) has been given an opportunity to operate the franchise over a sufficient period of time to enable the franchisee to recover the fair market value of the franchise as a going concern measured from the date of the failure to renew. No franchisor may refuse to renew a franchise if the refusal is for the purpose of converting the franchisee's business premises to an operation that will be owned by the franchisor for its own account.

A franchisor may not unreasonably withhold consent to an assignment, transfer, or sale of the franchise where the assignee meets the present qualifications and standards required of other franchisees.

Item 13 is modified as follows: The Minnesota Department of commerce requires that a Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee's use of the trademark infringes trademark rights of the third party. The Company does not indemnify against the consequences of the Franchisee's use of the Company's trademark except in accordance with the requirements of the Franchise Agreement, and, as a condition to indemnification, the Franchisee must provide notice to the Company of any such claim within 10 days and tender the defense of the claim to the Company. If the Company accepts the tender of defense, the Company has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Item 17 is amended to provide that you shall not be required to assent to a general release.

#### **FOR RESIDENTS OF THE STATE OF NEW YORK**

The State Cover Page is amended to add the following Risk Factor:

"THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. 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 PROSPECTUS."

Provisions of General Releases are included throughout the Disclosure Document and Franchise Agreement. They are covered by the following provision:

"Provided however, that all rights enjoyed by the Franchisee and any causes of action arising in its 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 provision that the non-waiver provisions of GBL Section 687.4 and 687.5 be satisfied."

Item 3 is amended to state that, except for the litigation listed in Item 3, neither the Company nor any person or franchise sales agent identified in Item 2 of this Disclosure Document:

- 1) Has pending any administrative, criminal or material civil (or a significant number of civil actions irrespective of materiality) alleging a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.
- 2) 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 a misdemeanor or pleaded *nolo contendere* to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

- 3) Is subject to any injunctive or restrictive order or decree relating to franchises or under any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency.

Item 4 is amended to state that, neither the Company, nor any predecessor, officer or general partner of the franchisor has, during the 15-year period immediately preceding the date of the offering prospectus, has been adjudged bankrupt or reorganized due to insolvency, or was a principal officer of any company or a general partner in any partnership that was adjudged bankrupt or reorganized due to insolvency during or within one year after the period that such officer or general partner of the franchisor held such position in such company or partnership, and no such bankruptcy or reorganization proceeding has been commenced.

Item 17(d) is amended to state that you may terminate the Franchise Agreement on any grounds available law. Item 17(j) is amended to state the following: "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. Item 17(w) is amended to state the following: "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."

The Company represents that this Disclosure Document does not knowingly omit anything or contain any untrue statements of a material fact.

#### **FOR RESIDENTS OF THE STATE OF NORTH DAKOTA**

A contractual requirement that a prospective franchisee sign a general release, waive trial by jury, or be required to litigate outside the State of North Dakota is unenforceable under North Dakota Law. These provisions are deleted in the Disclosure Document and the Franchise Agreement in the State of North Dakota. Post-termination covenants are generally considered unenforceable in the State of North Dakota. In the Franchise Agreement, the choice of law and choice of forum provisions are deleted in the state of North Dakota.

## **FOR RESIDENTS OF THE STATE OF RHODE ISLAND**

Item 17 is amended to state that section 19-28-1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

## **FOR RESIDENTS OF THE STATE OF VIRGINIA**

Item 4 is amended to state that neither the franchisor, any parent, any predecessor, any affiliate, any general partner of the franchisor, any officer of the franchisor, nor any individual who will have management responsibility relating to the sale or operation of the franchise being offered has filed as a debtor (or had filed against it) a petition under a foreign bankruptcy or has obtained a discharge of its debts under a foreign bankruptcy code.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Sport Clips, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

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 does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

## **FOR RESIDENTS OF THE STATE OF WASHINGTON**

The Franchise Investment Protection Act of the State of Washington makes it unlawful to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include, without limitation, the failure of the Franchisee to comply with lawful material provisions of the Franchise Agreement or other agreements between the Franchisor and the Franchisee and to cure such default after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty days, to cure such default, or if said default cannot reasonably be cured within thirty days, the failure of the Franchisee to initiate within thirty days substantial and continuing action to cure such default: PROVIDED; That after three willful and material breaches of the same term of the Franchise Agreement occurring within a twelve month period, for which the Franchisee has been given notice and an opportunity to cure as provided in Section 17, the Franchisor may terminate the agreement upon any subsequent willful and material breach of the same term within the twelve month period without providing notice or opportunity to cure: PROVIDED FURTHER; That a Franchisor may terminate a franchise without giving prior notice of opportunity to cure a default if the Franchisee: (i) is adjudicated a bankrupt or insolvent, (ii) makes an assignment for the benefit of creditors or similar disposition of the assets of the franchise business; (iii) voluntarily abandons the franchise business; or (iv) is convicted or pleads guilty or no contest to a charge of violating any law relating to the franchise business. Upon termination for good cause, the Franchisor shall purchase from the Franchisee at a fair market value at the time of the termination, the Franchisee's inventory and supplies, exclusive of (i) personalized materials which have no value to the Franchisor, (ii) inventory and supplies not reasonably required in the conduct of the franchise business; and (iii) if the Franchisee is to retain control of the premises of the franchise business, any inventory and supplies not purchased from the Franchisor or on his express requirement: PROVIDED; that a Franchisor may offset against amounts owed to a Franchisee under Section 17 any amounts owed by such Franchisee to the Franchisor.

The Franchise Investment Protection Act of the State of Washington makes it unlawful, except in limited circumstances, to refuse to renew a franchise in Washington without fairly compensating the franchise for the fair market value, at the time of the expiration of the franchise, of the Franchisee's inventory, supplies, equipment and furnishings purchased from the franchisor and goodwill, exclusive of personalized materials which have no value to the franchisor, and exclusive of inventory, supplies, equipment and furnishings not reasonably required in the conduct of the franchised business.

In no event will the transfer fee exceed the actual out-of-pocket expenses incurred by the Company.

To the extent that the Washington Franchise Investment Act conflicts with the choice-of-law provisions contained in the Franchise Agreement, the Washington Franchise Investment Act will control.

**EXHIBIT A**

**LIST OF STATE ADMINISTRATORS  
AND  
AGENTS FOR SERVICE OF PROCESS**

## **LIST OF STATE ADMINISTRATORS**

STATE OF CALIFORNIA, Corporations Commissioner, Department of Business Oversight, 320 West 4th Street, Los Angeles, California 90013-1105; Telephone: (213) 576-7500.

STATE OF CONNECTICUT, Banking Commissioner, 44 Capitol Avenue, Hartford, Connecticut 06106; Telephone: (203) 566-4560.

STATE OF HAWAII, Commissioner of Securities, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813; Telephone: (808) 586-2722.

STATE OF ILLINOIS, Illinois Attorney General, 500 South Second Street, Springfield, Illinois 62706; Telephone: (217) 782-4465.

STATE OF INDIANA, Chief Deputy Commissioner, Securities Division, 302 West Washington Street, Room E111, Indianapolis, Indiana 46204; Telephone: (317) 232-6681.

STATE OF MARYLAND, Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202; Telephone: (410) 576-6360.

STATE OF MICHIGAN, Franchise Administrator, 670 Law Building, Lansing, Michigan 48913; Telephone: (517) 373-7177.

STATE OF MINNESOTA, Deputy Commissioner, Minnesota Department of Commerce, 85 7<sup>th</sup> Place East, Suite 500, St. Paul, Minnesota 55101-2198; Telephone: (612) 296-6325.

STATE OF NEW YORK, New York State Department of Law, Principal Attorney, 120 Broadway, Room 23-122, New York, N.Y. 10271; Telephone: (212) 416-8211.

STATE OF NORTH DAKOTA, Securities Commissioner, North Dakota Securities Department, 600 East Boulevard Avenue, State Capitol -- 5<sup>th</sup> Floor, Department 414, Bismarck, North Dakota 58505-0510; Telephone: (701) 328-4712.

STATE OF RHODE ISLAND, Division of Securities, Department of Business Regulation, John O. Pastore Complex, 1511 Pontiac Avenue, Building 69-1, Cranston, Rhode Island 02910; Telephone: (401) 462-9587.

STATE OF SOUTH DAKOTA, Franchise Administrator, Division of Securities, 124 S. Euclid, Suite 104, Pierre, South Dakota 57501; Telephone: (605) 773-4823.

STATE OF TEXAS, Secretary of State, 1019 Brazos, Room 214, Austin, Texas 78701; Telephone: (512) 463-5701.

STATE OF VIRGINIA, Securities and Retail Franchising Division, 1300 E. Main Street, 1st Floor, Richmond, Virginia 23219; Telephone: (804) 371-9051.

STATE OF WASHINGTON, Department of Financial Institutions, Securities Division, P.O. Box 9033, Olympia, Washington 98507-9033; Telephone: (206) 753-6928.

STATE OF WISCONSIN, Commissioner of Securities, Franchise Administrator, 345 W. Washington Avenue, 4<sup>th</sup> Floor, P.O. Box 1768, Madison, Wisconsin 53701-1768; Telephone: (608) 261-9555.

## **Agents For Service of Process**

STATE OF CALIFORNIA, Commissioner of Corporations, Department of Business Oversight, 320 West 4th Street, Los Angeles, California 90013-1105.

STATE OF HAWAII, Commissioner of Securities, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

STATE OF ILLINOIS, Illinois Attorney General, 500 South Second Street, Springfield, Illinois 62706.

STATE OF INDIANA, Secretary of State, Securities Division, 302 West Washington Street, Room E111, Indianapolis, Indiana 46204.

STATE OF MARYLAND, Maryland Securities Commissioner, 200 St. Paul Place, Baltimore, Maryland 21202-2020.

STATE OF MINNESOTA, Commissioner of Commerce, Minnesota Department of Commerce, 85 7<sup>th</sup> Place East, Suite 500, St. Paul, Minnesota 55101-2198.

STATE OF NEW YORK, Secretary of State, New York State Department of Law, Principal Attorney, 120 Broadway, Room 23-122, New York, N.Y. 10271.

STATE OF NORTH DAKOTA, Securities Commissioner, North Dakota Securities Department, 600 East Boulevard Avenue, State Capitol -- 5<sup>th</sup> Floor, Department 414, Bismarck, North Dakota 58505-0510.

STATE OF RHODE ISLAND, Director, Department of Business Regulation, Division of Securities, Department of Business Regulation, John O. Pastore Complex, 1511 Pontiac Avenue, Building 69-1, Cranston, Rhode Island 02910.

STATE OF SOUTH DAKOTA, Director of the Division of Securities, 445 East Capitol Avenue, Pierre, South Dakota 57501-2017.

The name and address of the Franchisor's agent authorized to receive service of process in the State of TEXAS is Gordon B. Logan, 110 Briarwood, Georgetown, TX 78628.

STATE OF VIRGINIA, Clerk, Virginia State Corporation Commission, 1300 E. Main Street, 1st Floor, Richmond, Virginia 23219.

STATE OF WASHINGTON, Director of Financial Institutions, Securities Division, P.O. Box 9033, Olympia, Washington 98507-9033.

STATE OF WISCONSIN, Administrator, Division of Securities, Franchise Administrator, 345 W. Washington Avenue, 4<sup>th</sup> Floor, P.O. Box 1768, Madison, Wisconsin 53701-1768.

If a state is not listed, Sport Clips, Inc. has not appointed an agent for service of process in that state in connection with the requirements of franchise laws.

**EXHIBIT B**

**LIST OF CURRENT  
SPORT CLIPS FRANCHISEES AND  
AREA DEVELOPERS**



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

<b>ALABAMA</b>				
1	AL101	John Weber*	225 Lakeshore Pkwy, D-20 Homewood, AL 35209	(205) 942-0290
2	AL102	John Weber*	1942-A Highway 31 South, Suite A Birmingham, AL 35244	(205) 982-2499
3	AL103	John Weber*	1616 Gadsten Highway, Suite 106 Birmingham, AL 35235	(205) 655-3220
4	AL104	John Weber*	1401 Doug Baker Blvd., Suite 108 Birmingham, AL 35242	(205) 408-8090
5	AL105	John Weber*	4421 Creekside Av., Suite 153 Hoover, AL 35244	(205) 733-1975
6	AL106	John Weber*	750 Colonial Promenade Pkwy., Ste. 4700 Alabaster, AL 35007	(205) 685-0070
7	AL107	John Weber*	3441 Lowery Parkway, Suite 123 Fultondale, AL 35068	(205) 841-0430
8	AL201	John Weber*	2518 Berryhill Rd. Montgomery, AL 36117	(334) 215-1355
9	AL301	John Weber*	740 Schillinger Rd South, Ste. B4 Mobile, AL 36695	(251) 639-3490
10	AL302	John Weber*	4419-C Rangeline Rd. Unit C Mobile, AL 36619	(251) 661-7920
11	AL303	John Weber*	86 Plantation Pointe Fairhope, AL 36532	(251) 929-0610
12	AL304	John Weber*	3725 Airport Blvd., Ste. 100 H Mobile, AL 36608	(251) 341-0390
13	AL305	John Weber*	10200 Eastern Shore Blvd, Suite 108 Spanish Fort, AL 36527	(251) 625-2921
14	AL306	John Weber*	7721 Airport Boulevard, Suite E140 Mobile, AL 36608	(251) 380-8977
15	AL307	John Weber*	1390 Tingle Circle West, Suite D-4 Mobile, AL 36606	(251) 298-5282
16	AL601	John Weber*	5031 Montgomery Hwy., Suite 2 Dothan, AL 36302	(334) 984-0244
17	AL108	Ed and Elizabeth Taliaferro	5519 Grove Blvd, Suite 133 Birmingham, AL 35244	(205) 444-3154
18	AL109	Robert and Jennifer Dillon	210 Oxford Exchange Blvd. Oxford, AL 36203	(256) 831-6444
19	AL110	Robert and Jennifer Dillon	330 East Meighan Blvd. Gadsden, AL 35903	(256) 459-5124
20	AL202	Houston & Gina Hopkins	2786 Legends Parkway Prattville, AL 36066	(334) 285-1969
21	AL330	Ed and Elizabeth Taliaferro	2115 Interstate Drive, Suite 3-C Opelika, AL 36801	(334) 203-1922
22	AL401	Houston & Gina Hopkins	1800 McFarland Blvd East, Ste. 602 Tuscaloosa, AL 35404	(205) 345-8887
23	AL402	Houston & Gina Hopkins	1105 Southview Lane, Suite 101 Tuscaloosa, AL 35405	(205) 331-4642
24	AL501	Scott Harbour & Larry Strong	6275 University Drive, Suite 21 Huntsville, AL 35806	(256) 270-7022

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

25	AL502	Scott Harbour & Larry Strong	4800 Whitesburg Drive, Suite 17 Huntsville, AL 35802	(256) 517-8952
26	AL503	Scott Harbour & Larry Strong	5510 Promenade Point Pkwy NW, Ste 130 Madison, AL 35757	(256) 325-2121

**ALASKA**

1	AK101	Joey Eski	8920 Old Seward Highway Anchorage, AK 99515	(907) 349-2550
2	AK102	Joey Eski	1771 E Parks Highway Wasilla, AK 99654	(907) 373-2555

**ARIZONA**

1	AZ101	Jared Lee & Val Hill	1084 S. Gilbert Rd, Suite 102 Gilbert, AZ 85296	(480) 558-0809
2	AZ102	Jared Lee & Val Hill	6606 E. McKellips, Suite 103 Mesa, AZ 85215	(480) 830-5818
3	AZ103	Jared Lee & Val Hill	1940 S. Val Vista Dr., Suite 103 Mesa, AZ 85204	(480) 892-5811
4	AZ104	Chuck Matheny	1927 N. Gilbert Road Mesa, AZ 85203	(480) 833-6151
5	AZ105	Brian & Veronica Talburt	800 N. 54th St., Suite L-2 Chandler, AZ 85226	(480) 785-9301
6	AZ106	Brian & Veronica Talburt	4645 E. Chandler Blvd., Suite 12 Phoenix, AZ 85048	(480) 961-2131
7	AZ107	Stephen Plunkett & Nancy Heffron	10893 N. Scottsdale Rd., Suite 117 Scottsdale, AZ 85254	(480) 420-3444
8	AZ111	Jared Lee & Val Hill	8251 W. Union Hills, Ste. 110 Glendale, AZ 85308	(623) 537-3360
9	AZ112	Jared Lee & Val Hill	13755 N. Litchfield Road, Suite 107 Surprise, AZ 85379	(623) 975-4633
10	AZ114	Jared Lee & Val Hill	4245 S. Arizona Ave., Ste. 2 Chandler, AZ 85248	(480) 895-8494
11	AZ115	Kevan & Amy Boyce	2875 W. Ray Rd., Suite 17 Chandler, AZ 85224	(480) 857-1272
12	AZ116	Jared Lee & Val Hill	1809 N. Dysart Rd., C-103 Avondale, AZ 85323	(623) 547-3029
13	AZ117	Jared Lee & Val Hill	1917 S. Signal Butte Rd., Suite 108 Mesa, AZ 85209	(480) 380-2293
14	AZ118	Jamal Yousuf	610 East Bell Rd., Suite A-104 Phoenix, AZ 85022	(602) 361-2940
15	AZ119	Adam Becker & John Vogel	34640 N. North Valley Parkway, Ste 110 Phoenix, AZ 85086	(623) 879-1098
16	AZ120	Jared Lee & Val Hill	1745 West Hunt Highway, Suite E106 Queen Creek, AZ 85243	(480) 655-5600
17	AZ121	Eric & Kristin Ainley	815 East Baseline Road, Suite B107 Tempe, AZ 85283	(480) 456-3086

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

18	AZ122	Jared Lee & Val Hill	2990 E. Germann Road, Suite D-102 Chandler, AZ 85296	(480) 917-2899
19	AZ123	Jared Lee & Val Hill	4622 South Higley Road, Suite 102 Gilbert, AZ 85297	(480) 840-6880
20	AZ125	Stephen Plunkett & Nancy Heffron	6501 East Greenway Pkwy, Suite 5 Scottsdale, AZ 85254	(480) 607-2700
21	AZ126	Adam Becker & John Vogel	15560 N. Frank Lloyd Wright Blvd, Ste B9 Scottsdale, AZ 85260	(480) 451-1569
22	AZ127	Jared Lee & Val Hill	25101 N. Lake Pleasant Pkwy, Ste 1355 Peoria, AZ 85383	(623) 566-4777
23	AZ128	Eric & Kristin Ainley	1960 W. Baseline Road, Suite 102 Mesa, AZ 85202	(480) 839-1529
24	AZ129	Jared Lee & Val Hill	6736 E. Baseline Rd, #106 Mesa, AZ 85206	(480) 985-4141
25	AZ130	Tim & Eileen Dunn	944 S. Watson Road, Suite 104 Buckeye, AZ 85326	(623) 327-0500
26	AZ131	Eric & Kristin Ainley	3045 W. Aqua Fria Freeway, Suite 103 Phoenix, AZ 85027	(623) 780-5730
27	AZ132	Maggie & Anthony Valentini	937 North Dobson Road, Suite 103 Mesa, AZ 85201	(480) 668-4247
28	AZ133	Joe & Michele Peacock Jared Lee & Val Hill	7730 E McDowell Road, Suite 106 Scottsdale, AZ 85257	(480) 990-1778
29	AZ134	Jared Lee & Val Hill	4655 E Cactus Road, Suite 3A06 Phoenix, AZ 85032	(480) 275-8894
30	AZ135	Joe & Michele Peacock Jared Lee & Val Hill	5830 W Thunderbird Road, Suite B-7 Glendale, AZ 85306	(602) 938-4335
31	AZ136	Jared Lee & Val Hill	16581 W Bell Road, Suite 102 Surprise, AZ 85374	(623) 584-7894
32	AZ137	Jared Lee & Val Hill	21423 N. John Wayne Pkwy, Suite 103 Maricopa, AZ 85138	(520) 374-6040
33	AZ138	Kevan & Amy Boyce	5351 S Power Road, Suite C Mesa, AZ 85212	(480) 638-9181
34	AZ139	Adam Becker & John Vogel	29605 N. Cave Creek Road, Suite 107 Cave Creek, AZ 85331	(480) 502-6867
35	AZ140	Tim & Eileen Dunn	960 S Sarival Ave Goodyear, AZ 85338	(623) 925-2003
36	AZ201	Shahin & Larry Urias	7625 N. Oracle Rd, Ste. 115 Tucson, AZ 85704	(520) 229-2102
37	AZ202	Shahin & Larry Urias	1880 E. Tangerine Rd #180 Oro Valley, AZ 85755	(520) 219-8201
38	AZ203	James Anderson & Jacqueline Jones	4230 N. Oracle Rd, Suite 120 Tucson, AZ 85705	(520) 407-1000
39	AZ204	Shahin & Larry Urias	5920 W Arizona Pavilion's Dr., Suite 105 Marana, AZ 85743	(520) 284-2427
40	AZ205	James Anderson & Jacqueline Jones	1065 E Tucson Marketplace Blvd, Ste 202 Tucson, AZ 85713	(520) 903-1111
41	AZ206	James Anderson & Jacqueline Jones	5608 East Broadway Blvd. Tucson, AZ 85711	(520) 519-1000

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

42	AZ207	Shahin & Larry Urias	6501 East Grant Rd., Suite 131 Tucson, AZ 85712	(520) 221-2006
43	AZ301	Tim & Eileen Dunn	1630 S Pacific Ave, Suite 103 Yuma, AZ 85365	(928) 373-0500
44	AZ302	Tim & Eileen Dunn	11231 E Commercial Centre Loop Yuma, AZ 85367	(928) 342-1213
45	AZ401	Jim Dahl & Frank Moore	3880 Stockton Hill Rd, Ste 105 Kingman, AZ 86409	(928) 692-7970
46	AZ402	Jim Dahl & Frank Moore	91 London Bridge Road, Suite 106 Lake Havasu City, AZ 86403	(928) 453-7712
47	AZ403	Jim Dahl & Frank Moore	319 W Regent St, Suite 211 Flagstaff, AZ 86001	(928) 774-9109
48	AZ404	Jim Dahl & Frank Moore	5621 State Rt. 69, Suite 200 Prescott Valley, AZ 86303	(928) 778-2085

**ARKANSAS**

1	AR101	Scott Richburg	12800 Chenal Parkway, Suite 5 Little Rock, AR 72211	(501) 225-2220
2	AR102	Scott Richburg	563 Ellisinger Blvd. Conway, AR 72032	(501) 764-4247
3	AR103	Scott Richburg	3213 Main Street, Suite 3 Bryant, AR 72202	(501) 847-7678
4	AR104	Scott Richburg	4619 East McCain, Ste D North Little Rock, AR 72117	(501) 945-4247
5	AR105	Scott Richburg	12911 Cantrell Road, Ste. 15 Little Rock, AR 72223	(501) 225-7678
6	AR106	Scott Richburg	3514 E. Race Street Searcy, AR 72143	(501) 278-5033
7	AR107	Scott Richburg	1412 Higdon Ferry Road Hot Springs, AR 71913	(501) 623-4247
8	AR108	Scott Richburg	410 S. University, Suite 120 Little Rock, AR 72205	(501) 664-4247
9	AR109	Scott Richburg	3900 Dave Ward Drive, #2200 Conway, AR 72034	(501) 327-0011
10	AR110	Scott Richburg	1850 W. Main Street, Suite C Cabot, AR 72023	(501) 286-6333
11	AR111	Scott Richburg	2601 E. Parkway Dr., Suite C Russellville, AR 72802	(479) 498-4247
12	AR201	Scott Richburg & Jay Chamberlain	745 East Joyce Boulevard, Suite 105 Fayetteville, AR 72703	(479) 251-7855
13	AR202	Scott Richburg & Jay Chamberlain	2212 W. Walnut, Suite A Rogers, AR 72756	(479) 636-4100
14	AR203	Scott Richburg & Jay Chamberlain	1702-2 S. Walton Blvd Bentonville, AR 72712	(479) 273-2275
15	AR204	Scott Richburg & Jay Chamberlain	7058 W. Sunset, Ste. 7 Springdale, AR 72762	(479) 361-9908
16	AR205	Scott Richburg & Jay Chamberlain	2011 Promenade Blvd., Suite 100 Rogers, AR 72758	(479) 621-6500

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

17	AR301	Scott Richburg & Jay Chamberlain	7805-B Rogers Ave. Fort Smith, AR 72903	(479) 478-8855
18	AR302	Scott Richburg & Jay Chamberlain	4115 Phoenix Ave., Sute 4115 Fort Smith, AR 72903	(479) 646-2031
19	AR401	Bryan & Mikki Lutz	3009 East Highland Drive Jonesboro, AR 72401	(870) 932-1833

<b>CALIFORNIA</b>				
1	CA117	Ron & Robin Chamberlain*	2021 Bronze Star Drive, Suite 500 Woodland, CA 95776	(530) 406-8646
2	CA401	Ron & Robin Chamberlain*	2708 Loker Ave. W. Ste. 106 Carlsbad, CA 92010	(760) 931-1330
3	CA402	Ron & Robin Chamberlain*	4941 Clairemont Drive, Suite E San Diego, CA 92117	(858) 273-9993
4	CA405	Ron & Robin Chamberlain*	2632 Del Mar Heights Del Mar, CA 92014	(858) 523-0057
5	CA408	Ron & Robin Chamberlain*	1036 West Valley Parkway, Ste 114 Escondido, CA 92025	(760) 735-3322
6	CA409	Ron & Robin Chamberlain*	2169 Fenton Parkway, Ste. A-107 San Diego, CA 92108	(619) 281-5566
7	CA412	Ron & Robin Chamberlain*	10549 Scripps Poway Pkwy, Suite C San Diego, CA 92131	(858) 689-9189
8	CA501	Ron & Robin Chamberlain*	6274 Irvine Boulevard Irvine, CA 92620	(949) 748-8228
9	CA510	Ron & Robin Chamberlain*	23647 El Toro Road, Suite C Lake Forest, CA 92630	(949) 770-2243
10	CA522	Ron & Robin Chamberlain*	6779 Quail Hill Parkway Irvine, CA 92603	(949) 748-6775
11	CA755	Ron & Robin Chamberlain*	2072 E. Ave de Los Arboles, Unit A-2 Thousand Oaks, CA 91362	(805) 493-2400
12	CA756	Ron & Robin Chamberlain*	30734 Russell Ranch Road, Suite C Westlake Village, CA 91362	(818) 483-4484
13	CA101	Jeff Simms	2030 Douglas Blvd Ste 44 Roseville, CA 95661	(916) 780-1111
14	CA102	Kevin Henkel	4005 Manzanita Ave, #58 Carmichael, CA 95608	(916) 489-1886
15	CA103	Kevin Henkel	5351 Sunrise Blvd. Fair Oaks, CA 95628	(916) 967-2547
16	CA104	Gene & Jennifer Moorehouse	2577 Fair Oaks Blvd., Ste. B Sacramento, CA 95825	(916) 482-4247
17	CA105	Kevin Henkel	3610 North Freeway Blvd., Ste. 130 Sacramento, CA 95834	(916) 928-0846
18	CA106	Kim Tworek	25075 Blue Ravine Rd., Ste. 140 Folsom, CA 95630	(916) 817-2555
19	CA107	Steve Fryslie	6620 Lone Tree Blvd., Ste. 300 Rocklin, CA 95765	(916) 787-4247
20	CA108	Jeff Simms	3490 Palmer Dr., Ste. 3H Cameron Park, CA 95682	(530) 677-2547

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

21	CA109	Jeff Simms	8259 Laguna Blvd., Suite 140 Elk Grove, CA 95758	(916) 691-4247
22	CA111	Joe Ardave	1141 West Covell Blvd, Suite 106 Davis, CA 95616	(530) 753-6000
23	CA112	Kim Tworek	9475 Madison Ave., Suite 130 Folsom, CA 95630	(916) 987-9090
24	CA114	Kevin Henkel	4021 Woodcreek Oaks Blvd., Suite 156 Roseville, CA 95747	(916) 772-0808
25	CA115	Gene & Jennifer Moorehouse	1809 S Street, Suite 98 Sacramento, CA 95811	(916) 552-2887
26	CA116	Kim Tworek	4420 Town Center Blvd, Suite 120 El Dorado Hills, CA 95762	(916) 933-9090
27	CA118	Kevin Henkel	2779 East Bidwell Street, Suite 200 Folsom, CA 95630	(916) 214-0427
28	CA150	Joe Ardave	1054 Harter Road, #2 Yuba City, CA 95993	(530) 751-1175
29	CA201	Matt & Dawn Kneeland	9433 N Fort Washington, Ste 105-106 Fresno, CA 93720	(559) 434-5476
30	CA202	Tony & Jennifer Arruda	1215 N. Willow, Ste. 170 Clovis, CA 93619	(559) 323-1252
31	CA203	Matt & Dawn Kneeland	782 W. Palmdon Ave., Ste. 782 Fresno, CA 93704	(559) 438-1909
32	CA204	Alan Sokolow & Robin Barnum-Sokolow	3735 S. Mooney Blvd. Visalia, CA 93277	(559) 635-2222
33	CA250	Memri Johnson	10318 Trinity Parkway Ste C Stockton, CA 95219	(209) 956-1717
34	CA251	Mark & Barbara Hornstra	2451 Naglee Road, Suite 102 Tracy, CA 95304	(209) 832-2887
35	CA252	Matt & Dawn Kneeland	2745 Country Side Drive Turlock, CA 95382	(209) 250-2627
36	CA270	Nan & Andy Banton	1574 N. Main Street Salinas, CA 93906	(831) 444-0661
37	CA301	Bill Sanders	1750 Churn Creek Road Redding, CA 96002	(530) 223-3516
38	CA404	Jan & Dean Stark	884 Eastlake Parkway, Ste. 1627 Chula Vista, CA 91914	(619) 656-8231
39	CA406	Terry & Susan Klinker	8855 Villa La Jolla Drive, Ste. 401 La Jolla, CA 92037	(858) 657-0255
40	CA407	Chris & Catherine Formo	13541 Bernardo Heights Plz, Suite 509 Poway, CA 92064	(858) 592-4104
41	CA410	Terry & Susan Klinker	9349 Mission Gorge Road, Ste. 115 Santee, CA 92071	(619) 562-2719
42	CA411	Chris & Catherine Formo	4259 Oceanside Blvd., Suite 102 Oceanside, CA 92056	(760) 631-1100
43	CA414	Chris & Catherine Formo	276 N. El Camino Real, Suite D Encinitas, CA 92024	(760) 942-8100
44	CA415	Terry & Susan Klinker	16615-B Dove Canyon Rd., Suite 213 San Diego, CA 92127	(858) 675-1476

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

45	CA416	Chris & Catherine Formo	12098 Fury Lane #B1 El Cajon, CA 92019	(619) 567-3728
46	CA417	Ron & Becky Hubbard	4007 West Point Loma Blvd. San Diego, CA 92110	(619) 226-4007
47	CA418	Marek & Kristine Tlalka	300 S. Twin Oaks Valley Rd, Suite 103 San Marcos, CA 92078	(760) 591-3500
48	CA419	Chris & Catherine Formo	8034 La Mesa Boulevard La Mesa, CA 91942	(619) 567-2140
49	CA420	Marek & Kristine Tlalka	2267 El Camino Real, Suite B Oceanside, CA 92054	(442) 888-6465
50	CA421	Chris & Catherine Formo	7180 Avenida Encinas, Suite 102 Carlsbad, CA 92011	(760) 585-4975
51	CA422	Ron & Becky Hubbard	7051 Clairemont Mesa Blvd, Suite 302 San Diego, CA 92111	(858) 223-1213
52	CA423	Marek & Kristine Tlalka	7720 Rancho Santa Fe Rd, Suite #120 Carlsbad, CA 92009	(760) 230-4802
53	CA424	Joel & Stepheni Fragale	6755 Mira Mesa Blvd, Suite 122 San Diego, CA 92121	(858) 768-0555
54	CA502	Matt Brown	5524 Ryan Avenue Lakewood, CA 90712	(562) 230-9610
55	CA504	Karla & Vincent Chung	2318 Park Ave. Tustin, CA 92782	(714) 259-0622
56	CA505	Matt Brown	10071 Valley View Street, Suite D-1 Cypress, CA 92130	(562) 230-9610
57	CA506	Chris & Catherine Formo	27412 Antonio Pkwy, Suite R3 Ladera Ranch, CA 92694	(949) 364-7900
58	CA508	Arif & Susan Taj	2855 Foothill Boulevard, Suite A-4 Le Verne, CA 91750	(909) 947-8170
59	CA509	Tom & Jadine Yamashita	6445 Pat's Ranch Rd., Ste. C Mira Loma, CA 91752	(951) 739-7664
60	CA512	Marco Gonzalez	24223 Crenshaw Blvd., Suite F Torrance, CA 90505	(310) 257-8387
61	CA514	Tom & Jadine Yamashita	21480 Yorba Linda Blvd, Suite C1 Yorba Linda, CA 92887	(714) 701-0104
62	CA515	Paul & Linda Bibeau	17476 Yorba Linda Boulevard Yorba Linda, CA 92886	(714) 572-1941
63	CA516	Andy Ratiu	27311 La Paz Road, Suite F Laguna Niguel, CA 92677	(949) 916-9825
64	CA517	Adam Zagorski	638 Camino De Los Mares, Suite 100 San Clemente, CA 92673	(949) 276-8200
65	CA518	Adam Zagorski	185 E. 17th Street Costa Mesa, CA 92627	(949) 650-4820
66	CA519	Paul & Linda Bibeau	1060 E. Bastanchury Rd Fullerton, CA 92835	(714) 257-9820
67	CA520	Paul & Linda Bibeau	1549 E. Katella Ave., Suite B Orange, CA 92867	(714) 744-4210
68	CA521	Terry & Engy Cox	26761 Portola Pkwy, Suite 2C Foothill Ranch, CA 92610	(949) 354-5617

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

69	CA523	Joseph Kristofl	1078 Irvine Blvd. Tustin, CA 92780	(714) 368-3470
70	CA524	Jim, David & Brian Corey	6834 Edinger Avenue Huntington Beach, CA 92647	(714) 842-1725
71	CA525	Arash Hedayat	26012 Marguerite Parkway, Suite K Mission Viejo, CA 92692	(949) 900-6092
72	CA526	Paul & Linda Bibeau	1202 S. Idaho St., Suite G La Habra, CA 90631	(714) 773-1178
73	CA527	Terry & Engy Cox	22312 El Paseo, Suite B1 Rancho Santa Margarita, CA 92688	(949) 709-8326
74	CA528	Paul & Linda Bibeau	5569 E. Santa Ana Canyon Rd Anaheim Hills, CA 92807	(714) 282-1214
75	CA601	Harry Gock	74998 Country Club Dr., Suite 240 Palm Desert, CA 92260	(760) 851-0406
76	CA602	Harry Gock	5001-1 E. Ramon Rd, Suite 102 Palm Springs, CA 92264	(760) 625-0811
77	CA603	Jim Corey	79024 Hwy. 111 La Quinta, CA 92253	(760) 564-6100
78	CA630	Arif & Susan Taj	1385 E. Gladstone St., Suite 100 Glendora, CA 91740	(909) 305-2547
79	CA632	Arif & Susan Taj	1943 North Campus Ave., Suite B Upland, CA 91784	(909) 922-6025
80	CA633	Chris & Catherine Formo	40335 Winchester Rd., Ste. A Temecula, CA 92591	(951) 225-4142
81	CA634	Chris & Catherine Formo	32068 Temecula Parkway, #400 Temecula, CA 92592	(951) 303-9547
82	CA635	Tom & Jadine Yamashita	14230 Chino Hills Pkwy, Suite D Chino Hills, CA 91709	(909) 548-4500
83	CA636	Jon & Patricia Reyes	2335 E Colorado Blvd, Suite 120 Pasadena, CA 91107	(626) 689-7948
84	CA637	Jon & Patricia Reyes	1124 Fair Oaks Avenue South Pasadena, CA 91030	(626) 800-1417
85	CA638	Jon & Patricia Reyes	1189 A Huntington Drive Duarte, CA 91010	(626) 689-7709
86	CA639	Eric & Patricia Sugden	630 N. Sepulveda Blvd, Suite 6A El Segundo, CA 90245	(310) 414-9160
87	CA640	Adam & Stacey Ralphs	890 Town Center Drive, Unit A La Canada, CA 91011	(818) 952-2356
88	CA641	Adam & Stacey Ralphs	2180 Westwood Blvd, Suite 2P Los Angeles, CA 90025	(310) 889-0707
89	CA642	Eric & Patricia Sugden	1221 Artesia Blvd, Suite 102 Manhattan Beach, CA 90266	(310) 379-8371
90	CA643	Marcos Frommer	5943 E Spring Street Long Beach, CA 90808	(562) 275-8360
91	CA644	Arif & Susan Taj	11460 Kenyon Way, Suite 106 Rancho Cucamonga, CA 91701	(909) 532-8078
92	CA645	Adam & Stacey Ralphs	4290 Lincoln Blvd Marina Del Rey, CA 90292	(310) 574-2672



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

93	CA646	Ken & Amanda Bowers	31800 Grape Street, Unit B2 Lake Elsinore, CA 92532	(951) 579-4550
94	CA647	Zaven Paronian & Aram & Lilit Sirounian	4821 Lankershim Blvd, Suite D North Hollywood, CA 91601	(818) 287-0855
95	CA648	Oscar & Fabiola Navarro	28901 S. Western Ave, #227 Rancho Palos Verdes, CA 90275	(424) 772-6440
96	CA649	Arif & Susan Taj	30155 Haun Rd Menifee, CA 92584	(951) 566-4768
97	CA701	Mark Miller	26562 Bouquet Canyon Road Santa Clarita, CA 91350	(661) 263-1897
98	CA702	Mark Miller	26485 Golden Valley Rd., Suite B-3 Santa Clarita, CA 91350	(661) 255-8635
99	CA703	Carl Pellegrino	26818 The Old Road, Suite B Valencia, CA 91355	(661) 260-3632
100	CA704	Roman & Marina Waisberg	19500 Plummer Street Unit D5 Northridge, CA 91324	(818) 772-4346
101	CA705	Roman & Marina Waisberg	17200 Ventura Blvd. Encino, CA 91316	(818) 990-6788
102	CA706	Stephan Khukoyan	2452 W Victory Blvd Burbank, CA 91506	(818) 557-1344
103	CA707	Walid & Faten Haddad	44506 Valley Central Way, 103 Lancaster, CA 93536	(661) 951-8200
104	CA750	Jim Corey	367 W. Esplanade Dr. Oxnard, CA 93036	(805) 988-4847
105	CA751	Staci Feinberg	715 Wendy Drive Newbury Park, CA 91320	(805) 499-5544
106	CA752	Staci Feinberg	391 Carmen Drive Camarillo, CA 93010	(805) 484-3720
107	CA753	Staci Feinberg	2975 Cochran St., Suite C Simi Valley, CA 93065	(805) 520-6405
108	CA754	Jim, David & Brian Corey	4020 East Main Street, B-6-2 Ventura, CA 93001	(805) 644-4000
109	CA757	Mike Conlon	888 New Los Angeles Ave., Suite I Moorpark, CA 93021	(805) 532-9923
110	CA770	Alan Sokolow	2681 Calloway Drive, Suite 310 Bakersfield, CA 93312	(661) 587-2547
111	CA771	Alan Sokolow	11320 Ming Avenue, Suite 320 Bakersfield, CA 93311	(661) 663-0727
112	CA780	Jana Takaoka & Karen Hosch	540 East Betteravia Road, Ste. F Santa Maria, CA 93454	(805) 346-2434
113	CA781	Jana Takaoka & Karen Hosch	481 Madonna Road, Suite C San Luis Obispo, CA 93405	(805) 544-2264
114	CA782	Jana Takaoka & Karen Hosch	511 Five Cities Drive, Suite E5 Pismo Beach, CA 93449	(805) 295-6405
115	CA801	Robyn & Steven Barraza	7012 Amador Plaza Rd. Dublin, CA 94568	(925) 828-2020
116	CA802	Ben & Lisa Mangels	2360 Monument Blvd., Ste. B Pleasant Hill, CA 94523	(925) 288-1701

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

117	CA803	Gary & Robyn Myers	1053 Cochrane Rd., Suite 140 Morgan Hill, CA 95037	(408) 782-7456
118	CA805	Ben & Lisa Mangels	5434 Ygnacio Valley Rd, Ste. 50 Concord, CA 94521	(925) 673-5686
119	CA806	Don Berger	9500 Crow Canyon Road, Suite B Danville, CA 94506	(925) 648-2887
120	CA807	Nadeem & Naushaba Rahman	43321 Christy St Fremont, CA 94538	(510) 623-1015
121	CA808	Atif & Natasha Kazmi	874-D Blossom Hill Road San Jose, CA 95123	(408) 227-4897
122	CA809	Mark & Barbara Hornstra	4338 Las Positas Rd., Suite 4338 Livermore, CA 94550	(925) 371-2887
123	CA810	Juan & Renee Gala	2017 Chess Drive San Mateo, CA 94404	(650) 212-1350
124	CA811	Don Berger	120 Market Place San Ramon, CA 94583	(925) 866-2887
125	CA814	Mark & Barbara Hornstra	5541 Lone Tree Way, Suite 120 Brentwood, CA 94513	(925) 513-2288
126	CA818	Barry Meinerth	302 W. El Camino Sunnyvale, CA 94087	(408) 685-2072
127	CA819	Jeff Sims	401 Kenilworth Drive, Suite 640 Petaluma, CA 94952	(707) 766-7100
128	CA820	Nan & Andy Banton	890 Renz Lane, Suite 101 Gilroy, CA 95020	(408) 846-0020
129	CA821	Ben & Lisa Mangels	2815 Ygnacio Valley Rd. Walnut Creek, CA 94598	(925) 274-1985
130	CA822	Peter & Josie Curtis	5255 Prospect Road San Jose, CA 95129	(408) 861-9440
131	CA823	Don Berger	2640 5th Street, Suite #C Alameda, CA 94501	(510) 521-2887
132	CA840	Joe Ardave	1631 E. Monte Vista Ave., Suite K101 Vacaville, CA 95688	(707) 447-4606
133	CA841	Joe Ardave	1570 Gateway Blvd, Suite B Fairfield, CA 94533	(707) 399-9181
134	CA842	Joe Ardave	808 Southampton Rd. Benicia, CA 94510	(707) 751-1775

**COLORADO**

1	CO103	David Weseman*	1153 Bergen Pkwy, Suite K Evergreen, CO 80439	(303) 679-3338
2	CO131	David Weseman*	535 West Boulder Rd, Suite 280 Lafayette, CO 80026	(303) 665-0487
3	CO303	David Weseman*	1550 Fall River Dr. #160 Loveland, CO 80538	(970) 663-9034
4	CO101	Jason Brandon & Steve Sarbaugh	9579 S. University Blvd., Suite 110 Highlands Ranch, CO 80126	(720) 348-1226
5	CO102	David & Beth Thomas	9940 N. Wadsworth Pkwy., Suite 300 Westminster, CO 80021	(303) 410-0987

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

6	CO105	Charlie Cho	9996 Commons St., Suite 320 Lone Tree, CO 80124	(720) 895-0432
7	CO106	Ted & Tina McMurdo	316 Allen Street Castle Rock, CO 80108	(303) 663-2445
8	CO107	David & Beth Thomas	3975 E. 120th Avenue Thornton, CO 80241	(303) 450-0361
9	CO108	Tommy & Aimee Skul	9956 W. Remington #A-11 Littleton, CO 80128	(303) 973-9902
10	CO110	Ted & Tina McMurdo	5582 S. Parker Rd. Aurora, CO 80015	(303) 617-8004
11	CO111	Bob & Lina O'Day	133 McCaslin Blvd., Suite F Louisville, CO 80027	(303) 665-7200
12	CO112	Ted & Tina McMurdo	6140 South Gun Club Rd. #K-5 Aurora, CO 80016	(303) 680-4100
13	CO114	Bob & Lina O'Day	11225 Decatur St. #700 Westminster, CO 80234	(303) 404-3886
14	CO115	Charlie Cho	18366 Lincoln Ave., Ste 105 Parker, CO 80134	(720) 851-5439
15	CO117	Tommy & Aimee Skul	2589 S. Lewis Way, Unit 6C Lakewood, CO 80227	(303) 986-2134
16	CO118	Charlie Cho	3571 Tower Rd Aurora, CO 80013	(303) 371-1946
17	CO119	Tommy & Aimee Skul	8426 W. Bowles Ave. Ste. C Littleton, CO 80123	(303) 972-5860
18	CO120	Charlie Cho	6300 E. Hampden Ave. Suite B Denver, CO 80222	(303) 753-4025
19	CO121	Tommy & Aimee Skul	3700 Quebec Street, Suite 101 Denver, CO 80207	(303) 399-8200
20	CO122	Charlie Cho	1100 Sgt Jon Stiles Dr, Suite 103 Highlands Ranch, CO 80129	(303) 471-5700
21	CO123	Ted & Tina McMurdo	1000 S. Colorado Glendale, CO 80246	(303) 691-3700
22	CO124	Bob & Lina O'Day	14409C West Colfax Ave. Lakewood, CO 80401	(303) 216-1177
23	CO125	Charlie Cho	10551 E. Garden Dr., Suite 102 Aurora, CO 80015	(303) 745-4742
24	CO126	Tommy & Aimee Skul	191 W. Mineral Ave., Suite 150A Littleton, CO 80120	(303) 795-3000
25	CO127	Ted & Tina McMurdo	2905 Pearl St. Boulder, CO 80301	(303) 440-3738
26	CO128	Brian Boberick	9645 Washington Street, #150 Thornton, CO 80229	(303) 920-5069
27	CO129	Bob & Lina O'Day	375 Union Blvd, Suite 120 Lakewood, CO 80228	(303) 989-1830
28	CO130	Brad Anderson	210 Ken Pratt Blvd, Suite 250 Longmont, CO 80501	(303) 651-0171
29	CO132	Bob & Lina O'Day	15175 E 104th Ave Commerce City, CO 80022	(303) 227-7660

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

30	CO133	Emily & Christopher Inman	15400 W. 64th Street Arvada, CO 80007	(303) 420-0696
31	CO134	Kurk & Denise Erickson	6120 Firestone Blvd, Suite #402 Firestone, CO 80520	(303) 660-1236
32	CO135	Charlie Cho	12947 S Parker Road, Unit #4 Parker, CO 80134	(720) 778-1135
33	CO136	Ted & Tina McMurdo	25531 Smoky Hill Rd., Suite 2 Aurora, CO 80016	(303) 680-7318
34	CO137	Tommy & Aimee Skul	7953 Wadsworth Blvd, Suite 14 Arvada, CO 80003	(720) 633-6632
35	CO138	Brian Boberick	8575 E Arapahoe Road, Suite B Greenwood Village, CO 80112	(303) 309-0143
36	CO139	Bob & Lina O'Day	2610 West Belleview Avenue, Suite 500 Littleton, CO 80123	(303) 795-3252
37	CO140	Ted & Heather Tseng	14315 Orchard Parkway, Suite 300 Westminster, CO 80023	(303) 451-2323
38	CO201	Paul & Beverly Schlichter	3560 E. Woodmen Rd. Colorado Springs, CO 80918	(719) 264-8444
39	CO202	Paul & Beverly Schlichter	3736 Bloomington St. Colorado Springs, CO 80922	(719) 591-4889
40	CO203	Ted & Tina McMurdo	16064 Jackson Creek Pkwy, Suite 140 Monument, CO 80132	(719) 488-3595
41	CO204	Sally and Tim Mueller	3825 Mesa Ridge Parkway, Suite 130 Fountain, CO 80817	(719) 382-3542
42	CO205	Ted & Tina McMurdo	7685 Mclaughlin Rd. Falcon, CO 80831	(719) 494-8340
43	CO207	Jay Gallagher	1722 E Woodmen Road, Suite 1722 Colorado Springs, CO 80920	(719) 593-2064
44	CO208	Sally and Tim Mueller	13415 Voyager Parkway Colorado Springs, CO 80921	(719) 488-4222
45	CO209	Kevin & Ashley Demsky	4108 Austin Bluffs Parkway Colorado Springs, CO 80918	(719) 593-1340
46	CO210	Jay Gallagher	9673 Prominent Point, Suite 120 Colorado Springs, CO 80924	(719) 282-8382
47	CO301	Jason Brandon & Steve Sarbaugh	2519 S. Shields St., Ste. 1N Fort Collins, CO 80526	(970) 484-3904
48	CO302	Brad Anderson	4711 W. 29th St., Suite B Greeley, CO 80634	(970) 330-3595
49	CO304	Brad Anderson	2733 Council Tree Avenue, Suite 137 Fort Collins, CO 80525	(970) 286-2376
50	CO401	Ron & Cheryl Morse	1541 Oxbow Drive, Suite 1475 Montrose, CO 81403	(970) 252-1155
51	CO402	Ron & Cheryl Morse	2430 Patterson Road, Unit B Grand Junction, CO 81505	(970) 644-5577
52	CO501	Ron & Cheryl Morse	1125 S. Camino del Rio, Suite 350 Durango, CO 81303	(970) 259-6400

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

<b>CONNECTICUT</b>				
1	CT101	William & Amy da Silva	1678 Boston Post Rd Milford, CT 06460	(203) 283-7765
2	CT102	Aziz Ali & Matt Nickels	385 W Main St Avon, CT 06001	(860) 284-9808
3	CT103	Nico Santini	1196 Farmington Ave Bristol, CT 06010	(860) 506-4227
4	CT104	Nico Santini	2753 Main Street Glastonbury, CT 06033	(860) 633-1122
5	CT105	Aziz Ali & Matt Nickels	275 New Britain Avenue Plainville, CT 06062	(860) 793-0012
6	CT106	Aziz Ali & Matt Nickels	1442 Pleasant Valley Road, Suite B Manchester, CT 06042	(860) 644-2081
7	CT107	William & Amy da Silva	972 West Main Street Branford, CT 06405	(203) 208-1600
8	CT108	Nico Santini	10 Hazard Ave, Suite 2A Enfield, CT 06082	(860) 741-0457
9	CT201	William & Amy da Silva	2395 Blackrock Turnpike Fairfield, CT 06825	(203) 212-3599
10	CT202	William & Amy da Silva	360 Connecticut Avenue Norwalk, CT 06854	(203) 957-8000

<b>DELAWARE</b>				
1	DE101	Steve & Suzanne Reid	450 People's Plaza Newark, DE 19702	(302) 836-9900
2	DE102	Bill Crockett	1255 Churchmans Road Newark, DE 19713	(302) 294-1774
3	DE103	Steve & Suzanne Reid	230 E. Main St., #111 Newark, DE 19711	(302) 456-9900
4	DE201	Kevin & Cathy McHugh	1211 N. Dupont Highway, Suite #C Dover, DE 19901	(302) 677-1622

<b>FLORIDA</b>				
1	FL480	John Weber* & Jeanine Devaney	3711 Gulf Breeze Parkway Gulf Breeze, FL 32563	(850) 932-4618
2	FL481	John Weber* & Jeanine Devaney	4816 US Hwy 90 Milton, FL 32571	(850) 994-6299
3	FL482	John Weber* & Jeanine Devaney	5147-B Bayou Blvd Pensacola, FL 32503	(850) 474-4700
4	FL701	John Weber*	426 W. 23rd Street Panama City, FL 32405	(850) 215-2533
5	FL101	Debra Sawyer	819 E. Bloomingdale Ave Brandon, FL 33511	(813) 571-0701
6	FL103	Debra Sawyer	1969 W. Lumsden Rd Brandon, FL 33511	(813) 684-1385
7	FL104	Tom & Evy Riedhammer	10469 Gibsonton Dr Ste. F Riverview, FL 33569	(813) 671-8775

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

8	FL105	Russell Blumenthal	27709 State Road 56, Ste. 104 Wesley Chapel, FL 33544	(813) 907-9404
9	FL106	Russell Blumenthal	2759 Gulf to Bay Blvd Ste 1920 Clearwater, FL 33759	(727) 796-0265
10	FL107	Michael Hailey	8433 Tuttle Sarasota, FL 34243	(941) 870-4470
11	FL108	Mark & Lisa Ethier	415 S. Dale Mabry, Suite G Tampa, FL 33609	(813) 304-2500
12	FL109	Russell Blumenthal	15724 N Dale Mabry Highway Tampa, FL 33618	(813) 600-5500
13	FL110	Russell Blumenthal	3942 Tyrone Blvd. N., Suite A1 St. Petersburg, FL 33709	(727) 565-0947
14	FL111	Mark & Lisa Ethier	3801 W. Gandy Blvd., Suite B Tampa, FL 33611	(813) 443-4561
15	FL112	Mark & Lisa Ethier	2518 SR 580, Suite B Clearwater, FL 33761	(727) 724-6555
16	FL114	Kurt Schwahn	3689 Tampa Road, Suite 304 Oldsmar, FL 34677	(813) 510-3969
17	FL115	Mark & Lisa Ethier	6917 Gunn Hwy., Suite B Tampa, FL 33625	(813) 336-4966
18	FL117	Mark & Lisa Ethier	5008 4th Street North St. Petersburg, FL 33701	(727) 914-7674
19	FL118	Mark & Lisa Ethier	13200 Seminole Blvd., Suite 203 Largo, FL 33778	(727) 330-7838
20	FL119	Nick Choat & Michelle Choat-Sellers	1606 Cortez Road W. Bradenton, FL 34207	(941) 751-7500
21	FL120	Russell Blumenthal	11421 N. Dale Mabry Highway Tampa, FL 33618	(813) 269-3200
22	FL121	Nick Choat & Michelle Choat-Sellers	8378 South Tamiami Trail Sarasota, FL 34238	(941) 702-5451
23	FL122	Michelle Rupiper	8265 Little Rd. New Port Richey, FL 34654	(727) 203-8000
24	FL123	Michael Hailey	3800 South Tamiami Trail, Suite 112 Sarasota, FL 34239	(941) 217-6039
25	FL205	Debra Sawyer	380 S. SR 434 #1001 Altamonte Springs, FL 32714	(407) 774-1020
26	FL206	Lisa Mills & Tami Johnson	5268 Red Bug Lake Rd. Winter Springs, FL 32708	(407) 695-0290
27	FL208	Troy & Kathryn Heron	6729 Colonnade Dr., Ste. 116 Viera, FL 32940	(321) 637-1553
28	FL209	Debra Sawyer	3317-104 Daniels Rd. Winter Garden, FL 34787	(407) 654-5220
29	FL210	Denise & Brad Turner	11475 University Blvd, Suite 3 Orlando, FL 32816	(407) 730-3444
30	FL211	Drew & Kelly Hopper Terry & Kay McDaniel	2602 SW 19th Avenue, Suite 202 Ocala, FL 34471	(352) 433-2366
31	FL212	Brian & Pam Register	1649 WP Ball Boulevard Sanford, FL 32771	(407) 878-0835

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

32	FL214	Brian & Pam Register	1820 Dunlawton Avenue, Suite 104 Port Orange, FL 32127	(386) 339-9774
33	FL215	Denise & Brad Turner	4255 West Lake Mary Blvd. Lake Mary, FL 32746	(407) 732-7705
34	FL216	Jason & Danielle Young	2107 East Semoran Blvd. Apopka, FL 32703	(407) 703-8538
35	FL217	Debra Sawyer	2501 South Hwy 27, Suite 102 Clermont, FL 34711	(325) 989-5949
36	FL301	Jack Merryman	18247 Pines Blvd., Space 2-C4B Pembroke Pines, FL 33029	(954) 499-5557
37	FL305	Frances Mulka	2001 N Federal Hwy, Space 115 Pompano Beach, FL 33062	(954) 783-2125
38	FL306	Sergio & Linda Paliska	3656 West Hillsboro Blvd. Deerfield Beach, FL 33442	(954) 571-7515
39	FL307	Mario & Ileana Barroso	2052 S. University Drive Davie, FL 33324	(954) 357-0121
40	FL308	Jeff Reimer & Dan Klemack	4450 North State Road 7, Suite 7 Coconut Creek, FL 33073	(954) 597-1800
41	FL309	Mark McAlpin	8943 W Atlantic Boulevard Coral Springs, FL 33071	(954) 755-7130
42	FL331	Greg & Gwen Jacobson	3910 Northlake Blvd Palm Beach Gardens, FL 33403	(561) 799-4969
43	FL333	Greg & Gwen Jacobsob	2517 NW Federal Hwy Jensen Beach, FL 34957	(772) 232-9828
44	FL334	Frances Mulka	625 NE Spanish River Blvd Ste 104 Boca Raton, FL 33431	(561) 368-4944
45	FL335	Sam & Jill Jolley	10200 West Forest Hill Blvd, Suite 160 Wellington, FL 33414	(561) 791-9177
46	FL336	Sergio & Linda Paliska	830 N Congress Ave, Suite 110 Boynton Beach, FL 33426	(561) 737-7811
47	FL337	Paul & Marilyn Sachse	11081 Southern Blvd., Ste. 130 Royal Palm Beach, FL 33411	(561) 333-0094
48	FL339	Jeff & Mark Soucek	1740 SW St Lucie Blvd. Port St Lucie, FL 34986	(772) 323-0709
49	FL340	Paul & Marilyn Sachse	6169 South Jog Road, Suite 2C Lake Worth, FL 33467	(561) 355-0570
50	FL341	Paul & Marilyn Sachse	6390 West Indiantown Rd., Suite 16A Jupiter, FL 33458	(561) 529-2566
51	FL342	Sam & Jill Jolley	1725 South Federal Hwy., Suite #A-4 Delray Beach, FL 33444	(561) 562-5058
52	FL371	Alex Howson & Mark Kalas	13711 S. Tamiami Trail #9 Fort Myers, FL 33912	(239) 437-8005
53	FL373	Ron Roy	2301 Del Prado Blvd #860 Cape Coral, FL 33990	(239) 242-6612
54	FL375	Ron Roy	8017 Plaza del Lago Dr., Ste. 115 Estero, FL 33928	(239) 949-8228
55	FL376	Ron Roy	9902 Gulf Coast Main St. D142 Ft. Myers, FL 33913	(239) 454-2547

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

56	FL377	Ron Roy	1410 Pine Ridge Rd., Ste. 2 Naples, FL 34109	(239) 262-2547
57	FL378	Alex Howson & Mark Kalas	2415 Tarpon Bay Blvd., Unit #6 Naples, FL 34119	(239) 566-8804
58	FL379	Alex Howson & Mark Kalas	13040 Livingston Rd., Bldg. 300, Unit 5 Naples, FL 34105	(239) 262-8841
59	FL380	Alex Howson & Mark Kalas	1830 North Pine Island Rd., Suite 170 Cape Coral, FL 33909	(239) 458-3400
60	FL403	Thomas & Karen Brubaker	13170 Atlantic Blvd Jacksonville, FL 32225	(904) 221-9090
61	FL407	Drew & Kelly Hopper Terry & Kay McDaniel	13760 Old St. Augustine Rd., Ste 113 Jacksonville, FL 32258	(904) 288-0711
62	FL409	Michael & Dawn Allocco	3267 Hodges Blvd., Suite #4 Jacksonville, FL 32224	(904) 223-3233
63	FL410	Drew & Kelly Hopper Terry & Kay McDaniel	11406 San Jose Blvd, Suite 5 Jacksonville, FL 32223	(904) 551-7497
64	FL411	Drew & Kelly Hopper Terry & Kay McDaniel	1810 Town Center Blvd., Suite 12 Fleming Island, FL 32003	(904) 518-3751
65	FL412	Drew & Kelly Hopper Terry & Kay McDaniel	661 Blanding Blvd., Suite 516 Orange Park, FL 32073	(904) 375-8614
66	FL483	Bear & Mitzi Henley	450 E. Racetrack Road NW, Suite E Fort Walton Beach, FL 32547	(850) 315-6871
67	FL484	Bear & Mitzi Henley	34904 Emerald Coast Pkwy, Suite 140 Destin, FL 32541	(850) 460-2847
68	FL502	Steven Risi	12305 SW 137th Avenue, Ste. 302 Kendall, FL 33186	(305) 278-1800
69	FL503	Hector Ramallo	10481 NW 41st Street Doral, FL 33178	(305) 470 9021
70	FL504	Steven Risi	13611 South Dixie Highway, Suite 108 Palmetto Bay, FL 33176	(305) 235-1801
71	FL601	Debra Sawyer	3615 South Florida Ave. Ste.1330 Lakeland, FL 33803	(863) 619-2800
72	FL602	Debra Sawyer	4151 US Hwy 98 North Lakeland, FL 33809	(863) 859-5900
73	FL801	Elizabeth & Brian Crawford	3495 Thomasville Rd., Ste. 4 Tallahassee, FL 32309	(850) 907-1376
74	FL802	Elizabeth & Brian Crawford	3122 Mahan Drive, Suite 702 Tallahassee, FL 32308	(850) 421-9001
75	FL901	Drew & Kelly Hopper Terry & Kay McDaniel	2231 NW 13th Street, Suite 20 Gainesville, FL 32605	(352) 727-7740
76	FL902	Drew & Kelly Hopper Terry & Kay McDaniel	2803 SW 42nd St Gainesville, FL 32608	(352) 797-6390

**GEORGIA**

1	GA109	Dennis French*	4880 Lower Roswell Rd Ste 490 Marietta, GA 30068	(770) 578-7955
2	GA102	Paul Rogers	1105 Woodstock Rd., Ste. 120 Roswell, GA 30075	(770) 640-5559



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

3	GA103	Paul Rogers	2090 Dunwoody Club Dr. #122 Atlanta, GA 30350	(770) 673-0240
4	GA104	Paul Rogers	5250 Windward Pkwy #119 Alpharetta, GA 30004	(770) 751-9665
5	GA105	John Weber*	1428 Towne Lake Pkwy #103 Woodstock, GA 30189	(770) 926-0987
6	GA107	John Weber*	6600 Sugarloaf Parkway Ste 500 Duluth, GA 30097	(770) 495-8640
7	GA108	John Weber*	5275 Peachtree Parkway #104 Norcross, GA 30092	(678) 291-0707
8	GA110	John Weber*	1140 Hwy 20/81 West McDonough, GA 30253	(770) 957-0245
9	GA111	John Weber*	4795 Jimmy Lee Smith Pkwy, Ste. 105 Hiram, GA 30141	(770) 943-5610
10	GA112	John Weber*	1699 Scenic Highway, Suite 101 Snellville, GA 30078	(770) 978-1005
11	GA114	Ed Smith	1574 Marketplace Blvd., Ste. 3 Cumming, GA 30041	(770) 205-9141
12	GA116	John Weber*	3345 N. Cobb Parkway, Suite 200 Acworth, GA 30101	(770) 966-7999
13	GA117	Ed Smith	3115 Peachtree Parkway, Suite 102 Suwanee, GA 30024	(770) 844-9933
14	GA118	John Weber*	4044 Atlanta Highway, Suite 800 Loganville, GA 30052	(770) 913-8176
15	GA119	John Weber*	335 Newnan Crossing Bypass, Suite C Newnan, GA 30265	(770) 502-0490
16	GA120	John Weber*	1810 Cumming Highway, Suite 710 Canton, GA 30114	(770) 720-1606
17	GA121	Paul Rogers	3154 Johnson Ferry Road, Suite 104 Marietta, GA 30062	(770) 998-6970
18	GA122	Robert Klaus	3410 Buford Drive, Suite G420 Buford, GA 30519	(770) 831-0101
19	GA123	Terry, Kay & Marcus McDaniel	1155 Mt. Vernon Highway, Suite 460 Atlanta, GA 30338	(770) 730-0555
20	GA124	Terry, Kay & Marcus McDaniel	2622 Holcomb Bridge Road, Suite 120 Alpharetta, GA 30022	(770) 643-1212
21	GA125	Paul Rogers	3655 Roswell Road NE, Suite 220 Atlanta, GA 30342	(404) 844-2547
22	GA126	John Weber*	890 C Dawsonville Highway Gainesville, GA 30504	(678) 267-3540
23	GA127	John Weber*	9775 Medlock Bridge Road, Suite E Johns Creek, GA 30097	(678) 584-2547
24	GA128	Robert & Claire Kennedy	6977 B Concourse Pkwy Douglasville, GA 30134	(678) 267-2700
25	GA129	Robert & Claire Kennedy	1715 Howell Mill Road NW, Suite 11 Atlanta, GA 30318	(404) 352-9816
26	GA130	Brian & Holly Burgess	143 Power Center Drive Dawsonville, GA 30534	(706) 265-4083

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

27	GA131	Robert Klaus	1791 Oconee Connector, #545 Athens, GA 30606	(706) 543-4242
28	GA133	Robert & Claire Kennedy	2727 Highway 54 West Peachtree City, GA 30269	(678) 545-2803
29	GA134	Todd & Kathy Neumann	2566 Briarcliff Rd. NE, Suite 110 Atlanta, GA 30329	(404) 458-3941
30	GA135	Brian & Holly Burgess	3600 Dallas Highway, Suite 270 Marietta, GA 30064	(770) 420-1983
31	GA136	Andy & Patricia Patterson	12186 Highway 92, Suite 103 Woodstock, GA 30188	(678) 445-5811
32	GA137	Paul Rogers	315 Riverside Parkway NE, Suite 120 Rome, GA 30161	(706) 232-7499
33	GA138	Shouvik & Babita Ganguly	4290 Bells Ferry Rd, Suite 152 Kennesaw, GA 30144	(770) 966-2842
34	GA139	Brett Gluck & Ginger Kirkland	10779 Alpharetta Highway, Suite 150 Roswell, GA 30076	(770) 557-0733
35	GA140	Terry, Kay & Marcus McDaniel	645 Dacula Rd, # 115 Dacula, GA 30019	(770) 674-5416
36	GA141	Terry, Kay & Marcus McDaniel	3429 Lawrenceville Suwanee Rd, Ste H Suwanee, GA 30024	(470) 589-1030
37	GA142	Todd & Kathy Neumann	1496 D Church St, Suite #D Decatur, GA 30030	(678) 705-7369
38	GA143	Shouvik & Babita Ganguly	2955 Cobb Parkway SE, Suite 850 Atlanta, GA 30339	(770) 953-8804
39	GA144	Robert Klaus	3465 Braselton Hwy, Suite 120 Dacula, GA 30019	(678) 804-9213
40	GA145	Terry, Kay & Marcus McDaniel	938 Duluth Highway, Suite C-2 Lawrenceville, GA 30043	(470) 282-1995
41	GA146	Bob & Julie Menhart	4305 State Bridge Road Alpharetta, GA 30022	(678) 587-5008
42	GA149	John Weber*	1985 Cobb Parkway, Suite 110 Kennesaw, GA 30152	(678) 803-9515
43	GA201	Bill & Mary Ann Voegtle	727 Glynn Isles Brunswick, GA 31525	(912) 265-3310
44	GA301	Shane Irvin	5413 Whittlesey Blvd, Suite B Columbus, GA 31909	(706) 320-2221
45	GA302	Shane Irvin	6516 Kitten Lake Dr., Suite 3 Midland, GA 31820	(706) 221-2233
46	GA401	Bill & Mary Ann Voegtle	7929 Abercorn Street Suite 400 Savannah, GA 31406	(912) 349-2802
47	GA402	Bill & Mary Ann Voegtle	50 Traders Way Pooler, GA 31322	(912) 330-8282
48	GA403	Bill & Mary Ann Voegtle	50 Berwick Blvd. Savannah, GA 31419	(912) 232-2197
49	GA404	Bill & Mary Ann Voegtle	410 South Columbia Ave., Suite EE Rincon, GA 31326	(706) 922-3002
50	GA501	Bill & Mary Ann Voegtle	4446 Washington Rd., Suite 5 Evans, GA 30809	(706) 922-3133

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

51	GA503	Bill & Mary Ann Voegtle	2805 Washington Road, Ste 401 Augusta, GA 30909	(706) 922-3009
52	GA504	Bill & Mary Ann Voegtle	315 South Belair Road, Suite C Martinez, GA 30907	(706) 922-3009
53	GA550	Paul Rogers	1323 West Walnut Avenue, Suite 4 Dalton, GA 30722	(706) 529-7443
54	GA601	Jarrold Durden	5932 Zebulon Road, Suite B Macon, GA 31210	(478) 254-8530
55	GA602	Jarrold Durden	2945 Watson Boulevard, #3 Warner Robins, GA 31093	(478) 333-3940
56	GA603	Jarrold Durden	1117 Highway 96, Suite 107 Kathleen, GA 31047	(478) 287-2190
57	GA604	Jarrold Durden	5005 Riverside Drive Macon, GA 31210	(478) -254-830
58	GA701	Bill & Mary Ann Voegtle	701 Piedmont Loop, Suite 400 Statesboro, GA 30458	(912) 764-3445
59	GA801	Bobby Yarbrough	1650 Baytree Road, Suite B Valdosta, GA 31602	(229) 259-0100
60	TN502	Paul Rogers	2640 Battlefield Parkway Ft. Oglethorpe, GA 30742	(706) 858-1414

***HAWAII***

1	HI101	Eddie Khan	94-050 Farrington Hwy, Unit B1-8 Waipahu, HI 96797	(808) 678-1919
2	HI102	Eddie Khan	95-221 Kipapa Drive, Suite C 11 Mililani, HI 96789	(808) 623-3500

***IDAHO***

1	ID101	Alyssa & Jason Bowman	3625 S Federal Way Boise, ID 83705	(208) 424-5125
2	ID102	Alyssa & Jason Bowman	3355 E. Fairview Ave., Unit 102 Meridian, ID 83642	(208) 893-5187
3	ID103	Alyssa & Jason Bowman	1468 S. Entertainment Way Boise, ID 83709	(208) 377-2547
4	ID104	Alyssa & Jason Bowman	16724 N. Marketplace Blvd. Nampa, ID 83687	(208) 467-4001
5	ID105	Alyssa & Jason Bowman	3116 E. State Street Eagle, ID 83616	(208) 939-3499
6	ID106	Alyssa & Jason Bowman	1749 West State Street Boise, ID 83702	(208) 345-1823
7	ID107	Alyssa & Jason Bowman	2308 12th Avenue Rd Nampa, ID 83686	(208) 466-9475
8	ID201	Larry Asay	756 E. 17th Street Idaho Falls, ID 83404	(208) 522-2212
9	ID202	Larry Asay	231 West Quinn Rd., Suite D Pocatello, ID 83202	(208) 233-4060

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

10	ID401	Scott & Diana Colgrove	93 West Prairie Hayden, ID 83835	(208) 762-6655
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**ILLINOIS**

1	IL107	John Kohler*	537 South Schmale Road Carol Stream, IL 60188	(630) 588-7002
2	IL156	John Kohler*	2117 W. Roosevelt Rd Wheaton, IL 60187	(630) 784-7115
3	IL101	Iqbal Anwar, Tashmin Lopa, Rahat Bari & Deepa Handu	9239 W. 159th St. Orland Hills, IL 60477	(708) 349-3600
4	IL102	Jeff & Jennifer Reimer	2474 Schaumburg Rd. Schaumburg, IL 60194	(847) 760-6142
5	IL103	Cary & Laura Kledzik	834 North Randall Road Batavia, IL 60510	(630) 879-8912
6	IL104	Cary & Laura Kledzik	434 South Randall Road Algonquin, IL 60102	(847) 854-3494
7	IL105	Mark Kalas & Alex Howson	366 W Army Trail Rd, Ste. 340 Bloomington, IL 60108	(630) 893-9510
8	IL106	Jeff & Jennifer Reimer	2445 75th St. Bldg. A, Unit B Darien, IL 60561	(630) 395-9532
9	IL108	Jeff & Jennifer Reimer	701 N. Milwaukee, Ste 120 Vernon Hills, IL 60061	(847) 680-0525
10	IL109	Cary & Laura Kledzik	656 Northwest Hwy Cary, IL 60013	(847) 462-0922
11	IL110	Mark Kalas & Alex Howson	12640 S. Rte 59 Unit 400 Plainfield, IL 60585	(815) 609-7803
12	IL111	Cary & Laura Kledzik	10545 S Cicero Oak Lawn, IL 60453	(708) 636-5490
13	IL112	Mark Kalas & Alex Howson	476 Randall Rd. South Elgin, IL 60177	(847) 488-0465
14	IL113	Cary & Laura Kledzik	760 N Rt. 59, Ste.116 Naperville, IL 60563	(630) 416-7454
15	IL114	Jeff & Jennifer Reimer	6409 Grand Ave Ste. A Gurnee, IL 60031	(847) 855-2956
16	IL115	Max & Christine Cangelosi	717 Roosevelt Road Glen Ellyn, IL 60137	(630) 790-1982
17	IL116	Iqbal Anwar, Tashmin Lopa, Rahat Bari & Deepa Handu	14005 S. Bell Rd. Homer Glen, IL 60491	(708) 645-7005
18	IL117	Mark Kalas & Alex Howson	6430 Main Street, Ste 110 Woodridge, IL 60517	(630) 353-1980
19	IL118	Robert & Susanne Hummel	1031 Brook Forest Avenue Shorewood, IL 60404	(815) 609-8300
20	IL119	Cary & Laura Kledzik	429 E. Roosevelt Rd Lombard, IL 60148	(630) 268-8444
21	IL120	Cary & Laura Kledzik	5899 Northwest Hwy Crystal Lake, IL 60014	(815) 444-9405

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

22	IL121	Max & Christine Cangelosi	2451 Richmond Rd McHenry, IL 60050	(815) 578-9059
23	IL122	Max & Christine Cangelosi	692 W North Ave Elmhurst, IL 60126	(630) 516-0837
24	IL123	Jeff & Jennifer Reimer	5944 West Touhy Ave. Niles, IL 60714	(847) 588-3770
25	IL124	Robert & Deborah Orr	722 Boughton Road Bolingbrook, IL 60440	(630) 739-5446
26	IL125	Jeff & Jennifer Reimer	984 Willow Rd., Ste. D Northbrook, IL 60062	(847) 513-6570
27	IL126	Robert & Susanne Hummel	139 N. Weber Rd. Bolingbrook, IL 60490	(630) 771-0007
28	IL127	Cary & Laura Kledzik	19854 S. LaGrange Rd. Mokena, IL 60448	(708) 479-7400
29	IL128	Todd & Hope Garcia	2615 W. Jefferson St. Joliet, IL 60435	(815) 744-2547
30	IL129	Robert & Deborah Orr	2430 Rt. 34 Oswego, IL 60543	(630) 554-4793
31	IL130	Cary & Laura Kledzik	2728 W. 75th St. Naperville, IL 60564	(630) 753-0163
32	IL131	Cary & Laura Kledzik	408 S. Weber Rd., Suite C Romeoville, IL 60446	(815) 254-3300
33	IL132	Max & Christine Cangelosi	1697 E. Algonquin Rd. Rolling Meadows, IL 60008	(847) 472-6887
34	IL133	Mark Kalas & Alex Howson	7933 Harlem Ave. Burbank, IL 60459	(708) 233-1140
35	IL134	Mark Kalas & Alex Howson	7185 South Kingery Highway, Unit L3 Willowbrook, IL 60527	(630) 455-0516
36	IL135	Dennis Malec & Connie Karavadis	27 S. Western Ave., Ste. D Carpentersville, IL 60110	(847) 844-1616
37	IL136	Larry & Natalie Schumacher	35 S. Northwest Highway Park Ridge, IL 60068	(847) 292-4000
38	IL137	Mark Kalas & Alex Howson	1940 West Main St., Ste. F St. Charles, IL 60174	(630) 443-0626
39	IL138	Mark Kalas & Alex Howson	1056 S. Sutton Rd., Route 59 Streamwood, IL 60107	(630) 497-9090
40	IL139	Larry & Natalie Schumacher	100 W. Higgins Rd, #M-25 South Barrington, IL 60010	(847) 645-1616
41	IL140	Cary & Laura Kledzik	420 E. Lincoln Highway New Lenox, IL 60451	(815) 462-7400
42	IL141	Max & Christine Cangelosi	110 E. Kensington, Space 0300 Mt. Prospect, IL 60056	(847) 870-8089
43	IL142	Cary & Laura Kledzik	735 Erica Lanem Suite 1B Yorkville, IL 60560	(630) 553-2801
44	IL143	Larry & Natalie Schumacher	2563 Waukegan Rd Bannockburn, IL 60015	(847) 914-0200
45	IL144	JJ O'Connor	1920 N. IL RT 83, Suite 105 Round Lake Beach, IL 60073	(847) 223-0303

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

46	IL145	Larry & Natalie Schumacher	822 Clark St. Evanston, IL 60201	(847) 328-8800
47	IL146	Mark Kalas & Alex Howson	801 E. Butterfield Road, Ste. 103 Wheaton, IL 60189	(630) 260-1105
48	IL147	Mark Kalas & Alex Howson	2936 S. Route 59, Suite 118 Naperville, IL 60564	(630) 778-4611
49	IL148	Gale & Peter DeMarco-Cohen	195 S. Rand Rd. Lake Zurich, IL 60047	(847) 847-1250
50	IL149	Larry & Natalie Schumacher	4188 N. IL Rt. 83, Suite C Long Grove, IL 60047	(847) 478-5050
51	IL150	Jim & Sue Dust	13133 La Grange Rd. Orland Park, IL 60462	(708) 448-1600
52	IL151	Gale & Peter DeMarco-Cohen	9404 Skokie Blvd Skokie, IL 60077	(847) 983-4861
53	IL152	Tim Brown	47 South Evergreen Arlington Heights, IL 60005	(847) 590-5069
54	IL153	Todd & Hope Garcia	34 N. La Grange Road La Grange, IL 60525	(708) 354-0366
55	IL154	Jeff & Jennifer Reimer	336 Ogden, Suite 1004 Downers Grove, IL 60515	(630) 297-4447
56	IL155	Todd & Hope Garcia	767 Golf Rd. Des Plaines, IL 60016	(244) 404-6174
57	IL157	Gale & Peter DeMarco-Cohen	1590 N. Rand Rd., Suite J Palatine, IL 60067	(847) 485-8451
58	IL158	Jim & Sue Dust	22 E. Chicago Ave Naperville, IL 60540	(630) 420-9800
59	IL159	Max & Christine Cangelosi	130 E. Golf Road Schaumburg, IL 60173	(847) 885-3000
60	IL161	Cary & Laura Kledzik	849 South Randall Road Elgin, IL 60123	(847) 289-7814
61	IL162	Larry & Natalie Schumacher	1070 North Rohlwing Road Addison, IL 60101	(630) 627-0700
62	IL164	Larry & Natalie Schumacher	12290 Princeton Drive Huntley, IL 60142	(847) 669-0300
63	IL165	Gale & Peter DeMarco-Cohen	878 S. Milwaukee Ave Libertyville, IL 60048	(224) 433-6840
64	IL166	JJ O'Connor	3929 Fountain Square Place Waukegan, IL 60085	(224) 656-5891
65	IL167	JJ O'Connor	473 N. Harlem Ave. Oak Park, IL 60305	(708) 848-0098
66	IL168	Cary & Laura Kledzik	26 Dekalb Ave. Sycamore, IL 60178	(815) 517-1959
67	IL170	Viral Amin	711 Meacham Road, Suite F Elk Grove Village, IL 60007	(847) 278-7504
68	IL171	Larry & Natalie Schumacher	45 Waukegan Rd. Glenview, IL 60025	(847) 486-0100
69	IL172	Cary & Laura Kledzik	1248 S. Naper Blvd. Naperville, IL 60540	(630) 857-9513

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

70	IL173	Cathleen & Mark Neibch	405 N. Eola Rd Aurora, IL 60502	(630) 618-4603
71	IL174	Max & Christine Cangelosi	7050A W. Forest Preserve Ave. Norridge, IL 60706	(708) 695-9551
72	IL175	Todd & Hope Garcia	2518 S. Harlem Ave., JSuite 5B North Riverside, IL 60546	(708) 443-6160
73	IL176	Cary & Laura Kledzik	2987 Kirk Rd. Aurora, IL 60502	(630) 692-9645
74	IL177	Tim Brown	200 West North Ave., Suite 300 West Chicago, IL 60185	(630) 473-0913
75	IL178	Iqbal Anwar, Tashmin Lopa, Rahat Bari & Deepa Handu	7136 183rd St Tinley Park, IL 60477	(708) 286-6349
76	IL179	Frank Schnitzler	955 Rockland Road, Suite D Lake Bluff, IL 60044	(847) 283-0183
77	IL180	Cathleen & Mark Neibch	16449 West 159th Street Lockport, IL 60441	(815) 838-1200
78	IL181	Gale & Peter DeMarco-Cohen	39 Waukegan Rd. Deerfield, IL 60015	(847) 607-9903
79	IL182	Frank Schnitzler	900 Milwaukee Ave., Suite D Lincolnshire, IL 60069	(847) 383-6234
80	IL185	Gale & Peter DeMarco-Cohen	724 Northwest Highway Fox River Grove, IL 60021	(224) 888-8228
81	IL201	Larry & Natalie Schumacher	1223 W. Fullerton Ave. Chicago, IL 60614	(773) 388-8081
82	IL202	Cary & Laura Kledzik	2077 Orchard Rd. Montgomery, IL 60538	(630) 892-8200
83	IL203	JJ O'Connor	3452 N. Clark St., Unit 1 Chicago, IL 60657	(773) 549-8801
84	IL204	Cheston Syma & Edwin Greer	3235 North Ashland Avenue Chicago, IL 60657	(773) 857-0843
85	IL205	Larry & Natalie Schumacher	10 E. Harrison Chicago, IL 60605	(312) 588-1010
86	IL206	Cheston Syma & Edwin Greer	1444 N. Wells Street Chicago, IL 60610	(312) 643-1613
87	IL207	Cheston Syma & Edwin Greer	44 E. Superior, Suite 1 Chicago, IL 60611	(312) 496-3792
88	IL208	Cheston Syma & Edwin Greer	539 W. Diversey, #209 Chicago, IL 60614	(773) 661-9645
89	IL209	John & Amy Bucher	2750 Clybourn Ave. Chicago, IL 60614	(773) 348-7100
90	IL301	Cary & Laura Kledzik	840 Kinzie Ave., Suite B Bradley, IL 60915	(815) 936-1800
91	IL401	Max & Christine Cangelosi	1554 West Lane Road Machesney Park, IL 61115	(815) 633-7882
92	IL402	Max & Christine Cangelosi	575 South Perryville, #111 Rockford, IL 61108	(815) 227-0500
93	IL403	Max & Christine Cangelosi	2725 Illinois Route 26 South Freeport, IL 61032	(815) 599-1227

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

94	IL501	Matt Wrenn	4203 N. Sheridan Rd., Suite A1-2 Peoria, IL 61614	(309) 686-1111
95	IL502	Matt Wrenn	1407 N. Veterans Parkway, Suite 11 Bloomington, IL 61704	(309) 663-1111
96	IL503	Matt Wrenn	103 River Rd., Suite A East Peoria, IL 61611	(309) 698-2222
97	IL504	Matt Wrenn	3562 Court St. Pekin, IL 61554	(309) 353-1111
98	IL601	David Rice	1407 W. Highway 50, Ste 105 O'Fallon, IL 62269	(618) 632-5399
99	IL602	Jesse Keyser	2406 Williamson County Parkway Marion, IL 62959	(434) 293-7347
100	IL603	Jesse Keyser	1258 E. Main St., Unit 2 Carbondale, IL 62901	(618) 351-8746
101	IL604	Jesse Keyser	102 Junction Dr. Glen Carbon, IL 62034	(618) 659-2151
102	IL605	Brian & Mary Heckert	1128 Collinsville Crossing Blvd. Collinsville, IL 62234	(618) 344-9102
103	IL606	Brian & Mary Heckert	1907 Vaughn Rd. Wood River, IL 62095	(618) 258-8682
104	IL702	Jesse Keyser	2971 Lindbergh Ave, Suite F Springfield, IL 62711	(217) 717-9993
105	IL703	Jesse Keyser	1733 Kirby Avenue, Unit B-11 Champaign, IL 61821	(217) 365-9100
106	IL704	Jesse Keyser	1903 North Neil Street, Suite A Champaign, IL 61820	(217) 365-9200
107	IL705	Jesse Keyser	1260 Route 51 Forsyth, IL 62535	(217) 872-6200
108	IL801	Brian & Mary Heckert	5207 Broadway St. Quincy, IL 62305	(217) 214-7895
109	IL821	Chris & Katie Burgmeier	4347 E. 16th Street Moline, IL 61265	(309) 517-6765

<b>INDIANA</b>				
1	IN106	John Weber*	11680 Commercial Dr. Ste. 600, Bldg B Fishers, IN 46038	(317) 845-8430
2	IN107	John Weber*	7411 North Keystone Ave Indianapolis, IN 46240	(317) 259-9150
3	IN111	John Weber*	7305 E. 96th Street, Suite 300 Indianapolis, IN 46250	(317) 849-1100
4	IN401	John Weber*	10250 Coldwater Road Ft. Wayne, IN 46825	(260) 490-4247
5	IN402	John Weber*	4415 Coldwater Road Fort Wayne, IN 46802	(260) 481-5300
6	IN403	John Weber*	1748 Apple Glen Blvd Fort Wayne, IN 46804	(260) 434-3500
7	IN404	John Weber*	6051 Stellhorn Road, Suite C03B Fort Wayne, IN 46815	(260) 492-8581



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

8	IN102	John & Christine Mills	1950-11 East Greyhound Pass Carmel, IN 46033	(317) 569-7169
9	IN103	Ray Dorulla	11440 Olio Road Fishers, IN 46038	(317) 577-1810
10	IN105	Anthony & Kerry Sawyer	9210 Rockville Road, Ste B-2 Indianapolis, IN 46234	(317) 271-5388
11	IN104	Ray Dorulla	3147 W. Smith Valley Rd Ste B Greenwood, IN 46142	(317) 888-8204
12	IN108	Anthony & Kerry Sawyer	10485 N. Michigan Road Carmel, IN 46032	(317) 872-4247
13	IN109	Anthony & Kerry Sawyer	10935 East Washington St Indianapolis, IN 46229	(317) 897-9674
14	IN110	John & Shea Reisinger	1279 Emerson Ave. Greenwood, IN 46142	(317) 888-2140
15	IN112	John & Shea Reisinger	321 West Northfield Dr. Brownsburg, IN 46112	(317) 858-7992
16	IN114	Gary Sexton	16625 Mercantile Blvd., Ste. 200 Noblesville, IN 46060	(317) 770-1987
17	IN115	John & Shea Reisinger	1345 West Southport Rd, Ste. 9 Indianapolis, IN 46217	(317) 881-0011
18	IN116	Anthony & Kerry Sawyer	2902 West 86th Street, Ste. 8 Indianapolis, IN 46268	(317) 872-2358
19	IN117	Gary Sexton	12570 N. Gray Road Carmel, IN 46033	(317) 564-8828
20	IN118	Ray Dorulla	2143 Independence Drive Greenwood, IN 46143	(317) 885-8130
21	IN119	Ray Dorulla	2683 East Main Street, Suite 109 Plainfield, IN 46168	(317) 838-9320
22	IN120	Ray Dorulla	2656 East 3rd Street Bloomington, IN 47408	(812) 287-8057
23	IN121	Gary Sexton	11725 Fox Road, Suite A Indianapolis, IN 46236	(317) 826-3000
24	IN122	John Reisinger	12249 N Meridian St Carmel, IN 46032	(317) 846-5500
25	IN123	Ray Dorulla	7460 N. Shadeland Ave, Suite 300 Indianapolis, IN 46250	(317) 288-2669
26	IN124	Shaun Norton	2028 S Reed Road Kokomo, IN 46902	(765) 450-6882
27	IN126	Ray Dorulla	4586 South Emerson Ave., Suite B Indianapolis, IN 46203	(317) 783-7005
28	IN127	Ray Dorulla	6630 Whitestown Parkway Zionsville, IN 46077	(317) 769-2300
29	IN128	John & Shea Reisinger	8310 Windfall lane, Unit B Camby, IN 46113	(317) 564-4247
30	IN129	Gary Sexton	4723 S. Scatterfield Rd Anderson, IN 46013	(765) 644-0033
31	IN201	John & Christine Mills	100 S. Creasy Lane, Suite 1280 Lafayette, IN 47905	(765) 448-6400

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

32	IN202	Gary Sexton	1052 B Sagamore Parkway West West Lafayette, IN 47906	(765) 607-2927
33	IN301	Anthony & Kerry Sawyer	1509 W. McGalliard Rd. Muncie, IN 47304	(765) 254-1533
34	IN501	Mark & Lana Witbeck	113 East University Drive Granger, IN 46530	(414) 425-4257
35	IN502	Mark & Lana Witbeck	52931 State Road 933 North South Bend, IN 46637	(574) 273-8300
36	IN601	Mike Galt	71 Silhavy Road, Suite 131 Valparaiso, IN 46383	(219) 242-8712
37	IN602	Chris & Laura Waszak	1519 US Highway 41 Scherverville, IN 46375	(219) 322-3350
38	IN603	Munir & Rahsaan Islam	1661 E 80th Ave., Suite 25 Merrillville, IN 46410	(219) 750-9480
39	IN801	Ray Dorulla	5399 US HWY 41 South, #109 Terre Haute, IN 47802	(812) 298-8930
40	KY103	Fred Shearer	1370 Veterans Parkway, Suite 900 Clarksville, IN 47129	(812) 280-9900

<b>IOWA</b>				
1	IA101	Ray & Erin Turner	5926 Ashworth Rd. W. West Des Moines, IA 50266	(515) 224-0010
2	IA102	Dana & Sarah Raley	8460 Birchwood Crossing Ct. Johnston, IA 50131	(515) 254-9727
3	IA103	Dana & Sarah Raley	1310 S Duff Ave, Suite 108 Ames, IA 50010	(515) 292-8140
4	IA104	Ray & Erin Turner	9901 University Ave., Ste. 200 Clive, IA 50325	(515) 225-0777
5	IA105	Dana & Sarah Raley	1690 SE Delaware Ave., Ste. 111 Ankeny, IA 50021	(515) 964-9727
6	IA106	Dana & Sarah Raley	2180 NW 156th Street, Suite 104 Clive, IA 50325	(515) 987-3537
7	IA107	Ray & Erin Turner	4301 Fleur Drive, Suite 16B Des Moines, IA 50321	(515) 225-4177
8	IA108	Dana & Sarah Raley	5010 Mills Civic Parkway, Suite 108 West Des Moines, IA 50265	(515) 225-4416
9	IA109	Ray & Erin Turner	5836 Douglas Avenue, Suite 300 Des Moines, IA 50266	(515) 330-1462
10	IA110	Dana & Sarah Raley	1550 North Ankeny Blvd, Suite 112 Ankeny, IA 50023	(515) 965-9300
11	IA201	David Bader	1100 Blairs Ferry Rd NE Cedar Rapids, IA 52402	(319) 393-0380
12	IA202	David Bader	2439 2nd St #5 Coralville, IA 52241	(319) 338-5633
13	IA203	David Bader	2315 Edgewood Road, Ste. 190 Cedar Rapids, IA 52404	(319) 396-5600
14	IA204	David Bader	675 Pacha Parkway, Suite C North Liberty, IA 52317	(319) 665-6225

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

15	IA205	Nick Bhatt	2027 Crossroads Blvd, Suite C Waterloo, IA 50702	(319) 433-6251
16	IA302	Randy Farwell	5001 Sergeant Rd Space 25 Sioux City, IA 51106	(712) 274-8393
17	IA401	Chris Burgmeier	2805 NW Arterial, Suite 2 Dubuque, IA 52002	(563) 556-1820
18	IA501	Chris Burgmeier	4760 Elmore Avenue Davenport, IA 52807	(563) 424-1126

<b>KANSAS</b>				
1	KS101	Todd Mayfield	6784 W. 135th St. Overland Park, KS 66223	(913) 239-8895
2	KS102	Wayne Freeman	16318 W. 65th Shawnee, KS 66217	(913) 631-7394
3	KS103	Wayne Freeman	13780 Black Bob Olathe, KS 66062	(913) 393-1832
4	KS104	Brad & Carla Whitt	12060 Blue Valley Parkway Overland Park, KS 66213	(913) 661-0440
5	KS105	Brad & Carla Whitt	14961 W. 119th St. Olathe, KS 66062	(913) 829-5333
6	KS106	Brad & Carla Whitt	291 North K-7 Highway Olathe, KS 66061	(913) 397-0500
7	KS107	Wayne Freeman	6630 Monticello Road Shawnee, KS 66226	(913) 422-4897
8	KS108	Todd Mayfield	8815 Metcalf Overland Park, KS 66212	(913) 648-6624
9	KS109	Wayne Freeman	8001 151st Street, Suite 101 Overland Park, KS 66223	(913) 681-1935
10	KS110	Todd Mayfield	6023 Metcalf Ave. Mission, KS 66202	(913) 236-9919
11	KS111	Wayne Freeman	20120 W. 153rd St Olathe, KS 66062	(913) 440-9711
12	KS112	Wayne Freeman	13220 W 87th Street Pkwy Lenexa, KS 66215	(913) 541-2054
13	KS114	Todd Mayfield	12236 W 95th Street Lenexa, KS 66215	(913) 599-3544
14	KS201	Brad & Carla Whitt	3140 Iowa St. Suite 106 Lawrence, KS 66049	(785) 856-6111
15	KS202	Wayne Freeman	4701 Bauer Farm Drive Lawrence, KS 66049	(785) 842-1311
16	KS301	Wayne Freeman	1227 SW Wanamaker Rd Topeka, KS 66604	(785) 272-7533
17	KS302	Wayne Freeman	705 N 3rd Place, Suite E Manhattan Market Place, KS 66502	(785) 340-5547
18	KS901	Monique Haynes- Robertson	2357 N Maize Rd Ste 111 Wichita, KS 67205	(316) 721-8080
19	KS902	Monique Haynes- Robertson	1636 N. Rock Road, Ste. 300 Derby, KS 67037	(316) 788-5588

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

20	KS903	Monique Haynes-Robertson	7777 E. 21st Street, Suite 140 Wichita, KS 67206	(316) 683-4040
21	KS904	Monique Haynes-Robertson	11333 E Kellogg, Suite 700 Wichita, KS 67207	(316) 618-8888
22	KS905	Monique Haynes-Robertson	7130 W. Maple, Suite 130 Wichita, KS 67209	(316) 941-4444

**KENTUCKY**

1	KY102	John Weber*	8800-A Dixie Highway Louisville, KY 40258	(502) 933-0099
2	KY201	David Boucher*	1990 Highland Pike Ft.Wright, KY 41017	(859) 331-0648
3	KY101	Fred Shearer	3549 Springhurst Blvd Louisville, KY 40241	(502) 412-9800
4	KY104	Joanne & Tim Boyle	972 Breckenridge Lane Louisville, KY 40207	(502) 891-0207
5	KY105	Joanne & Tim Boyle	12613 Shelbyville Road Louisville, KY 40242	(502) 245-4044
6	KY106	Joanne & Tim Boyle	1223 S. Hurstbourne Parkway, Ste 208 Louisville, KY 40222	(502) 327-2100
7	KY107	Fred Shearer	1811 North Dixie Hwy., #100 Elizabethtown, KY 42701	(270) 982-4777
8	KY108	Fred Shearer	4901 Outer Loop, Suite 103 Louisville, KY 40219	(502) 969-2828
9	KY202	Ray & Lynn Bricking	2519 Wilson Avenue Highland Heights, KY 41076	(859) 341-2547
10	KY203	Ray & Lynn Bricking	6805 Houston Road, Suite 200 Florence, KY 41042	(859) 282-6364
11	KY204	Ray & Lynn Bricking	91 Carothers Rd Newport, KY 41071	(859) 431-5555
12	KY205	Ray & Lynn Bricking	280 Mt. Zion Road, Suite B Florence, KY 41042	(859) 918-1318
13	KY301	Fred Shearer	3090 Helmsdale Place, Suite 320 Lexington, KY 40502	(859) 264-0104
14	KY401	Tim & Lori Horn	2435 Nashville Road, Suite 108 Bowling Green, KY 42104	(270) 904-4385
15	KY501	Jesse Keyser	5194 Hinkleville Road Paducah, KY 42001	(270) 443-0500
16	KY701	Jesse Keyser	5140 Frederica St., Suite D Owensboro, KY 42301	(270) 926-3900

**LOUISIANA**

1	LA101	Ron & Paul Williams*	120 Curran Lane Ste C1 Lafayette, LA 70506	(337) 981-6844
2	LA102	Ron & Paul Williams*	200 Production Drive, Suite 6 Lafayette, LA 70508	(337) 265-5993

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

3	LA103	Ron & Paul Williams*	4243 Ambassador Caffery Pkwy, Ste 104 Lafayette, LA 70508	(337) 988-9900
4	LA205	Jeremy Aydell	2706 S. Cabelas Parkway, Suite 110 Gonzales, LA 70737	(225) 644-4486
5	LA301	Ron & Paul Williams*	7040 Youree Dr. Shreveport, LA 71105	(318) 797-7780
6	LA302	Ron & Paul Williams*	2300 Airline Dr., Ste. 400 Bossier City, LA 71111	(318) 742-4277
7	LA602	Ron & Paul Williams*	2701 Veteran's Blvd., Ste. 301 Kenner, LA 70062	(504) 461-3443
8	LA201	Jeremy Aydell	3132 College Drive Baton Rouge, LA 70808	(225) 924-2415
9	LA202	Jeremy Aydell	7089 Siegen Lane Suite D Baton Rouge, LA 70809	(225) 292-1455
10	LA203	Jeremy Aydell	37436 Ultima Plaza Blvd., Suite E Prairieville, LA 70769	(225) 744-3572
11	LA204	Jeremy Aydell	240 Range 12 Blvd, Suite 110 Denham Springs, LA 70726	(225) 271-4512
12	LA401	Charlie & Linda Jones	309 N Cities Service Hwy Sulphur, LA 70663	(337) 533-8848
13	LA603	Jeremy Aydell	3039 Pinnacle Parkway, Suite H-120 Covington, LA 70433	(985) 809-1946
14	LA604	Christopher & Elizabeth Devine	3535 Severn Ave, Suite 4 Metairie, LA 70002	(504) 301-0351
15	LA605	Jeremy Aydell	174 Town Center Parkway Slidell, LA 70458	(985) 690-1300
16	LA606	Jeremy Aydell	203 Palace Dr. Hammond, LA 70401	(985) 345-8044
17	LA801	Charlie & Linda Jones	6501 Coliselum Blvd, Suite 100A Alexandria, LA 71303	(318) 483-9430

**MAINE**

1	ME101	Dennis, Glen & William Guerrette & Stephen Grenlaw	569 Stillwater Ave, Suite B Bangor, ME 04401	(207) 262-4261
2	ME201	Dennis, Glen & William Guerrette & Stephen Grenlaw	40 Elm Plaza, Suite 4 Waterville, ME 04901	(207) 616-3744
3	ME202	Dennis, Glen & William Guerrette & Stephen Grenlaw	580 Alfred Street Biddeford, ME 04005	(207) 494-7828

**MASSACHUSETTS**

1	MA101	George & Susan Grevelis	137 Teaticket Hwy Falmouth, MA 02536	(508) 540-1330
2	MA102	Stephen Jones	209 North Main Street Andover, MA 01810	(978) 409-1030

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

3	MA103	Mitch Muroff & Bill Sage	31 Furlong Drive, Suite D Revere, MA 02151	(781) 284-7900
4	MA104	Mitch Muroff & Bill Sage	185 Essex St Boston, MA 02111	(617) 737-3200
5	MA105	Tom Gerry	10 Wall Street Burlington, MA 01803	(781) 365-0073
6	MA106	Daniel & Donna Parisi	35 Independence Way Danvers, MA 01923	(978) 774-3800
7	MA107	Tom Gerry	18 Snow Rd. Marshfield, MA 02050	(781) 319-2150
8	MA108	Andrew & Carmen Risio	1775 Washington St Hanover, MA 02339	(781) 826-3270
9	MA109	Ron & Susan Howard	196 E. Main St., Suite 48 Milford, MA 01757	(508) 381-3273
10	MA110	Stephen Jones	235 Old Connecticut Path, 40A Framingham, MA 01701	(508) 861-7334
11	MA112	Tom Gerry	411 Waltham Street Lexington, MA 02421	(781) 538-4642
12	MA114	Ron & Susan Howard	58 Highland Commons East Berlin, MA 01749	(978) 562-4200
13	MA115	Ron & Susan Howard	10010-C Shops Way Northborough, MA 01532	(508) 466-8607
14	MA201	Andrew & Carmen Risio	280 School Street Mansfield, MA 02048	(508) 261-5747

**MARYLAND**

1	MD101	Gary Pfaff	625 Baltimore Blvd., Suite J Westminster, MD 21157	(410) 857-4339
2	MD102	Gary Pfaff	580 Ritchie Hwy., Suite G Severna Park, MD 21146	(410) 647-4420
3	MD103	Gary Pfaff	6376 York Rd. Towson, MD 21252	(410) 372-2887
4	MD104	Kevin & Cathy McHugh	696 Bel Air Road, Ste. J13 Bel Air, MD 21014	(410) 638-7011
5	MD105	Gary Pfaff	10357 Reisterstown Rd. Owings Mills, MD 21117	(410) 356-2887
6	MD106	Bill & Joannette Rogers	2329F Forrest Dr. Annapolis, MD 21401	(410) 224-0082
7	MD107	Kevin & Cathy McHugh	412 A-2A Constant Friendship Blvd. Abingdon, MD 21009	(410) 569-8505
8	MD108	John & Michelle Williford	6476 Dobbin Center Way, Suite E Columbia, MD 21045	(443) 426-4636
9	MD109	Jeff Burroughs & Robyn Hanson	344 Thompson Creek Mall, B-8 Stevensville, MD 21666	(410) 643-5570
10	MD110	Andrew Emerick	9638 Belair Road, Suite B Baltimore, MD 21236	(410) 931-2237
11	MD111	Patrick Donnelly & Mike McCraw	47 W. Aylesbury Rd Timonium, MD 21093	(410) 853-7680

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

12	MD112	Patrick Donnelly & Mike McCraw	1959 E. Joppa Road Parkville, MD 21234	(410) 668-2887
13	MD114	Jeff Burroughs & Robyn Hanson	6710 Governor Ritchie Hwy, Suite D2 Glen Burnie, MD 21061	(410) 760-2060
14	MD115	John Taylor & Joyce Norris	4139 Mountain Rd, Suite 4139 Pasadena, MD 21222	(410) 360-2075
15	MD116	Patrick Donnelly & Mike McCraw	1238 Putty Hill Ave Towson, MD 21286	(410) 337-0857
16	MD117	Jeff Burroughs & Robyn Hanson	3275-A Solomons Island Rd. Edgewater, MD 21037	(443) 321-9898
17	MD118	Andrew Emerick	1410 Martin Boulevard, Suite 13 Middle River, MD 21220	(410) 686-4808
18	MD119	Kevin & Cathy McHugh	7964 Belair Rd Fullerton, MD 21236	(410) 665-0424
19	MD120	Roger Gauert	6300 Georgetown Blvd. Eldersburg, MD 21784	(410) 970-6404
20	MD121	John Taylor & Joyce Norris	1404 S. Main Chapel Way, Suite 106 Gambrills, MD 21054	(410) 721-8959
21	MD122	Andrew Emerick	1433 Reisterstown Road Pikesville, MD 21208	(410) 602-6205
22	MD123	Andrew Emerick	7260-B Montgomery Road Elkridge, MD 21075	(410) 579-8970
23	MD124	Michael Hassett & Jeannette Simmons	11085 Resort Road, Suite 402 Ellicott City, MD 21042	(410) 465-6600
24	MD125	Pat Donnelly & Mike McCraw	2320 Hannover Pike, #12 Hamptstead, MD 21074	(410) 374-4932
25	MD126	Andrew Emerick	1503 Merritt Boulevard Dundalk, MD 21222	(443) 530-3116
26	MD201	Jeff Burroughs & Robyn Hanson	3000 Festival Way, Suite 307 Waldorf, MD 20601	(301) 645-3577
27	MD202	Jeff Burroughs & Robyn Hanson	80 West Dares Beach Rd Prince Frederick, MD 20678	(410) 535-0225
28	MD203	Jeff Burroughs & Robyn Hanson	46400 Lexington Village Way, Suite 102 Lexington Park, MD 20653	(240) 237-8049
29	MD204	Jeff Burroughs & Robyn Hanson	10306 Southern Maryland Blvd Dunkirk, MD 20754	(443) 964-5708
30	MD205	Jeff Burroughs & Robyn Hanson	30170 Three Notch Road Charlotte Hall, MD 20622	(240) 249-3946
31	MD206	Jeff Burroughs & Robyn Hanson	54 Drury Drive La Plata, MD 20646	(301) 392-6055
32	MD301	Glen & Melissa Griffith	5300 Buckeystown Pike Ste 190 Frederick, MD 21704	(301) 662-5927
33	MD302	Glen & Melissa Griffith	7820 Wormans Mills Road Suite N Frederick, MD 21701	(301) 662-5353
34	MD303	Glen & Melissa Griffith	13026 Middlebrook Rd. Germantown, MD 20874	(301) 515-2358
35	MD304	Anthony & Kerry Sawyer	488 N Frederick Ave, Suite 24A Gaithersburg, MD 20877	(301) 330-3334

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

36	MD305	Anthony & Kerry Sawyer	720 Center Point Way, Suite 34 Gaithersburg, MD 20878	(301) 569-4061
37	MD401	Jeff Burroughs & Robyn Hanson	2657 North Salisbury Road, Suite 103 Salisbury, MD 21804	(410) 334-3515
38	MD402	Jeff Burroughs & Robyn Hanson	219 Marlboro Ave. Easton, MD 21601	(410) 690-8751

<b>MICHIGAN</b>				
1	MI101	Rob & Heather MacPherson	5304 West Main Kalamazoo, MI 49009	(269) 345-2700
2	MI102	Rob & Heather MacPherson	7101 S. Westnedge Ave Portage, MI 49002	(269) 329-2412
3	MI103	David & Debra Powell	3138 S. Westnedge Ave. Kalamazoo, MI 49008	(269) 366-4475
4	MI203	Greg & Sandy Young	30800 Lyon Center Drive E New Hudson, MI 48165	(248) 721-1574
5	MI204	Mike & Ana Williams	23133 Woodward Ave Ferndale, MI 48220	(248) 677-4606
6	MI205	Greg & Sandy Young	3157 Ann Arbor-Saline Rd., Suite C Ann Arbor, MI 48103	(734) 780-7677
7	MI206	Greg & Sandy Young	18865 Haggerty Road Livonia, MI 48152	(248) 308-3429
8	MI301	Stacey Patulski	5791 Harvey Street, Suite C Muskegon, MI 49444	(231) 798-3500
9	MI401	Jesse Keyser	2753 E. Beltline Ave SE Grand Rapids, MI 49546	(616) 949-0885
10	MI402	Stacey Patulski	4365 Canal Street, Ste. J Grandville, MI 49418	(616) 724-2547
11	MI403	Jesse Keyser	2211 East Beltline NE, Ste. D Grand Rapids, MI 49525	(616) 364-1300
12	MI404	Stacey Patulski	4761 Lake Michigan Drive Grand Rapids, MI 49534	(616) 791-0300
13	MI405	Jesse Keyser	1831 Marketplace Dr., SE Caledonia, MI 49316	(616) 871-3000
14	MI406	Jesse Keyser	5925 28th Street SE Grand Rapids, MI 49546	(616) 949-8000
15	MI407	Stacey Patulski	12719 Riley St, Suite 40 Holland, MI 49424	(616) 298-7915
16	MI602	Rick & Nancy Ohle	2508 Crossing Circle Traverse City, MI 49684	(231) 642-5330
17	MI701	Rick & Nancy Ohle	4459 E. Bluegrass Road, Suite B-2 Mt. Pleasant, MI 48858	(989) 317-3610
18	MI801	Jesse Keyser	3520 Okemos Rd. Okemos, MI 48864	(517) 318-2621



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

<b>MINNESOTA</b>				
1	MN101	Bob Chelberg*	3540 Main St. NW Coon Rapids, MN 55448	(763) 576-3086
2	MN111	Bob Chelberg*	1730 New Brighton Blvd Minneapolis, MN 55413	(612) 788-6330
3	MN112	Bob Chelberg*	2112-A Ford Parkway St. Paul, MN 55116	(651) 756-8514
4	MN116	Bob Chelberg*	2908 North Chestnut Street Chaska, MN 55318	(952) 556-0123
5	MN120	Bob Chelberg*	1021 Red Fox Rd, Suite 110 Shoreview, MN 55126	(651) 348-7898
6	MN122	Bob Chelberg*	486 Water Street Excelsior, MN 55331	(952) 300-8486
7	MN125	Bob Chelberg*	7905 Great Plains Blvd, Suite 125 Chanhassen, MN 55317	(952) 934-6224
8	MN127	Bob Chelberg*	1157 Wayzata Blvd E Wayzata, MN 55391	(952) 300-8466
9	MN128	Bob Chelberg*	4925 Cty Rd 101 Minnetonka, MN 55345	(952) 933-3843
10	MN133	Bob Chelberg*	14695 Edgewood Dr., #105 Baxter, MN 56425	(218) 828-7716
11	MN136	Bob Chelberg*	5220 Central Ave. N.E. Minneapolis, MN 54421	(763) 777-5440
12	MN138	Bob Chelberg*	11215 Aquilla Drive N Champlin, MN 55316	(763) 208-7664
13	MN102	Dan Jesse & Todd & Amy Dvorak	8340 3rd St. N, Suite B Oakdale, MN 55128	(651) 714-8299
14	MN103	Andrea and Paul Zimmerman	7817 Southtown Center, Suite 208 Bloomington, MN 55431	(952) 881-3442
15	MN104	Andrea and Paul Zimmerman	10400 Baltimore Street NE #190, B106 Blaine, MN 55449	(763) 786-4664
16	MN105	Wes Rogers	1258 West County Road 42, Ste. 1258 Burnsville, MN 55337	(952) 681-7086
17	MN106	Dan Jesse & Todd & Amy Dvorak	931 Washington Ave. SE Minneapolis, MN 55414	(612) 379-3014
18	MN107	Dan Jesse & Todd & Amy Dvorak	7805 Main Street, 09F Maple Grove, MN 55369	(763) 712-5651
19	MN108	Dan Jesse & Todd & Amy Dvorak	3570 Vicksburg Lane Plymouth, MN 55447	(763) 551-7996
20	MN109	Andrea and Paul Zimmerman	1270 Promenade Place Eagan, MN 55121	(651) 452-1232
21	MN110	Andrea and Paul Zimmerman	8045 Flying Cloud Drive, Suite 120 Eden Prairie, MN 55344	(952) 944-3652
22	MN114	Andrea and Paul Zimmerman	17440 Kenwood Trail Lakeville, MN 55044	(952) 435-0010
23	MN115	Wes Rogers	14359 Highway 13 S, Suite 101 Savage, MN 55378	(952) 226-2887
24	MN117	Clayton Weiby	3100 Excelsior Blvd, Ste. 103 Minneapolis, MN 55416	(612) 223-8260

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

25	MN118	Andrea and Paul Zimmerman	3035 White Bear Avenue, Suite 16 Maplewood, MN 55109	(651) 414-9696
26	MN119	Andrea and Paul Zimmerman	7240 East Point Douglas Rd., S, Ste 140 Cottage Grove, MN 55016	(651) 207-8381
27	MN121	Andrea and Paul Zimmerman	13325 60th St. North Stillwater, MN 55082	(651) 342-0944
28	MN123	Chris & Amy Johnson	18209 Carson Ct NW Elk River, MN 55330	(763) 441-7911
29	MN124	Andrea and Paul Zimmerman	2000 Rahncliff Road, Suite 300 Eagan, MN 55122	(651) 454-5025
30	MN126	Andrea and Paul Zimmerman	7394 153 <sup>rd</sup> Street West, Suite 101 Apple Valley, MN 55124	(952) 683-1660
31	MN129	Clayton Weiby	5612 W. Broadway Ave. Crystal, MN 55428	(763) 432-5701
32	MN130	Dan Jesse & Todd & Amy Dvorak	1575 Queens Drive, Suite 206 Woodbury, MN 55125	(651) 735-0347
33	MN131	Dan Jesse & Todd & Amy Dvorak	16381 County Road 30 Maple Grove, MN 55369	(763) 762-8962
34	MN132	Andrea and Paul Zimmerman	925 E County Road East, Suite 180 Vadnais Heights, MN 55127	(651) 219-5236
35	MN134	Liz Pielow & Jeff Hansen	4335 Pheasant Ridge Drive, Suite 226 Blaine, MN 55449	(763) 231-1166
36	MN135	Dana Busch & Sharon Fix	8320A Hwy. 7, #1034 St. Louis Park, MN 55426	(952) 933-3536
37	MN137	Dana Busch & Sharon Fix	10700 France Ave S Bloomington, MN 55437	(952) 426-4630
38	MN139	Mike & Wendy Schaller	13545 Northdale Blvd, Suite 10 Rogers, MN 55374	(763) 432-2106
39	MN140	Tim & Judy Tanner	5440 Lyndale Ave South Minneapolis, MN 55419	(612) 259-7676
40	MN201	Chris & Amy Johnson	2301 Division St. Saint Cloud, MN 56301	(320) 257-2547
41	MN301	Andrea and Paul Zimmerman	1872 Madison Ave., Ste. B Mankato, MN 56001	(507) 720-0027
42	MN401	Nathan Lehmann	4504 Grand Avenue, Suite #2 Duluth, MN 55807	(218) 464-4770
43	MN402	Nathan Lehmann	1600 Miller Trunk Hwy., Suite F13D Duluth, MN 55811	(218) 727-2380
44	MN403	Nathan Lehmann	1006 Woodland Avenue Duluth, MN 55803	(218) 481-7353
45	MN501	Steve & Ann Ogren	414 Crossroads Drive SW Rochester, MN 55902	(507) 281-3798
46	MN502	Steve & Ann Ogren	3454 55th St NW Rochester, MN 55901	(507) 282-3906

**MISSISSIPPI**

1	MS101	Ron Williams*	163 Ridgeway Dr., Ste. E Flowood, MS 39232	(601) 992-2733
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**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

4	MS103	Ron Williams*	123 Grandview Blvd Madison, MS 39110	(601) 853-9993
5	MS104	Ron Williams*	1040 Spillway Cir, Suite A3 Brandon, MS 39047	(601) 829-1471
2	MS201	Ron Williams*	6101 Hwy 98, Ste. 30 Hattiesburg, MS 39402	(601) 261-1140
3	MS301	Ron Williams*	103 Frontage Rd., Suite 212 Meridian, MS 39301	(601) 581-1680
6	MS401	Jeremy & Lori Aydell	3950 Promenade Parkway, Suite D D'iberville, MS 39540	(228) 392-7234
7	MS501	Brent & Emily Laird	3982 N. Gloster Street, Suite 2 Tupelo, MS 38804	(662) 840-3030
8	TN108	Laura & Blane Merritt	7111 Southwest Parkway, Suite 108 Southaven, MS 38671	(662) 536-2234
9	TN109	Laura & Blane Merritt	5070 Goodman Road, Ste. 113 Olive Branch, MS 38654	(662) 890-9922

<b>MISSOURI</b>				
1	MO101	Mark Kalas & Alex Howson	202 THF Boulevard Chesterfield, MO 63005	(636) 532-5060
2	MO102	David Rice	14838 Manchester Rd. Ballwin, MO 63011	(636) 527-7440
3	MO103	Mark Churchill	1937 Wentzville Parkway Wentzville, MO 63385	(636) 332-2636
4	MO105	James Downs	4037 Union Rd St. Louis, MO 63129	(314) 894-4600
5	MO106	Mark Kalas & Alex Howson	2073 Zumbahl Road St. Charles, MO 63303	(636) 916-4443
6	MO107	Mark Churchill	2115 Highway K O'Fallon, MO 63368	(636) 272-3470
7	MO109	Mark Churchill	979 Waterbury Falls Dr. O'Fallon, MO 63368	(636) 329-0707
8	MO110	Barbara Marshall	12426 Olive Blvd Creve Coeur, MO 63141	(314) 878-7004
9	MO111	James Downs	189 Mid Rivers Mall Drive, Suite 189 St. Peters, MO 63376	(636) 278-3311
10	MO112	John & Angie Stiles	6075 Mid Rivers Mall Drive Cottleville, MO 63304	(636) 922-3500
11	MO114	Ryan Hunt	1520 S. Kirkwood Rd St. Louis, MO 63127	(314) 822-2112
12	MO115	Mark Kalas & Alex Howson	794 Gravois Bluff Blvd., Suite E Fenton, MO 63026	(636) 326-1344
13	MO116	James Downs	6457 Chippewa Street St. Louis, MO 63109	(314) 449-1800
14	MO117	Mark Kalas & Alex Howson	2257 Mcihigan Ave. Arnold, MO 63010	(636) 287-3895
15	MO118	Ryan Hunt	14173 Manchester Rd., Suite C Manchester, MO 63011	(636) 527-7744

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

16	MO119	Mark Kalas & Alex Howson	15862 Manchester Rd. Ellisville, MO 63011	(636) 527-7440
17	MO120	Chris & Kelly Ferguson	834 Washington Corners Washington, MO 63090	(636) 432-5033
18	MO121	Ryan Hunt	7869 Highway N Dardenne Prairie, MO 63368	(636) 329-0707
19	MO123	Chris & Kelly Ferguson	131 Twin City Mall Crystal City, MO 63019	(636) 638-2288
20	MO201	Kim & Jeff Guinn	1401 Forum Blvd. Ste. 102 Columbia, MO 65203	(573) 445-8853
21	MO202	Kim & Jeff Guinn	2716 Paris Rd, Ste. 3 Columbia, MO 65202	(573) 474-8853
22	MO203	Kim & Jeff Guinn	1105 Grindstone Pkwy., Suite 105 Columbia, MO 65203	(573) 875-8853
23	MO204	Kim & Jeff Guinn	3748 West Truman Blvd. Jefferson City, MO 65109	(573) 634-8853
24	MO301	Brad & Carla Whitt	430 South Geneva Ave, Suite 600 Joplin, MO 64801	(417) 782-7575
25	MO601	Jesse Keyser	3019 William St. Cape Girardeau, MO 63703	(573) 335-3131
26	MO801	Jim & Vicki Hancock	2041 E. Independence St. Springfield, MO 65804	(417) 877-7678
27	MO802	Jim & Vicki Hancock	2725 N Kansas Exwy, Ste. 136 Springfield, MO 65803	(417) 865-4300
28	MO803	Jim & Vicki Hancock	3825 S. Campbell Springfield, MO 65807	(417) 823-3773
29	MO804	Jim & Vicki Hancock	1507 W. State Hwy J Ozark, MO 65721	(417) 485-3662
30	MO805	Jim & Vicki Hancock	3405 E. Battlefield Rd., Suite 120 Springfield, MO 65804	(417) 882-1633
31	MO901	Brad & Carla Whitt	1804 NW Chipman Road Lee's Summit, MO 64081	(816) 554-8630
32	MO902	Brad & Carla Whitt	18921 B E Valley View Parkway Independence, MO 64055	(816) 830-9849
33	MO903	Todd Mayfield	13167 Stateline Road Kansas City, MO 64145	(816) 942-8217
34	MO904	Brad & Carla Whitt	617 NE Coronado Dr. Blue Springs, MO 64014	(816) 229-8822
35	MO905	Brad & Carla Whitt	8706 NW Ambassador Dr Kansas City, MO 64154	(816) 505-2636
36	MO906	Brad & Carla Whitt	904A East North Ave. Belton, MO 64012	(816) 331-1991
37	MO907	Brad & Carla Whitt	1912 Star Drive, Ste. C Liberty, MO 64068	(816) 781-1127
38	MO908	Brad & Carla Whitt	6201 NW 63rd Terrace Kansas City, MO 64151	(816) 587-7678
39	MO909	Brad & Carla Whitt	4155 Sterling Ave. Kansas City, MO 64133	(816) 353-2480

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

40	MO910	Wayne Freeman	1128A W. 103rd St., Ste. 291 Kansas City, MO 64114	(816) 943-5010
41	MO912	Brad & Carla Whitt	4914 North Oak Trafficway Kansas City, MO 64118	(816) 452-2252
42	MO914	Brad & Carla Whitt	1041 Sam Walton Ln. Lee's Summit, MO 64086	(816) 525-5545
43	MO915	Todd Mayfield	905-C Westport Road Kansas City, MO 64111	(816) 753-4700
44	MO916	Brad & Carla Whitt	5307 N Belt Highway St. Joseph, MO 64507	(816) 233-3774
45	MO917	Todd Mayfield	9556 N McGee St. Kansas City, MO 64155	(816) 468-1716

***MONTANA***

1	MT101	Sheri Clemmer-Anderson	111 24th Street, West Suite #2 Billings, MT 59102	(406) 652-3326
2	MT102	Shelly Johnson	315 Main St., Suite 300 Billings, MT 59105	(406) 248-2488
3	MT201	Shelly Johnson	1500 N. 19th Ave., Suite G Bozeman, MT 59718	(406) 582-5486
4	MT301	Scott & Diana Colgrove	85 Treeline Road, Suite 102 Kalispell, MT 59901	(406) 890-2547
5	MT302	Shelly Johnson	3850 South Reserve St., Suite 130 Missoula, MT 59801	(406) 926-6900

***NEBRASKA***

1	NE101	David Weseman*	2753 S. 140th St. Omaha, NE 68144	(402) 333-4700
2	NE102	Dan & Angie Roberts	18126 Wright St. Omaha, NE 68130	(402) 758-1234
3	NE103	Dan & Angie Roberts	575 N. 155th Plaza Omaha, NE 68154	(402) 505-9831
4	NE104	Dan & Angie Roberts	8419 S 73rd Plaza, Ste. 103 Papillion, NE 68046	(402) 505-5100
5	NE105	Tim & Jill Scott	12330 K Plaza #103 Omaha, NE 68137	(402) 991-1114
6	NE106	Dan & Angie Roberts	205 N. 80th St., Suite 115 Omaha, NE 68114	(402) 504-4900
7	NE107	Dan & Angie Roberts	3506 N 147th St, Suite 125 Omaha, NE 68116	(402) 933-3226
8	NE108	Tim & Jill Scott	3811 Twin Creek Drive, Suite 104 Bellevue, NE 68123	(402) 614-4600
9	NE109	Dan & Angie Roberts	304 Olson Drive, Suite 107 Papillion, NE 68046	(402) 502-9984
10	NE110	Tim & Jill Scott	6610 S. 168th Street, Suite 2 Omaha, NE 68135	(402) 557-6495

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

11	NE111	Dan & Angie Roberts	920 N 204th Avenue, Suite 160 Omaha, NE 68022	(402) 999-8777
12	NE201	Tim & Jill Scott	2712 Cornhusker Hwy, Suite 102 Lincoln, NE 68504	(402) 261-9300
13	NE202	Tim & Jill Scott	1631 Pine Lake Rd., Suite 5 Lincoln, NE 68512	(402) 421-7007
14	NE203	Tim & Jill Scott	8244 Northern Lights Dr, Suite 104 Lincoln, NE 68505	(402) 466-3760

**NEVADA**

1	NV201	Kevin Henkel	6015C S. Virginia St. Reno, NV 89502	(775) 851-7717
2	NV202	Kevin Henkel	131 Disc Drive, Ste. ES-3 Sparks, NV 89436	(775) 626-8855
3	NV204	Steve & Elizabeth Secora	1565 E Linclon Way, # R-105 Sparks, NV 89434	(775) 357-2680

**NEW HAMPSHIRE**

1	NH101	Daniel Parisi	58 Plaistow Rd. Unit D Plaistow, NH 03865	(603) 382-2470
2	NH102	Steve & Lynn Klidas	45 Lafayette Rd, Suite 4 North Hampton, NH 03862	(603) 964-0470
3	NH103	Steve & Lynn Klidas	5 The Provident Way, Unit #2 Seabrook, NH 03874	(603) 814-1052

**NEW JERSEY**

1	NJ301	Greg & Susan Zotian*	564 Nassau Park Blvd Princeton, NJ 08540	(609) 452-7400
2	NJ101	Peter Sandham & Simon Oxley	9 Mount Bethel Road Warren, NJ 07059	(908) 834-8400
3	NJ102	Peter Sandham & Simon Oxley	456 Elizabeth Ave, 6 Bldg B Somerset, NJ 08873	(732) 564-1155
4	NJ103	Brad & Maria Van Lenten	343 Mt Hope Rd, Suite #1014 Rockaway, NJ 07866	(973) 361-9600
5	NJ104	Steven & Michael Sbarra	319 Franklin Avenue, Suite 107 Wyckoff, NJ 07481	(201) 848-4500
6	NJ105	Andy & Crystal Fresco Mark & Rachel Arnold	50 International Drive South, Unit D1-B Flanders, NJ 07836	(973) 448-2850
7	NJ106	Peter Sandham & Simon Oxley	137 West Main Street, Unit A3 Somerville, NJ 08876	(908) 722-2324
8	NJ107	Jason & Nicole McKinley	310 SR 36 West Long Branch, NJ 07764	(732) 440-8895
9	NJ108	Bob Noskiewicz	455 River Road Edgewater, NJ 07020	(201) 941-2887
10	NJ109	Bob & Kim Biehler	2 Rt. 37 West, Unit G2 Toms River, NJ 08753	(732) 281-2212

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

11	NJ110	Tony & Christine Scaro	350 Rambo Valley Road, Suite 475 Oakland, NJ 07436	(201) 644-7400
12	NJ111	Andy & Crystal Fresco Mark & Rachel Arnold	76 Washintgon Valley Rd. Bedminster, NJ 07921	(908) 658-3100
13	NJ112	Joe & Pooja Capuano	254 Livingston Street, Unit 254B Northvale, NJ 07647	(201) 768-4247
14	NJ114	Peter Sandham & Simon Oxley	311 Route 28 Garwood, NJ 07027	(908) 233-0088
15	NJ115	Jason & Nicole McKinley	1090 Route 35 Middletown, NJ 07748	(732) 671-4700
16	NJ116	Bob & Kim Biehler	1825 Route 35, Suite 27 Wall Township, NJ 07719	(732) 280-8600
17	NJ117	Tony & Christine Scaro	1011 Main Street River Edge, NJ 07661	(201) 343-4343
18	NJ118	Jim & Kim Goryeb	1260 Springfield Ave New Providence, NJ 07974	(908) 988-4477
19	NJ119	Brad & Maria Van Lenten	1107 Rt 46 E, Suite 5 Parsippany, NJ 07054	(973) 588-5345
20	NJ120	Mike & Shawn Handzo	300 Route 18, Suite 38-A East Brunswick, NJ 08816	(732) 387-8400
21	NJ121	Bob & Kim Biehler	588 Route 70 Brick, NJ 08723	(732) 451-2574
22	NJ122	Jim & Kim Goryeb	178 East Hanover Ave Cedar Knolls, NJ 07927	(908) 988-4477
23	NJ123	Bob & Kim Biehler	3520 Route 9 South Freehold, NJ 07728	(732) 577-0577
24	NJ201	Tom & Karen Reader	818 Haddonfield Rd Cherry Hill, NJ 08002	(856) 324-0239
25	NJ202	Mack Maciolek	3501 Route 42, Suite 350 Turnersville, NJ 08012	(856) 728-7600
26	NJ203	Tom & Karen Reader	127 Ark Road, Suite 11 Mt. Laurel, NJ 08054	(856) 581-9257
27	NJ204	Vaughn & Margaret Reale	310 Hamilton Commons Drive, Suite 38 Mays Landing, NJ 08330	(609) 377-8037
28	NJ205	Vaughn & Margaret Reale	47 Bethel Road Somers Point, NJ 08244	(609) 365-2850
29	NJ206	Jason & Nicole McKinley	199 Sloan Avenue Hamilton, NJ 08619	(609) 689-4800
30	NJ207	Vaughn & Margaret Reale	1907 Deptford Center Rd, Suite 4 Deptford, NJ 08096	(856) 302-1948
31	NJ208	Steve & Tracey Hourin	694 Delsea Dr North, Suite 7 Glassboro, NJ 08028	(856) 956-3818
32	NJ209	Marty & Vivki Dunleavy	700 Haddonfield Berlin Road, Suite 15 Voorhees, NJ 08043	(856) 441-4707

**NEW MEXICO**

1	NM101	Scott & Shelly Bratcher	6001 Winterhaven Rd, Ste. B Albuquerque, NM 87120	(505) 345-3453
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**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

2	NM104	Scott & Shelly Bratcher	8000 Paseo Del Norte NE, Ste B6 Albuquerque, NM 87109	(505) 797-2800
3	NM105	Scott & Shelly Bratcher	701 Unser Blvd. SE, Unit A8 Rio Rancho, NM 87124	(505) 896-9306
4	NM106	Scott & Shelly Bratcher	3703 Ellison Road NW #B Albuquerque, NM 87114	(505) 890-4446
5	NM201	Rod Reyes	3851 E. Lohman Ave, Suite 1 Las Cruces, NM 88011	(575) 522-3441
6	NM301	Rahul Yaratha & Chad Tabor	1701 Joe Harvey Blvd., Suite 500 Hobbs, NM 88240	(575) 492-0454

**NEW YORK**

1	NY102	Jerry Lewis	3349 Monroe Ave Rochester, NY 14618	(585) 586-3523
2	NY103	Jerry Lewis	3177 Latta Road Rochester, NY 14612	(585) 227-4440
3	NY104	Jerry Lewis	6720 Pittsford-Palmyra Rd. Fairport, NY 14450	(585) 425-0620
4	NY105	Jerry Lewis	2200 Penfield Ro Penfield, NY 14526	(585) 377-8270
5	NY201	Jerry Lewis	5095 Transit Road, Suite 200 Clarence, NY 14221	(716) 565-9988
6	NY301	Anthony & Karen Wills	367 Independence Plaza Selden, NY 11784	(631) 946-6988
7	NY302	Anthony & Karen Wills	389 Nesconset Hwy, Suite 5 Hauppauge, NY 11788	(631) 406-7270
8	NY303	Alessandro & Adrienne Ruggiero	417 Central Park Ave., Suite 6-III Hartsdale, NY 10530	(914) 686-2547
9	NY401	John & Patricia Brecht	3873 NYS Route 31, Suite 120 Liverpool, NY 13090	(315) 715-4579
10	NY501	Todd Fox & Paul Hogan	1770 Central Ave Colonie, NY 12005	(518) 713-4708
11	NY502	Todd Fox & Paul Hogan	274 Troy Rd, Suite 400 East Greenbush, NY 12144	(518) 874-1561
12	NY503	Todd Fox & Paul Hogan	3057 Route 50, Suite 6A Saratoga Springs, NY 12866	(518) 871-1140
13	NY504	Todd Fox & Paul Hogan	15 Park Avenue Clifton Park, NY 12065	(518) 930-2201
14	NY505	Todd Fox & Paul Hogan	800 Loudon Rd. Latham, NY 12110	(518) 250-5150

**NORTH CAROLINA**

1	NC506	Matt Lewis*	4120-150 Main Northhills Street Raleigh, NC 27609	(919) 781-4501
2	NC516	Matt Lewis*	10564 US Highway 15-501, Suite G Southern Pines, NC 28387	(910) 725-0236



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

3	NC522	Matt Lewis*	705 A Ninth Street Durham, NC 27705	(919) 864-8010
4	NC515	Matt Lewis*	8111 Creedmoor Rd. Raleigh, NC 27613	(919) 846-1878
5	NC519	Matt Lewis*	125 Grand Hill Place, Suite 305 Holly Springs, NC 27540	(919) 567-7420
6	NC521	Matt Lewis*	1231 Parkside Main Street Cary, NC 27511	(919) 909-1819
7	NC103	Patrick & Michelle Hardy	16735 Cranlyn Rd. Ste. B Huntersville, NC 28078	(704) 896-1840
8	NC104	Jeff Bunten	1813 Matthews Township Pkwy Ste.300 Matthews, NC 28105	(704) 321-9757
9	NC105	Jeff Bunten	5355 Ballantyne Commons Pkwy Ste 400 Charlotte, NC 28277	(704) 841-8819
10	NC106	Patrick & Michelle Hardy	1600 E. Woodlawn Rd. Studio 120 Charlotte, NC 28209	(704) 523-6375
11	NC107	Patrick & Michelle Hardy	598 B. River Hwy Mooresville, NC 28117	(704) 658-0441
12	NC108	Ron & Jeff Bunten	14145 Rivergate Parkway, Ste. 100 Charlotte, NC 28273	(704) 588-7177
13	NC109	John & Anne Marie O'Neill	6169 Bayfield Pkwy. Concord, NC 28027	(704) 788-1999
14	NC110	Jack Marchant	1824 East Arbors Dr., Ste. 370 Charlotte, NC 28262	(704) 971-1116
15	NC111	John & Anne Marie O'Neill	9821 Northlake Centre Parkway, Ste. H Charlotte, NC 28216	(704) 597-4321
16	NC112	Patrick & Michelle Hardy	7260 Hwy 73, Ste. 117 Denver, NC 28037	(704) 827-7009
17	NC114	Andy Morrison	14039 Hwy. 74 East, Suite A-4 Indian Trail, NC 28079	(704) 882-8384
18	NC115	Patrick & Michelle Hardy	20619 Torrence Chapel Road, Suite 124 Cornelius, NC 28031	(704) 997-8049
19	NC116	Eric & Rosemary Gozur*	8206 Providence Road, Suite 1700 Charlotte, NC 28277	(980) 237-3322
20	NC117	Patrick & Michelle Hardy	1325 Klumac Rd, Suite 1-D Salisbury, NC 28147	(704) 216-0257
21	NC118	Eric & Rosemary Gozur*	3419 Toringdon Way, Suite 120 Charlotte, NC 28277	(704) 496-9191
22	NC119	Ray & Lynn Baldelli	3335 Siskey Parkway, Suite 100 Matthews, NC 28105	(980) 245-2717
23	NC120	James & Michele Bailey	8680 Concord Mills Blvd. Concord, NC 28027	(704) 817-8490
24	NC121	James & Michele Bailey	2230 East Franklin Blvd., Suite 110 Gastonia, NC 28054	(704) 691-7282
25	NC122	Andy Morrison	3039 South Blvd Charlotte, NC 28209	(980) 219-7868
26	NC151	Patrick & Michelle Hardy	1752 Catawba Valley Blvd. SE Hickory, NC 28602	(828) 328-5020

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

27	NC201	John Weber*	264 Thetford Street, Suite 105 Asheville, NC 28803	(828) 676-2875
28	NC202	John Weber*	354 Merrimon Ave, Suite 40 Asheville, NC 28801	(828) 505-0896
29	NC301	John & Shannon Adcock	1602 B Highwoods Blvd. Greensboro, NC 27410	(336) 855-4161
30	NC303	John & Shannon Adcock	1449-F University Dr., Ste. M-6 Burlington, NC 27215	(336) 584-8616
31	NC304	John & Shannon Adcock	1041 Hanes Mall Blvd. Winston Salem, NC 27103	(336) 760-7151
32	NC305	John & Shannon Adcock	3354-149 West Friendly Ave., Suite 149 Greensboro, NC 27410	(336) 855-4165
33	NC306	John & Shannon Adcock	1030 South Main Street, Unit D Kernersville, NC 27284	(336) 497-4041
34	NC307	Jim & Maggie Coker	1216 Bridford Parkway, Unit E Greensboro, NC 27407	(336) 235-0717
35	NC308	John & Shannon Adcock	375 Lower Mall Drive Winston-Salem, NC 27103	(336) 602-1863
36	NC309	John & Shannon Adcock	411 Brian Jordan Place, Suite 109 High Point, NC 27265	(336) 875-5608
37	NC310	Mike & Karen Mays	3712 Lawndale Dr., Suite J Greensboro, NC 27455	(336) 663-7691
38	NC501	Patrick & Michelle Hardy	6113 Capital Blvd Raleigh, NC 27616	(919) 871-0444
39	NC502	Tom & Angie Hathaway	132 Shenstone Blvd. Garner, NC 27529	(919) 779-0066
40	NC503	Patrick & Michelle Hardy	11841 Retail Drive Wake Forest, NC 27587	(919) 562-8558
41	NC504	Patrick & Michelle Hardy	422 Crossroads Blvd. Cary, NC 27511	(919) 851-0199
42	NC505	Tom & Angie Hathaway	2012 Market Center Drive, Suite 120 Morrisville, NC 27560	(919) 463-0990
43	NC507	Patrick & Michelle Hardy	754 West Williams St Apex, NC 27502	(919) 367-8755
44	NC509	Patrick & Michelle Hardy	10251 Little Brier Creek Ln. Ste. 110 Raleigh, NC 27617	(919) 361-3339
45	NC510	Tom & Angie Hathaway	8200 Renaissance Pkwy Ste 1008 Durham, NC 27713	(919) 361-0087
46	NC511	Patrick & Michelle Hardy	82 Cornerstone Dr. Cary, NC 27519	(919) 380-4456
47	NC512	Patrick & Michelle Hardy	1018-D Shoppes at Midway Plantation Dr. Knightdale, NC 27545	(919) 266-3288
48	NC514	Tom & Angie Hathaway	3101 Edwards Mill Road, Suite 135 Raleigh, NC 27612	(919) 782-0172
49	NC517	Patrick & Michelle Hardy	6637 Falls of Neuse Road Raleigh, NC 27615	(919) 322-5327
50	NC518	Tom & Angie Hathaway	5075 Morganton Road, Suite 18 Fayetteville, NC 28314	(910) 868-8811

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

51	NC520	Tom & Angie Hathaway	4411 Ramsey Street, Suite 108 Fayetteville, NC 28311	(910) 491-4889
52	NC523	Patrick & Michelle Hardy	9660 Falls of the Neuse Rd., Suite 173 Raleigh, NC 27614	(984) 232-8505
53	NC701	Patrick & Michelle Hardy	3400 Raleigh Rd Parkway, Suite 9-E Wilson, NC 27896	(252) 265-0021
54	NC702	Patrick & Michelle Hardy	530 SE Greenville Blvd Greenville, NC 27858	(252) 931-0600
55	NC703	Patrick & Michelle Hardy	4100 Humber Drive, Suite #102 Winterville, NC 28590	(252) 756-2020
56	NC704	Tom & Angie Hathaway	1092 Hampton Inn Way, Suite 300 Jacksonville, NC 28546	(910) 939-4193
57	NC801	Patrick & Michelle Hardy	343 S. College Rd., Ste. 343-1 Wilmington, NC 28403	(910) 313-3299
58	NC802	Patrick & Michelle Hardy	5621 Carolina Beach Road, Suite D Wilmington, NC 28412	(910) 398-8722
59	NC803	Patrick & Michelle Hardy	8207-K Market St. Wilmington, NC 28411	(910) 319-7171

***NORTH DAKOTA***

1	ND101	Paul & Tara Herzog	3221 32nd Ave, Suite 600 Grand Forks, ND 58201	(701) 757-2700
2	ND102	Paul & Tara Herzog	745 13th Avenue East, Suite 105 West Fargo, ND 58078	(701) 532-2400
3	ND103	Paul & Tara Herzog	5050 Timber Parkway South, Suite 112 Fargo, ND 58104	(701) 532-3600
4	ND201	Mitch & Julie Kost	3112 16th St. SW Minot, ND 58701	(701) 852-4247

***OHIO***

1	OH203	David Boucher*	7749 Cox Lane West Chester, OH 45069	(513) 759-5666
2	OH211	David Boucher*	632 Corwin Nixon Boulevard South Lebanon, OH 45065	(513) 204-6013
3	OH101	Anthony & Kerry Sawyer	1093 Polaris Parkway Columbus, OH 43240	(614) 443-9109
4	OH102	Anthony & Kerry Sawyer	6730 Perimeter Loop Rd Dublin, OH 43017	(614) 210-0622
5	OH103	Allen & Vicki Heilman	172 Clint Dr Pickerington, OH 43147	(614) 575-1090
6	OH104	Anthony & Kerry Sawyer	756 North State St Westerville, OH 43082	(614) 776-5523
7	OH106	Andrea Wells	1896 Hilliard - Rome Rd Hilliard, OH 43206	(614) 771-7777
8	OH107	Allen & Vicki Heilman	7944 E Broad St. Columbus, OH 43068	(614) 864-4400

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

9	OH108	Andrea Wells	1728 Stringtown Rd. Grove City, OH 43123	(614) 871-5777
10	OH109	Anthony & Kerry Sawyer	4697A Morse Road Gahanna, OH 43230	(614) 337-2133
11	OH110	Allen & Vicki Heilman	1614 North Memorial Dr. Lancaster, OH 43130	(740) 687-5700
12	OH112	Anthony & Kerry Sawyer	2586 Bethel Road Columbus, OH 43220	(614) 457-7678
13	OH114	Wright Penniman	6429 Pullman Lewis Center, OH 43035	(740) 549-0996
14	OH115	Anthony & Kerry Sawyer	1291 West Lane Avenue Columbus, OH 43221	(614) 429-3277
15	OH116	Anthony & Kerry Sawyer	4002 Powell Rd Powell, OH 43065	(614) 718-1223
16	OH117	Anthony & Kerry Sawyer	4422 N High Street Columbus, OH 43214	(614) 268-0996
17	OH118	Daryl & Wright Penniman	7593 Sawmill Road, Suite 130 Dublin, OH 43016	(614) 717-0996
18	OH119	Rob & Mary-Anne Demme	3951 Britton Parkway Hilliard, OH 43026	(614) 710-1280
19	OH120	Rob & Mary-Anne Demme	291 Hamilton Road Gahanna, OH 43230	(614) 383-7256
20	OH121	BJ Wentz	7170 North High St Worthington, OH 43085	(614) 505-0129
21	OH201	Scott & Anne Burandt	1081-E State Route 28 Milford, OH 45150	(513) 248-2547
22	OH202	Scott & Anne Burandt	8200 Princeton Glendale Rd. West Chester, OH 45069	(513) 942-2685
23	OH204	Dan & Kathrine Murphy	5555 Glenway Ave. Ste 800 Cincinnati, OH 45238	(513) 451-5888
24	OH205	Scott & Anne Burandt	11255 Reed Hartman Highway Blue Ash, OH 45241	(513) 247-9182
25	OH206	Scott & Anne Burandt	7426 Beechmont Avenue Anderson Township, OH 45230	(513) 834-5455
26	OH207	Scott & Anne Burandt	3880-L Paxton Road, Suite #51 Cincinnati, OH 45209	(513) 321-0200
27	OH208	Scott & Anne Burandt	8241 Arbor Square Drive Mason, OH 45040	(513) 770-4312
28	OH209	Scott & Anne Burandt	3397 Princeton Road, Suite 103 Fairfield Township, OH 45011	(513) 737-5200
29	OH210	Ron & Christine Diersen	4550 Eastgate South Dr., Suite 242 Cincinnati, OH 45245	(513) 753-5888
30	OH212	Steve & Debra McCarthy	5649 B Harrison Avenue Cincinnati, OH 45248	(513) 574-0506
31	OH214	Steve & Debra McCarthy	6440 Harrison Ave. Cincinnati, OH 45247	(513) 574-1900
32	OH215	Mike & Marcy Mendenhall	589 Ring Road Harrison, OH 45030	(513) 845-4755

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

33	OH301	Scott & Anne Burandt	6004 Wilmington Pike Bellbrook, OH 45459	(937) 848-6445
34	OH303	Scott & Anne Burandt	2260 North Fairfield Rd., Ste. F Beavercreek, OH 45431	(937) 912-5986
35	OH304	Scott & Anne Burandt	2331 Miamisburg Centerville Rd Dayton, OH 45459	(937) 985-9885
36	OH305	Eric Everman	782 North Main Street Springboro, OH 45066	(937) 550-4301
37	OH306	Daryl & Wright Penniman	1970 North Bechtle Avenue Springfield, OH 45504	(937) 342-9779
38	OH401	Tom & Kathi Maxwell	35925 Detroit Road, Suite 109 Avon, OH 44011	(440) 937-8598
39	OH402	Tom & Kathi Maxwell	16754 Royalton Road Strongsville, OH 44136	(440) 238-0759
40	OH403	Tom & Kathi Maxwell	8210 Macedonia Commons lvd., Ste. 58 Macedonia, OH 44056	(330) 908-2950
41	OH404	Tom & Kathi Maxwell	6420 Mayfield Rd, Suite 125 Mayfield Heights, OH 44124	(440) 684-1922
42	OH405	Tom & Kathi Maxwell	13967 Cedar Road, Suite H4 South Euclid, OH 44118	(216) 320-2474
43	OH406	Dan & Shelly Feiwell	4320 Kent Rd., Suite 5 Stow, OH 44224	(234) 678-7099
44	OH407	Randy Parker	4310 Leavitt Road, Suite B Lorain, OH 44053	(440) 282-5473
45	OH408	Paul & Lori Yeager	19565 Detroit Rd, Suite C Rocky River, OH 44116	(440) 799-4734
46	OH409	Randy Parker	3875 Massilon Rd, Suite 310 Green, OH 44685	(330) 899-8595
47	OH410	Tom & Kathi Maxwell	3750 West Market Street Fairlawn, OH 44333	(330) 665-4200
48	OH411	Raj & Theresa Sandhu	921 Crossings Rd Sandusky, OH 44870	(419) 625-4247
49	OH412	Darel & Susan Taylor	36099 Euclid Ave, Suite 2 Willoughby, OH 44094	(440) 951-6230
50	OH414	Raj & Theresa Sandhu	7681 West Ridgewood Drive Parma, OH 44129	(440) 845-5272
51	OH415	Darel & Susan Taylor	7044 Aurora Rd Bainbridge, OH 44202	(330) 840-2700
52	OH416	Paul & Lori Yeager	5242 Dressler Rd NW Canton, OH 44718	(330) 546-0033
53	OH501	Rick & Cindy Camardo	1320 B Boardman Poland Rd, Suite B Poland, OH 44514	(330) 953-2815

**OKLAHOMA**

1	OK103	Jay & Jana Chamberlain	9041 N. 121st E. Ave., Suite 1200 Owasso, OK 74055	(918) 274-7220
2	OK104	Jay & Jana Chamberlain	10902 E. 71st. Street, Ste. 109010 Tulsa, OK 74133	(918) 307-0124

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

3	OK105	Jay & Jana Chamberlain	7470 S. Olympia Ave Tulsa, OK 74132	(918) 447-3030
4	OK106	Jay & Jana Chamberlain	1336 East Hillside Drive Broken Arrow, OK 74012	(918) 355-0508
5	OK107	Jay & Jana Chamberlain	7890 East 106th Place, #4 Tulsa, OK 74133	(918) 943-3300
6	OK108	Jay & Jana Chamberlain	5958 South Yale Ave. Tulsa, OK 74135	(918) 947-6565
7	OK201	Donna & Larry Shipman	5401 N. May Ave., Ste. 600 Oklahoma City, OK 73112	(405) 942-3066
8	OK202	Donna & Larry Shipman	1118 E. 2nd St. Edmond, OK 73034	(405) 340-7800
9	OK203	Donna & Larry Shipman	2410 W. Memorial Rd., Ste. B Oklahoma City, OK 73134	(405) 775-9500
10	OK204	Donna & Larry Shipman	7640 NW Expressway Ste. 110 Oklahoma City, OK 73132	(405) 722-9201
11	OK205	Donna & Larry Shipman	1771 Garth Brooks Blvd Yukon, OK 73099	(405) 354-0608
12	OK206	Donna & Larry Shipman	5932 Southwest 4th Terrace Oklahoma City, OK 73127	(405) 789-0009
13	OK207	Donna & Larry Shipman	7201 S.E. 29th St., Suite 204 Midwest City, OK 73110	(405) 733-9600
14	OK208	Donna & Larry Shipman	1428 24th Ave., Ste. E102 Norman, OK 73069	(405) 366-1001
15	OK209	Donna & Larry Shipman	10440 South Western, Suite 3 Oklahoma City, OK 73139	(405) 691-5411
16	OK210	Donna & Larry Shipman	631 SW 19th Street, Suite 103 Moore, OK 73160	(405) 912-1800
17	OK211	Donna & Larry Shipman	100 East Lindsey Street "OU Headington Hall", Suite 10 Norman, OK 73119	(405) 325-2832
18	OK301	David & Debra Kelley	1766 NW 82 <sup>nd</sup> Street Lawton, OK 73505	(580) 699-3055

<b>OREGON</b>				
1	OR101	Kenneth Shearmire	19574 Molalla Ave., Suite 147 Oregon City, OR 97045	(503) 656-8888
2	OR102	Jack Shattuck	3270 SW Cedar Hills Blvd., Ste 101 Beaverton, OR 97005	(503) 601-7006
3	OR103	Jack Shattuck	18021 NW Evergreen Parkway Hillsboro, OR 97006	(503) 924-2015
4	OR104	Jack Shattuck	10223 SE Sunnyside Rd Clackamas, OR 97105	(503) 427-2219
5	OR105	Jack Shattuck	21900 Willamette Dr, Suite 207 West Linn, OR 97068	(503) 974-9600
6	OR106	Jack Shattuck	14600 SW Murray Scholls Drive, #106 Beaverton, OR 97007	(503) 372-5812

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

7	OR107	Ed & Sophia Stains	9009 SW Hall Blvd Tigard, OR 97223	(503) 431-2343
8	OR108	Ed & Sophia Stains	3 Monroe Pkwy., Suite 300-G Lake Oswego, OR 97035	(503) 303-4918
9	OR109	Jack Shattuck	9738 SE Washington St, Suite P Portland, OR 97216	(503) 384-2279
10	OR110	Glenn Thorsen	2990 Commercial St SE, Suite 130 Salem, OR 97302	(503) 877-5812
11	OR111	Jack Shattuck	17650 SW 63rd Ave. Lake Oswego, OR 97035	(503) 387-3427
12	OR112	Mike Clark & Jack Holewa	10810 SE Oak St. Milwaukie, OR 97222	(503) 303-7476
13	OR114	Jack Shattuck	8641 SW Tualatin Sherwood Rd Tualatin, OR 97062	(503) 863-2757
14	OR115	Mike Clark & Jack Holewa	21332 SW Langer Farms Pkwy, Ste 120 Sherwood, OR 97140	(503) 822-5054
15	OR116	Glenn Thorsen	1114 Lancaster Drive NE Salem, OR 97301	(971) 599-5424
16	OR201	Ed & Sophia Stains	63455 North Hwy 97, Suite 12 Bend, OR 97701	(541) 318-8516
17	OR202	Ed & Sophia Stains	1500 NE Cushing Drive, Suite 110 Bend, OR 97701	(541) 213-2102
18	OR301	Ed & Sophia Stains	485 Coburg Road, Ste. E Eugene, OR 97401	(541) 683-3632
19	OR302	Ed & Sophia Stains	3159 W 11th Ave, Suite C-3 Eugene, OR 97402	(541) 344-1111
20	OR401	Jim and Kim Noah	181 Rossanley Dr, Suite 109 Medford, OR 97501	(541) 245-2981

<b>PENNSYLVANIA</b>				
1	PA101	Al & Janet Rodriguez	270 Settler's Ridge Dr. Pittsburgh, PA 15205	(412) 788-1522
2	PA102	Michelle & Bob Barnot	270 Mt. Nebo Point Dr. Ste 8 Pittsburgh, PA 15237	(412) 366-5438
3	PA103	Al & Janet Rodriguez	1691 Route 228, Ste. A Cranberry Township, PA 16066	(724) 776-3444
4	PA104	Al & Janet Rodriguez	500 Grandview Crossing Dr., Suite D Gibsonia, PA 15044	(724) 449-4333
5	PA105	Jeff Crummie & Sherry DuCarme	4120 Washington Rd. McMurray, PA 15317	(724) 941-8255
6	PA106	Ingar & Jen Lesheim	941 Freeport Road Pittsburgh, PA 15238	(412) 781-6070
7	PA107	Al & Janet Rodriguez	4180 William Penn Hwy, Suite 7 Monroeville, PA 15146	(412) 856-1499
8	PA108	Jeff Crummie & Sherry DuCarme	72 Trinity Point Drive Washington, PA 15301	(724) 503-4513
9	PA109	Michelle & Bob Barnot	1155 Washington Pike, Suite 8 Bridgeville, PA 15017	(412) 745-2547

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

10	PA110	Al & Janet Rodriguez	118 Wagner Road Monaca, PA 15061	(724) 728-6400
11	PA111	Al & Janet Rodriguez	9034 St. Simon Way, Suite 125 Pittsburgh, PA 15237	(412) 369-9400
12	PA112	Jeff Crummie & Sherry DuCarme	1610 Cochran Road, Suite 9A Pittsburgh, PA 15220	(412) 531-2053
13	PA114	Jeff Crummie & Sherry DuCarme	10 Old Clairton Road, Suite 9A Pittsburgh, PA 15236	(412) 714-8064
14	PA115	Al & Janet Rodriguez	11279 Perry Highway, Suite 312 Wexford, PA 15090	(724) 934-3943
15	PA116	Josh Stein	6207 Route 30 Greensburg, PA 15601	(724) 600-0860
16	PA117	Josh Stein	4870 McKnight Road Pittsburgh, PA 15237	(412) 837-2445
17	PA118	Josh Stein	301 Blue Spruce Way Murrysville, PA 15668	(724) 519-8449
18	PA119	Al & Janet Rodriguez	3614 Forbes Ave Pittsburgh, PA 15213	(412) 681-2345
19	PA120	Josh Stein	1136 Thorn Run Road Moon Township, PA 15108	(412) 329-7276
20	PA121	Al & Janet Rodriguez	2015 Pittsburgh Mills Blvd, Suite 105 Tarentum, PA 15084	(724) 275-7777
21	PA123	Al & Janet Rodriguez	620 Butler Crossing Butler, PA 16001	(724) 256-9979
22	PA201	Tim & Cara Wilson	400 Rock Hill Drive Bensalem, PA 19020	(215) 355-3933
23	PA202	Roy & Jennifer Tanay	1460 Bethlehem Pike, Suite 160 North Wales, PA 19454	(267) 419-8630
24	PA203	Tim & Cara Wilson	250 Plaza Drive, Store P4-5 Collegeville, PA 19426	(484) 973-6089
25	PA204	Roy & Jennifer Tanay	73 Old Dublin Pike, Suite 13B Doylestown, PA 18901	(267) 454-7481
26	PA205	Adam Teichman, Sergio Rudoj & Mike Wassel	1040 Second Street Pike, Suite D Richboro, PA 18954	(267) 288-5729
27	PA206	Tim & Cara Wilson	110 Lincoln Hwy, Suite 10 Fairless Hills, PA 19030	(267) 202-6924
28	PA207	Bill Crockett	391 Wilmington Pike, Suite 14 Glen Mills, PA 19342	(610) 358-4630
29	PA208	John & Terri Maciolek	400 South State Road Springfield, PA 19064	(610) 543-3300
30	PA209	Jeff & Lauren White	60 East Uwchlan Avenue Exton, PA 19341	(484) 879-6163
31	PA210	Roy & Jennifer Tanay	157 York Road Willow Grove, PA 19090	(267) 818-6126
32	PA211	Jeff & Lauren White	412 West Swedesford Road Berwyn, PA 19312	(484) 872-8471
33	PA212	Adam Teichman, Sergio Rudoj & Mike Wassel	255 Metro Drive Warrington, PA 18976	(267) 488-1102



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

34	PA301	David Miller	6520 Carlisle Pike, Suite 3 Mechanicsburg, PA 17050	(717) 458-5515
35	PA302	David Miller	2073 Fruitville Pike Lancaster, PA 17601	(717) 824-4404
36	PA303	David Miller	347 Comet Drive Millersville, PA 17551	(717) 584-6027
37	PA304	David Miller	5020 Jonestown Road Harrisburg, PA 17112	(717) 562-7922
38	PA401	Al & Janet Rodriguez	6805 Peach St Erie, PA 16509	(814) 866-2547
39	PA402	Al & Janet Rodriguez	1219 Pittsburgh Ave, Suite B-10 Erie, PA 16505	(814) 452-2547
40	PA501	Dan & Kate Young	1051 Shoppes Blvd Moosic, PA 18507	(570) 344-1717
41	PA502	Dan & Kate Young	11 Bear Creek Blvd., #309 Wilkes-Barre, PA 18702	(570) 706-9570
42	PA551	Alicia Nocera & Tom Crenney	1041 N. Hermitage Road Hermitage, PA 16148	(724) 981-5750
43	PA601	Gary Pfaff	805 Baltimore Street, Suite 245 Hanover, PA 17331	(717) 632-2887
44	PA602	Roger Gauert	1800 Loucks Road, Suite 840 York, PA 17408	(717) 718-5778
45	PA603	Michael Hassett	3013 East Market Street York, PA 17402	(717) 718-5443

***RHODE ISLAND***

1	RI101	Ed and Maria Passarelli	618 George Washington Hwy Lincoln, RI 02865	(401) 334-4687
2	RI102	Ed and Maria Passarelli	1500 Bald Hill Rd, Unit 1C Warwick, RI 02886	(401) 828-4687
3	RI103	Emmett Kane	2290 New London Turnpike Coventry, RI 02816	(401) 828-3333

***SOUTH CAROLINA***

1	SC101	Eric & Rosemary Gozur*	572 John Ross Pkwy. Ste. 104 Rock Hill, SC 29730	(803) 980-8883
2	SC102	Eric & Rosemary Gozur*	1135 Stonecrest Blvd., #119 Fort Mill, SC 29708	(803) 802-9966
3	SC103	Eric & Rosemary Gozur*	4875 Old York Road, B-3 Rock Hill, SC 29732	(803) 327-9990
4	SC104	Eric & Rosemary Gozur*	400 N. Dobys Bridge Rd, Suite A-2 Fort Mill, SC 29715	(803) 547-6767
5	SC301	Eric & Rosemary Gozur*	10210 B Two Notch Rd Columbia, SC 29229	(803) 865-8885
6	SC302	Eric & Rosemary Gozur*	275 Park Terrace Drive, Suite 700 Columbia, SC 29212	(803) 407-8558

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

7	SC601	Eric & Rosemary Gozur*	3915 Pelham Rd., Suite A Greenville, SC 29615	(864) 987-9041
8	SC602	Eric & Rosemary Gozur*	1106 Woodruff Road, Suite C Greenville, SC 29607	(864) 987-9061
9	SC604	Eric & Rosemary Gozur*	1534 Poinsett Hwy Greenville, SC 29609	(864) 242-1100
10	SC607	Eric & Rosemary Gozur*	169 Hadden Heights Rd., Suite A-5 Spartanburg, SC 29301	(864) 764-1301
11	SC608	Eric & Rosemary Gozur*	2603-C Woodruff Road, Suite C Simpsonville, SC 29681	(864) 458-3323
12	SC105	Mike & Kris Frazier	312 Bulkhead Way Lake Wylie, SC 29710	(803) 619-4468
13	SC201	Todd Currie	420A Azalea Square Summerville, SC 29483	(843) 851-4405
14	SC202	Todd Currie	656-D Long Point Rd Mount Pleasant, SC 29464	(843) 388-0449
15	SC203	Todd Currie	1836 Ashley River Rd. Ste C Charleston, SC 29407	(843) 571-0703
16	SC204	Todd Currie	9740 Dorchester Rd. Ste 104 Summerville, SC 29485	(843) 821-6066
17	SC205	Todd Currie	3018 S. Morgan's Point Rd. Mount Pleasant, SC 29466	(843) 971-3563
18	SC206	Bud & Judy Childers	607 St. James Avenue, Suite C Goose Creek, SC 29445	(843) 863-8311
19	SC207	JB & Kari Ryan	4940 Centre Pointe Dr. North Charleston, SC 29418	(843) 628-5069
20	SC208	Bud & Judy Childers	7800 Rivers Avenue, Suite 1060 North Charleston, SC 29406	(843) 569-8757
21	SC304	Ira Usry	5135 Sunset Blvd., Ste. G Lexington, SC 29072	(803) 951-2251
22	SC305	Chad Coble	327 Killian Road, Suite A-7 Columbia, SC 29203	(803) 735-0111
23	SC306	Chad Coble	1792 South Lake Dr., Suite 140 Lexington, SC 29073	(803) 359-0565
24	SC307	Ira Usry	4711 Forest Drive, Ste. 18 Columbia, SC 29206	(803) 782-6762
25	SC308	Zach & Sharon Payer	2621 Broad St Sumter, SC 29150	(803) 469-2547
26	SC401	Bill & Mary Ann Voegtle	30 Malphrus Rd Ste. A Bluffton, SC 29910	(843) 837-5050
27	SC402	Bill & Mary Ann Voegtle	198 Okatie Village Drive, Ste. 104 Bluffton, SC 29910	(843) 705-2722
28	SC403	Bill & Mary Ann Voegtle	272 Robert Smalls Parkway, Suite 330 Beaufort, SC 29906	(843) 379-4003
29	SC501	Cynthia Samour	1764 Pine Island Rd., Suite 2 Myrtle Beach, SC 29577	(834) 839-2540
30	SC502	Cynthia Samour	1000 South Commons Dr Ste 104 Myrtle Beach, SC 29588	(843) 650-1042

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

31	SC503	Cynthia Samour	114 Hwy. 17 South North Myrtle Beach, SC 29582	(843) 249-5700
32	SC504	Cynthia Samour	1940 D Hoffmeyer Road, Suite 42 Florence, SC 29501	(843) 317-1977
33	SC603	Mike & Kris Frazier	116 Commons Pkwy. Anderson, SC 29621	(864) 226-7979
34	SC605	Michael Moore	6525 Calhoun Memorial Highway, Ste G Easley, SC 29640	(864) 644-8377
35	SC606	Michael Moore	343-B Harrison Bridge Road Simpsonville, SC 29680	(864) 228-5801
36	SC609	Mike & Kris Frazier	209 Hospitality Boulevard Greenwood, SC 29649	(864) 227-0488

***SOUTH DAKOTA***

1	SD101	Brad & Carla Whitt	5019 S Western Avenue, Suite 190 Sioux Falls, SD 57108	(605) 271-8085
2	SD102	Brad & Carla Whitt	504 South Foss Avenue Sioux Falls, SD 57110	(605) 275-2889

***TENNESSEE***

1	TN201	John Weber*	1010 Murfreesboro Rd. #174 Franklin, TN 37064	(615) 595-8800
2	TN202	John Weber*	96 White Bridge Rd. Nashville, TN 37205	(615) 354-5551
3	TN203	John Weber*	600 A. Frazier Dr. Ste. 125 Franklin, TN 37067	(615) 771-2848
4	TN205	John Weber*	1820 F. Madison St. Clarksville, TN 37043	(931) 920-3060
5	TN206	John Weber*	1701 West Main Street Lebanon, TN 37087	(615) 499-8026
6	TN209	John Weber*	8070 Highway 100 Nashville, TN 37221	(615) 646-5946
7	TN220	John Weber*	108 Morris Road Suite 102 Clarksville, TN 37040	(931) 919-2655
8	TN222	John Weber*	2104 Memorial Blvd, Suite B Murfreesboro, TN 37129	(615) 494-3700
9	TN101	Jeff Adkins	7825 Winchester Rd. #102 Memphis, TN 38125	(901) 753-7126
10	TN102	Jeff Adkins	2841 Bartlett Blvd. Bartlett, TN 38134	(901) 377-1600
11	TN103	Drew Renshaw	4732 Spottswood Memphis, TN 38117	(901) 685-5995
12	TN104	Jeff Adkins	465 Germantown Pkwy Ste.106 Cordova, TN 38018	(901) 755-5977
13	TN105	Drew & Joan Renshaw	295 New Byhalia Rd., Ste. 107 Collierville, TN 38017	(901) 854-1088

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

14	TN106	Jeff Adkins	9045 Highway 64, ste. 111 Lakeland, TN 38002	(901) 937-0728
15	TN107	Drew & Joan Renshaw	7685 Farmington Blvd., Ste. 107 Germantown, TN 38138	(901) 756-4884
16	TN110	Drew & Joan Renshaw	5865 Poplar Ave. Memphis, TN 38119	(901) 537-0060
17	TN112	Drew & Joan Renshaw	2323 N. Germantown Pkwy, Suite 103 Memphis, TN 38016	(901) 380-5544
18	TN114	Jeff Adkins	3592 S. Houston Levee, Suite 102 Collierville, TN 38017	(901) 316-5224
19	TN115	Jeff Adkins	8507 Highway 51 N., Suite 106 Millington, TN 38053	(901) 872-7778
20	TN116	Drew & Joan Renshaw	2145 Union Ave, Suite 101 Memphis, TN 38104	(901) 310-4355
21	TN204	Tim & Lori Horn	300 Pleasant Grove Road, Suite 315 Mt. Juliet, TN 37122	(615) 758-4005
22	TN207	Steve Nosser	2615 Medical Parkway, Ste. 1020 Murfreesboro, TN 37129	(615) 494-3700
23	TN208	Steve Nosser	801 Industrial Blvd., Suite 110 Smyrna, TN 37167	(615) 355-0000
24	TN210	Steve Nosser	1007 Crossings Blvd. Spring Hill, TN 37174	(931) 486-0774
25	TN211	Steve Nosser	6816 Charlotte Pike, St. 105 Nashville, TN 37209	(615) 739-6268
26	TN212	Lance & Patty Waller	1101 Nashville Pike, Suite 170 Gallatin, TN 37066	(615) 451-7399
27	TN215	Lance & Patty Waller	203 N. Anderson Lane Suite 106 Hendersonville, TN 37075	(615) 264-6315
28	TN217	Michael Alsobrooks	416-C West Jackson Cookeville, TN 38501	(931) 854-0318
29	TN218	Steve Nosser	2037 Old Fort Pkwy., Suite 1A Murfreesboro, TN 37129	(615) 494-0099
30	TN219	Kevin & Rachell Colbert Robery & Louisa Qualls	15582 Old Hickory Blvd Nashville, TN 37211	(615) 760-5017
31	TN221	Kevin & Rachell Colbert Robery & Louisa Qualls	5205 Old Hickory Blvd, Suite 103 Hermitage, TN 37076	(615) 982-6157
32	TN223	Kevin & Rachell Colbert Robery & Louisa Qualls	135 Thorton Drive Dickson, TN 37055	(615) 326-8625
33	TN301	Jeff Adkins	1233 Vann Drive Jackson, TN 38305	(731) 300-3320
34	TN401	Swan & Amy Tate	11523 Parkside Drive Knoxville, TN 37934	(865) 675-5458
35	TN402	Swan & Amy Tate	6631 Clinton Hwy., Suite 103 Knoxville, TN 37921	(865) 938-9987
36	TN403	Swan & Amy Tate	719 Louisville Rd Alcoa, TN 37701	(865) 983-5284
37	TN404	Sean & Tammy Norris & Dian Trosclair	5469 Washington Pike Knoxville, TN 37918	(865) 540-4444

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

38	TN405	Sean & Tammy Norris & Dian Trosclair	123 North Peters Rd Knoxville, TN 37923	(865) 693-4757
39	TN407	Swan & Amy Tate	4227 Sam Walton Way Knoxville, TN 37938	(865) 922-1656
40	TN408	Michael Alsobrooks	234 Brookview Center Way, Suite 108 Knoxville, TN 37919	(865) 474-1062
41	TN409	Michael Alsobrooks	1537 Oak Ridge Turnpike Oak Ridge, TN 37830	(865) 294-4109
42	TN501	Greg & Laura Carson	7425 Commons Blvd Chattanooga, TN 37421	(423) 877-5200
43	TN503	Paul Rogers	5591 Hwy. 153 Ste. 166 Chattanooga, TN 37343	(423) 877-5200
44	TN504	Tim & Lori Horn	4462 Frontage Road NW Cleveland, TN 37312	(423) 478-8242
45	TN601	Bob Klinker	2244 N Roan St Ste 104 Johnson City, TN 37601	(423) 232-5050
46	TN602	Bob Klinker	1880 N Eastman Rd Kingsport, TN 37644	(423) 765-9509

<b>TEXAS</b>				
1	TX201	Joe Klimek & Bill Vandrick*	2476 Hwy. 6 South Houston, TX 77077	(281) 556-8943
2	TX226	Joe Klimek & Bill Vandrick*	13714 A Northwest Freeway Houston, TX 77040	(713) 462-6740
3	TX440	Mark & Jan Mansfield*	15212 Montfort Dr., Ste. 312 Dallas, TX 75248	(972) 239-4442
4	TX460	Mark & Jan Mansfield*	7120 Coit Rd., Suite 118 Plano, TX 75025	(972) 468-9333
5	TX202	Sandy Patel	7536 FM 1960 W. Houston, TX 77070	(281) 807-0027
6	TX203	Brad & Monique Minton	7065 Hwy. 6 North Houston, TX 77095	(281) 345-7830
7	TX204	Richard & Jennie Buxbaum	5000 Westheimer #104 Houston, TX 77056	(713) 626-2995
8	TX206	Michael & Sheila Skipper	4763 Sweetwater Blvd. Sugar Land, TX 77479	(281) 491-4433
9	TX207	Sandy Patel	14030 FM 2920, Ste.C3 Tomball, TX 77377	(281) 255-3390
10	TX208	Robert Whittleman	148 W. Bay Area Blvd. Webster, TX 77598	(281) 332-6365
11	TX209	Robert Whittleman	5846 Fairmont Parkway Pasadena, TX 77505	(281) 705-0740
12	TX210	Michael & Sheila Skipper	4520 S. Highway 6 Sugar Land, TX 77478	(281) 494-5250
13	TX211	Cheston Syma	19859 Katy Freeway Houston, TX 77094	(281) 398-0802

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

14	TX212	Drew & Kelly Hopper	5015 Garth Road Baytown, TX 77521	(281) 421-0972
15	TX214	Drew & Kelly Hopper	4566 Kingwood Dr. Kingwood, TX 77345	(281) 361-6024
16	TX215	Butch Gentry	120 Hwy 332 W. Suite A-6 Lake Jackson, TX 77566	(979) 297-4788
17	TX216	Drew & Kelly Hopper	1440-C Lake Woodlands Dr. The Woodlands, TX 77380	(281) 292-4466
18	TX218	Cheston Syma	23501 Cinco Ranch Boulevard Ste J130 Katy, TX 77494	(281) 392-6900
19	TX219	Richard & Jennie Buxbaum	5115 Buffalo Speedway #600 Houston, TX 77005	(713) 661-6040
20	TX220	Sandy Patel	16718 Champion Forest Dr. Spring, TX 77379	(281) 251-0232
21	TX221	Drew & Kelly Hopper	6700 Woodlands Parkway #120 The Woodlands, TX 77381	(281) 292-4747
22	TX222	Richard & Jennie Buxbaum	8366 Westheimer, Suite E Houston, TX 77063	(713) 266-7995
23	TX223	Chris Martin	2611 S. Shepherd Dr. #160 Houston, TX 77098	(713) 528-8722
24	TX224	Cody & Veronica Lovins	1317 W. Davis St. Ste. B Conroe, TX 77304	(936) 494-2889
25	TX225	Cody & Veronica Lovins	10504 Broadway, Suite C Pearland, TX 77584	(713) 436-5244
26	TX228	Thuy & Hung Nguyen	13215 Grant Road Suite #1600 Cypress, TX 77429	(281) 257-0331
27	TX229	Brad & Monique Minton	26084 Hwy 290 W #160 Cypress, TX 77429	(281) 256-1344
28	TX230	Cody & Veronica Lovins	6011 FM 1488 Magnolia, TX 77354	(832) 934-2400
29	TX231	Cody & Veronica Lovins	3108 Dixie Farm Rd Pearland, TX 77581	(281) 996-8223
30	TX232	Drew & Kelly Hopper	314 Sawdust Rd The Woodlands, TX 77380	(281) 465-8344
31	TX233	Cody & Veronica Lovins	5941 FM 2920 Ste C Spring, TX 77388	(281) 355-1411
32	TX234	Drew & Kelly Hopper	19250 W. Lake Houston Pkwy Ste H Humble, TX 77346	(281) 548-0067
33	TX235	Cody & Veronica Lovins	250 Cypresswood Dr., Ste. J Spring, TX 77388	(281) 528-2121
34	TX236	Michael & Sheila Skipper	19770 SW Freeway Sugar Land, TX 77479	(281) 238-8877
35	TX237	Cody & Veronica Lovins	4801 Wilson Rd., Suite 500 Humble, TX 77396	(281) 540-8900
36	TX238	Drew & Kelly Hopper	3026 College Park Dr., Ste. D The Woodlands, TX 77384	(936) 273-1754
37	TX239	Gayle Adair	15042 Wallisville Road, Suite B Houston, TX 77049	(713) 637-7800

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

38	TX240	Robert & Patti Ragsdale	24004 SW Freeway, Ste. 202 Rosenberg, TX 77471	(832) 595-0222
39	TX241	Gayle Adair	8420 Katy Freeway, Ste. 300 Houston, TX 77024	(832) 358-9800
40	TX242	Robert & Stephanie Whittleman	2860 Gulf Freeway South, Suite E League City, TX 77573	(281) 337-0840
41	TX243	Cody & Veronica Lovins	212 FM 518, Suite 104 Kemah, TX 77565	(281) 334-9200
42	TX244	Cody & Veronica Lovins	8705 West Loop South, Ste. 200 Houston, TX 77096	(713) 666-8700
43	TX245	Michael & Sheila Skipper	8840 Hwy 6 Missouri City, TX 77459	(281) 778-3870
44	TX246	Cheston Syma	22720 Bellaire Blvd., Suite 200 Richmond, TX 77469	(281) 341-8080
45	TX247	Chris Martin	1911 Taylor, Suite B Houston, TX 77007	(713) 426-3512
46	TX248	Cody & Veronica Lovins	9955 Woodlands Parkway The Woodlands, TX 77382	(281) 419-2044
47	TX249	Cheston Syma	1998 Katy Mills Blvd., Suite C Katy, TX 77494	(281) 395-3388
48	TX250	Cody & Veronica Lovins	15320 Highway 105 West, Ste. 105 Montgomery, TX 77356	(936) 447-3550
49	TX251	Cheston Syma	14013 Memorial Drive Houston, TX 77079	(281) 558-2887
50	TX252	Brad & Monique Minton	22545 State Highway 249, Suite 120 Houston, TX 77070	(281) 251-7103
51	TX253	Gayle Adair	13141 FM 1960 Rd W, Suite 800 Houston, TX 77065	(281) 894-1500
52	TX254	Drew & Kelly Hopper	3717 Center Street, Suite D Deer Park, TX 77536	(281) 476-9003
53	TX255	Cody & Veronica Lovins	11037 Shadow Creek Pkwy Pearland, TX 77584	(281) 606-0135
54	TX256	Robbie & Stephanie Whittleman	1770 W. Church Street Livingston, TX 77351	(936) 327-3899
55	TX257	Cody & Veronica Lovins	12709 Interstate Hwy 45 N, Suite 250 Willis, TX 77318	(936) 856-2856
56	TX258	Cody & Veronica Lovins	8498 S Sam Houston Pkwy, Suite 800 Houston, TX 77075	(713) 492-2286
57	TX259	Chris Martin	103 Yale Street, Suite 200 Houston, TX 77007	(713) 862-7700
58	TX260	Cody & Veronica Lovins	9490 FM 1960 Bypass Road West, Ste. 400 Humble, TX 77338	(281) 319-4468
59	TX261	Chris Martin	2248 W Holcombe Blvd Houston, TX 77030	(832) 767-3697
60	TX262	Gayle Adair	2301 Rayford Road #300 Spring, TX 77386	(281) 419-4800
61	TX263	Gayle Adair	25639 US Highway 59 North, Suite 111 Kingwood, TX 77339	(281) 354-7220

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

62	TX264	Cheston Syma & Bob Ermatinger	9930 Katy Freeway, Suite 150 Houston, TX 77055	(713) 465-1113
63	TX265	Brad & Monique Minton	9727 Barker Cypress Rd, Suite 400 Cypress, TX 77433	(281) 758-5458
64	TX266	Rod & Holly Wetzig	8608 North Highway 146, Suite 300 Baytown, TX 77523	(281) 573-2200
65	TX268	Rod & Holly Wetzig	252 TX-35 BUS, Suite B Alvin, TX 77511	(281) 585-9600
66	TX269	Drew & Kelly Hopper	444 West 19th Street Houston, TX 77008	(281) 974-2508
67	TX270	Gayle Adair	24504 Kuykendahl Drive Spring, TX 77375	(832) 698-2637
68	TX271	Chris Martin	1911 W. Gray Street Houston, TX 77019	(713) 380-2878
69	TX272	Gayle Adair	3535 Rayford Rd, #200 Spring, TX 77386	(281) 651-4234
70	TX273	Cheston Syma	520 Hwy 6, Suite 200 Sugar Land, TX 77478	(832) 886-4565
71	TX274	Robbie & Stephanie Whittleman	3351 Clear Lake City Boulevard, Ste 800 Houston, TX 77059	(281) 990-8494
72	TX278	Brad & Monique Minton	9814 Fry Road, Suite 200 Cypress, TX 77433	(281) 758-1274
73	TX279	Butch Gentry	810 North Dixie Dr, Suite L Clute, TX 77531	(979) 266-8660
74	TX280	Robert & Patti Ragsdale	8806 N Navarro, Ste. 200 Victoria, TX 77904	(361) 580-2547
75	TX289	Les & Linda Bunte	1612 Villa Maria, Suite 100 Bryan, TX 77807	(979) 779-8900
76	TX290	Les & Linda Bunte	980 E University College Station, TX 77840	(979) 260-1700
77	TX291	Les & Linda Bunte	943 William D. Fitch Pkwy #351 College Station, TX 77845	(979) 690-3800
78	TX294	Cody & Veronica Lovins	107 US Highway 290 West Brenham, TX 77833	(979) 836-2620
79	TX295	Jeff & Allison Lee	170 N. New Rd. Waco, Tx 76710	(254) 776-2547
80	TX296	Jeff & Allison Lee	2448 W. Loop 340, Suite 28 Waco, TX 76711	(254) 732-0211
81	TX297	Jeff & Allison Lee	3550 South General Bruce Dr., Ste. 118 Temple, TX 76504	(254) 773-8383
82	TX299	Jeff & Allison Lee	1201 Hewitt Drive, Suite 209 Waco, TX 76712	(254) 313-1434
83	TX301	Jay & Jana Chamberlain and Matt & May Olson	11075 Interstate Hwy. 10 W. Suite 308 San Antonio, TX 78230	(210) 691-0148
84	TX302	Jay & Jana Chamberlain and Matt & May Olson	2805 Thousand Oaks San Antonio, TX 78232	(210) 494-7857
85	TX303	Jay & Jana Chamberlain and Matt & May Olson	11619 Bandera Road Suite 105 San Antonio, TX 78250	(210) 767-8316



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

86	TX304	Jay & Jana Chamberlain and Matt & May Olson	1141 N. Loop 1604 E., Suite 103 San Antonio, TX 78258	(210) 403-2957
87	TX305	Jay & Jana Chamberlain and Matt & May Olson	8332 Agora Parkway Suite 120 Selma, TX 78154	(210) 658-6900
88	TX306	Orlando & Carol Uresti	6511 West F.M. 1604 North, Ste120 San Antonio, TX 78254	(210) 688-2400
89	TX307	Joanne Hilliard	17503 La Cantera Pkwy., Suite 114 San Antonio, TX 78257	(210) 690-5353
90	TX309	Orlando & Carol Uresti	119 SW Loop 410, Ste 130 San Antonio, TX 78245	(210) 509-3000
91	TX311	Joanne Hilliard	3326 SE Military Dr Ste 102 San Antonio, TX 78223	(210) 337-7070
92	TX312	Greg & Christina James	23002 US Hwy 281 North, Ste. 101 San Antonio, TX 78258	(210) 496-0404
93	TX314	Chris & Karen Parker	754 NW Loop 410, Suite 105 San Antonio, TX 78216	(210) 340-1881
94	TX315	Greg & Christina James	161 Creekside Way, Ste 502 New Braunfels, TX 78130	(830) 626-0440
95	TX316	Drew & Kelly Hopper	651 Barnes Drive, Suite 203 San Marcos, TX 78666	(512) 392-7040
96	TX317	Chris & Karen Parker	17244 IH 35 North, Suite 3 Schertz, TX 78154	(210) 590-2500
97	TX318	Rene & Marissa Moreno	1235 Austin Hwy, Suite 106 San Antonio, TX 78209	(210) 832-8822
98	TX319	Orlando & Carol Uresti	9427 Culebra Road San Antonio, TX 78251	(210) 647-7808
99	TX320	Drew & Kelly Hopper	301 N Guadalupe, Suite 184 San Marcos, TX 78666	(512) 667-6653
100	TX323	Jay & Jana Chamberlain and Matt & May Olson	938 Wurzbach Parkway, Suite 105 San Antonio, TX 78212	(210) 493-2828
101	TX350	Orlando & Carol Uresti	1502 Airline Dr., Ste. 120 Corpus Christi, TX 78412	(361) 906-2222
102	TX351	Orlando & Carol Uresti	5625 Saratoga Blvd., Suite 103 Corpus Christi, TX 78414	(361) 452-6722
103	TX400	Jay & Jana Chamberlain	4770 State Hwy. 121, Suite 110 Lewisville, TX 75056	(972) 625-5100
104	TX401	Ken & Patricia Kroviak	3208 Harwood Bedford, TX 76021	(817) 868-9610
105	TX402	Almaz Haile	13901 Midway Rd., Suite #107 Farmers Branch, TX 75244	(972) 233-0056
106	TX403	Ken & Patricia Kroviak	291 E. Round Grove Rd. #160 Lewisville, TX 75067	(972) 459-4809
107	TX404	Cindy & Jack Watkins	4701 W. Park #103 Plano, TX 75093	(972) 312-0816
108	TX405	Bobby & Lori Forrest	7707 N. MacArthur Blvd., Suite 120 Irving, TX 75063	(214) 496-0802
109	TX406	Chris & Nicole Loper	3320 E. Hebron Pkwy. #120 Carrollton, TX 75010	(972) 862-3501

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

110	TX407	Duff & Amy Nelson	9147 Boulevard 26, Suite 460 North Richland Hills, TX 76180	(817) 605-1786
111	TX408	Jay & Jana Chamberlain	8300 Gaylord Parkway #10 Frisco, TX 75034	(972) 668-5324
112	TX409	Bobby & Lori Forrest	8004 Denton Highway, Suite 144 Watauga, TX 76148	(817) 428-5060
113	TX410	Duff & Amy Nelson	1527 W. SH 114 Suite 200 Grapevine, TX 76051	(817) 251-6517
114	TX411	Jay & Jana Chamberlain	1901 Long Prairie, Suite #112 Flower Mound, TX 75028	(214) 513-2989
115	TX412	Cindy & Jack Watkins	4727 Frankford Rd. Suite 357 Dallas, TX 75287	(972) 713-0707
116	TX414	Bob & Sherry Majecki	4040 FM 2181 Hickory Creek, TX 75065	(940) 321-0770
117	TX415	Chris & Nicole Loper	4009 Old Denton, Suite 100 Carrollton, TX 75007	(972) 939-8395
118	TX416	Ralph & Cheryl Scott-McBroom	213 N. Highway 67 Suite #400-A Cedar Hill, TX 75104	(972) 291-6464
119	TX417	Jay & Jana Chamberlain	6101 Long Prairie Rd. Ste. 724 Flower Mound, TX 75028	(972) 691-3678
120	TX418	Duff & Amy Nelson	1664 S. University Dr. Suite C Ft. Worth, TX 76107	(817) 332-3020
121	TX419	Ken & Patricia Kroviak	120 E. FM 544 #76 Murphy, TX 75094	(972) 633-3747
122	TX420	Bobby & Lori Forrest	5949 Broadway #125 Garland, TX 75043	(972) 240-6300
123	TX421	Duff & Amy Nelson	8528 Davis Blvd. Suite 140 North Richland Hills, TX 76180	(817) 581-9884
124	TX422	Ralph & Cheryl Scott-McBroom	1811 US Hwy 287 N Ste 122 Mansfield, TX 76063	(682) 518-9910
125	TX423	Tim & Kathy Terzis	1008 W. McDermott Dr. Suite #200 Allen, TX 75013	(972) 359-7599
126	TX424	Chris & Nicole Loper	3001 Knox St. Suite 101A Dallas, TX 75205	(214) 219-5900
127	TX425	Matt & May Olson	1224 N. Hwy 377 Ste. 305, Ste.305 Roanoke, TX 76262	(817) 491-3388
128	TX426	Bob & Sherry Majecki	1400 Loop 288 Ste.102 Denton, TX 76205	(940) 383-8383
129	TX427	Bob & Sherry Majecki	850 Valley Ridge Blvd. Ste.116 Lewisville, TX 75077	(214) 222-1400
130	TX428	Ken & Patricia Kroviak	5255 George Bush Turnpike, Suite 475 Garland, TX 75040	(972) 675-5760
131	TX429	Tim & Kathy Terzis	3190 S. Central Expressway, Suite 560 McKinney, TX 75070	(972) 540-1844
132	TX430	Kevin & Misti Houston	140 John Jones Blvd., FM731 Burleson, TX 76028	(817) 447-5656
133	TX431	Chris & Nicole Loper	6025 Royal Lane Suite 307 Dallas, TX 75230	(214) 363-7410

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

134	TX432	Bobby & Lori Forrest	1314 W. Pipeline Rd. Ste.A06 Hurst, TX 76053	(817) 284-0503
135	TX434	Paul & Christine Slabbekoorn	116 E. IS 20 Ste 110 Weatherford, Tx 76086	(817) 594-4400
136	TX435	Bobby & Lori Forrest	2789 Ridge Road Rockwall, TX 75032	(972) 772-8828
137	TX436	Matt & May Olson	240 N Denton Tap Rd, Ste 430 Coppell, TX 75019	(972) 393-9490
138	TX437	Jay & Jana Chamberlain	2763 El Dorado Parkway #140 Little Elm, Tx 75068	(469) 362-9688
139	TX438	Jay & Jana Chamberlain	4150 Legacy Dr Ste 414 Frisco, TX 75034	(972) 377-7477
140	TX439	Kevin & Misti Houston	4811 Overton Ridge Blvd, Ste. 212 Fort Worth, TX 76132	(817) 346-1414
141	TX441	Gary Howard	1201 East Spring Creek Pkwy., Ste. 170 Plano, TX 75074	(972) 881-5083
142	TX442	Bobby & Lori Forrest	501 N. FM 548 #150 Forney, TX 75126	(972) 564-0444
143	TX443	Tim & Kathy Terzis	8930 State Highway 121, Ste. 546 McKinney, TX 75070	(214) 383-5058
144	TX444	Tim & Kathy Terzis	1411 North Custer Rd., Suite 800 McKinney, TX 75071	(972) 542-4335
145	TX445	Ken & Patricia Kroviak	3010 Highway 121, Ste. 800 Eules, TX 76039	(817) 571-6605
146	TX446	Chris & Nicole Loper	4007 Lemmon Ave Dallas, TX 75219	(214) 219-3000
147	TX447	Patrice & Keron Graves	6404 Gaston Ave. Dallas, TX 75214	(214) 824-7500
148	TX448	Ken & Patricia Kroviak	805 Woodbridge Pkwy, Ste 600 Wylie, TX 75098	(972) 442-6444
149	TX449	Bobby & Lori Forrest	4301 Lakeview Parkway, Ste 200 Rowlett, TX 75088	(972) 412-5121
150	TX450	Matt & May Olson	3040 W. Camp Wisdom Rd., Suite 160 Grand Prairie, TX 75052	(972) 602-8330
151	TX451	Tim & Kathy Terzis	1925 Central Expwy., Ste. 460 McKinney, TX 75070	(972) 542-4889
152	TX452	Bobby & Lori Forrest	2880 Heritage Trace Parkway Fort Worth, TX 76177	(817) 741-4121
153	TX453	Jay & Jana Chamberlain	5017 Teasley Lane, Ste. 109 Denton, Tx 76210	(940) 243-5100
154	TX454	Gary Howard	700 E. Campbell Road, Ste. 140 Richardson, TX 75082	(972) 231-2499
155	TX455	Jay & Jana Chamberlain	11550 Legacy Drive, Suite 430 Frisco, TX 75034	(469) 362-7723
156	TX456	Kevin & Misti Houston	1237 N. Little School Rd., Ste. D Arlington, TX 76017	(817) 483-4144
157	TX457	Jay & Jana Chamberlain	8445 Preston Road, Suite 210 Frisco, TX 75034	(214) 436-4457

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

158	TX458	Gary & Debbie Howard	190 East Stacy Road, Suite 208 Allen, TX 75002	(214) 383-5151
159	TX459	Duff & Amy Nelson	5001 South Cooper, Suite 117 Arlington, TX 76017	(817) 472-8899
160	TX461	Chris & Nicole Loper	5521 Greenville Ave, Suite 110 Dallas, TX 75206	(214) 987-0900
161	TX462	Bob & Sherry Majecki	2520 West University Drive, Suite 1170 Denton, TX 76201	(940) 382-4793
162	TX463	Patrice & Keron Graves	6176 Retail Rd., Suite 200 Dallas, TX 75231	(214) 361-2366
163	TX464	Paul & Christine Slabbekoorn	9400 Clifford Street, Suite 120 Fort Worth, TX 76108	(682) 708-5252
164	TX465	Bobby & Lori Forrest	13100 NW Highway 287, Suite 130 Haslet, TX 76052	(817) 439-8165
165	TX466	Paul & Christine Slabbekoorn	501 Alta Mere Dr., Suite 1005 Fort Worth, TX 76114	(817) 763-8135
166	TX467	Chris & Nicole Loper	6333 E. Mockingbird Lane, # 145 Dallas, TX 75214	(214) 434-1523
167	TX468	Jay & Jana Chamberlain and Matt & May Olson	11750 US Highway 380, Suite 200 Crossroads, TX 76227	(940) 365-9090
168	TX470	Bobby & Lori Forrest	1640 US Hwy 77 Waxahachie, TX 75165	(469) 309-5456
169	TX492	Tim & Kathy Terzis	4060 Hwy 75 N Sherman, TX 75090	(903) 891-0243
170	TX493	Joe & Maggie Walker	4217 Southwest Dr. Abilene, TX 79606	(325) 793-2200
171	TX494	Joe & Maggie Walker	1750 E. Overland Trail, Suite 101 Abilene, TX 79601	(325) 672-1300
172	TX501	Greg & Cassie Guy	8555 Memorial Blvd. Suite 300 Port Arthur, TX 77640	(409) 722-1722
173	TX502	Greg & Cassie Guy	3939 Dowlen, Suite 6 Beaumont, TX 77706	(409) 347-3700
174	TX503	Jay & Jana Chamberlain	5365 S. Broadway Tyler, TX 75703	(903) 509-2333
175	TX504	Jay & Jana Chamberlain	3222 South Main Street, Unit 6 Lindale, TX 75771	(903) 882-5550
176	TX505	Jay & Jana Chamberlain	3707 Troup Highway, Suite 200 Tyler, TX 75703	(903) 561-7089
177	TX506	Sean & Tracey Goram- Welch	3080 North Eastman Rd., #107 Longview, TX 75605	(903) 234-9991
178	TX507	Jay & Jana Chamberlain	419 Old Elkhart Rd, #140 Palestine, TX 75801	(903) 723-2070
179	TX508	Sean & Tracey Goram- Welch	4919 North Street, Suite 103 Nacogdoches, TX 75965	(936) 462-1424
180	TX509	Sean & Tracey Goram- Welch	2414 Gilmer Rd, Suite #5 Longview, TX 75604	(903) 291-1354
181	TX510	Jay & Jana Chamberlain	8942 S. Broadway Ave., Suite 120 Tyler, TX 75703	(903) 630-7326

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

182	TX511	Cody & Veronica Lovins	3109 Edgar Brown Drive West Orange, TX 77630	(409) 238-3101
183	TX601	Carlos & Claudia Lopez	4100 N. 2nd St. Suite 400 McAllen, TX 78501	(956) 618-1221
184	TX603	Carlos & Claudia Lopez	3300 Expry 83, Bldg. 1200; Unit 1230 McAllen, TX 78501	(956) 618-5588
185	TX604	Omar Ramirez	2309 West Lincoln Ave., Suite A Harlingen, TX 78550	(956) 412-3600
186	TX651	Juan Medrano	2019 N.E. Bob Bullock Loop, Ste C-250 Laredo, TX 78045	(956) 725-5200
187	TX652	Juan Medrano	7309 San Dario Ave., Suite 106 Laredo, TX 78045	(956) 727-2000
188	TX690	Juan Medrano	3000 Pablo Kissel Blvd., Suite 300 B-1 Brownsville, TX 78526	(956) 504-0015
189	TX701	Sport Weddel	3240 Soncy Road, Suite 200 Amarillo, TX 79124	(806) 355-2547
190	TX702	Sport Weddel	2325 S. Georgia St. Amarillo, TX 79109	(806) 467-2547
191	TX710	Scott & Shelly Bratcher	4930 S. Loop 289, Ste. 200 Lubbock, TX 79414	(806) 355-2547
192	TX711	Scott & Shelly Bratcher	4505 98th Street, Ste. 150 Lubbock, TX 79424	(806) 687-9701
193	TX712	Scott & Shelly Bratcher	3719 19th St. Lubbock, TX 79410	(806) 771-2547
194	TX720	Joe & Maggie Walker	4419 Sunset Dr. San Angelo, TX 76901	(325) 949-0100
195	TX730	Rahul Yaratha & Chad Tabor	3208 North Loop 250 West Midland, TX 79707	(432) 689-8786
196	TX731	Rahul Yaratha & Chad Tabor	6331 East Highway 191 Odessa, TX 79762	(432) 362-0667
197	TX740	David & Debra Kelley	3911 Lawrence Rd Wichita Falls, TX 76308	(940) 689-8300
198	TX741	David & Debra Kelley	3701 Fairway, Suite 122 Wichita Falls, TX 76309	(940) 691-1000
199	TX801	Daniel & Annette Duarte	1830 N. Zaragoza #103 El Paso, TX 79936	(915) 921-7601
200	TX802	Ricardo Samaniego	655 Sunland Park Drive, Suite #L3 El Paso, TX 79912	(915) 474-3458
201	TX803	Ricardo Samaniego	13900 Horizon Boulevard Horizon City, TX 79928	(915) 852-4848
202	TX804	Rod Reyes	8889 Gateway Blvd., Suite 3010 El Paso, TX 79925	(915) 260-5918
203	TX805	Daniel & Annette Duarte	10771 Gateway South Boulevard, Ste J-104 El Paso, TX 79934	(915) 821-0110
204	TX901	Sean & Tracey Goram-Welch	102 Richmond Ranch Rd Texarkana, TX 75503	(903) 255-0262

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

<b>UTAH</b>				
1	UT102	Duke Sorensen*	51 North West State Road, Suite 103 American Fork, UT 84003	(801) 763-8668
2	UT103	Duke Sorensen*	10573 South Redwood Road South Jordan, UT 84095	(801) 302-9800
3	UT110	Duke Sorensen*	3728 West 13400 South, Suite 102 Riverton, UT 84065	(801) 446-2687
4	UT101	Nancy Vandiver	4740 S. Highland Drive Holladay, UT 84117	(801) 424-3893
5	UT104	Ross Asay	254 E. University Parkway Orem, UT 84058	(801) 434-7050
6	UT105	Wolfgang & Kristine Maasberg	6930 South Park Centre Dr. Cottonwood Heights, UT 84047	(801) 942-0846
7	UT106	Wolfgang & Kristine Maasberg	7726 Campus View Dr., Bldg. C Sp 110 West Jordan, UT 84084	(801) 282-2166
8	UT107	Wolfgang & Kristine Maasberg	10393 South State Street Sandy, UT 84070	(801) 571-8283
9	UT108	Wolfgang & Kristine Maasberg	643 North State #E Lindon, UT 84042	(801) 701-0814
10	UT109	Chris & Cindy Bauman	175 North 500 West, Suite C West Bountiful, UT 84087	(801) 298-1388
11	UT111	Wolfgang & Kristine Maasberg	2917 South Glen Eagles Drive, Suite 3 West Valley City, UT 84128	(801) 955-9566
12	UT112	Wolfgang & Kristine Maasberg	1268 South US 189 Suite 700 Heber City, UT 84032	(435) 654-4043
13	UT114	Chris & Cindy Bauman	4217 Riverdale Rd Ogden, UT 84405	(801) 392-0993
14	UT115	Dylan Brunjes	613 E. 400 S., Suite A-3 Salt Lake City, UT 84102	(801) 410-4463
15	UT116	Dennis Hansen	8675 S. Highland Dr. Sandy, UT 84093	(801) 943-3150
16	UT117	Nancy Vandiver	280 E 12300 S, Suite 114 Draper, UT 84020	(801) 553-3526
17	UT118	Chris & Cindy Bauman	523 W. South Ring Road Layton, UT 84041	(801) 547-6202
18	UT119	Milton Shannon	571 E 1000 N Spanish Fork, UT 84660	(801) 794-4997
19	UT120	Larry & Marilyn Asay	1912 W.1800 N., Suite B103 Clinton, UT 84015	(801) 825-2587
20	UT121	Wolfgang & Kristine Maasberg	3595 W South Jordan Pkwy, Suite 400 South Jordan, UT 84095	(801) 679-1532
21	UT122	Wolfgang & Kristine Maasberg	890 N. State Street, Suite 890 Orem, UT 84057	(801) 225-1919
22	UT123	Dylan Brunjes	2140 S Highland Drive, #3 Salt Lake City, UT 84106	(801) 467-2849
23	UT124	Dennis Hansen	744 West Blue Vista Lane Midvale, UT 84047	(801) 568-6687
24	UT125	Dylan Brunjes	1842 S. 300 W., Building A Suite #2 Salt Lake City, UT 84115	(385) 259-0391

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

25	UT126	Wolfgang & Kristine Maasberg	1851 W. Traverse Pkwy #C Lehi, UT 84043	(801) 341-0800
26	UT127	Chris & Cindy Bauman	2574 North Washington Blvd North Ogden, UT 84414	(801) 782-9471
27	UT201	Ross Asay	100 S. River Road St. George, UT 84790	(435) 673-2667
28	UT202	Ross Asay	1930 W Sunset Blvd., Suite 90 St George, UT 84770	(435) 688-9543

**VERMONT**

1	VT101	Robert Scarcello & Kathleen Maxey-Scarcello	4 74 Holiday Dr, Suite 3 Rutland, VT 05701	(802) 855-8384
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**VIRGINIA**

1	VA202	Keith & Linda Kostek*	1070 Virginia Center Parkway, Ste. 103 Glen Allen, VA 23059	(804) 264-2270
2	VA105	Rick & Holly Ouellette	9934 Sowder Village Square Manassas, VA 20109	(703) 361-4687
3	VA106	Rick & Holly Ouellette	1663 Carl D. Silver Pkwy Fredericksburg, VA 22401	(540) 548-3455
4	VA107	Rick & Holly Ouellette	14169 Saint Germaine Drive Space 3 Centreville, VA 20121	(703) 543-6550
5	VA108	Eric Caudill	11224 James Swart Circle Fairfax, VA 22030	(703) 865-6655
6	VA109	Rick & Holly Ouellette	9849 Jefferson Davis Highway Fredericksburg, VA 22407	(540) 898-2800
7	VA110	Rick & Holly Ouellette	6434 Trading Square Haymarket, VA 20169	(703) 754-4100
8	VA111	Anthony & Kerry Sawyer	7732B Richmond Highway Alexandria, VA 22306	(571) 481-4444
9	VA112	Anthony & Kerry Sawyer	6575K Frontier Drive Springfield, VA 232150	(703) 417-9000
10	VA114	Anthony & Kerry Sawyer	129 W Lee Highway, Suite 210 WAWrenton, VA 20186	(540) 347-0600
11	VA115	Anthony & Kerry Sawyer	20448 Exchange Street Ashburn, VA 20147	(703) 858-7200
12	VA116	Anthony & Kerry Sawyer	6110-C Arlington Blvd Falls Church, VA 22044	(703) 992-7902
13	VA117	Ron & Karen Johnson	6453 Old Beulah Street Alexandria, VA 22315	(703) 971-0007
14	VA118	Rick & Holly Ouellette	180 Maple Avenue, Suite 7 Vienna, VA 22180	(703) 242-2400
15	VA201	Debra Sawyer	11736 West Broad St. Ste 107 Richmond, VA 23233	(804) 364-5005
16	VA203	Debra Sawyer	12038 Southshore Pointe Drive Midlothian, VA 23112	(804) 639-9110

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

17	VA204	Debra Sawyer	9320 W Broad Street B-2 Richmond, VA 23294	(804) 270-2887
18	VA205	Debra Sawyer	7230 Bell Creek Rd., Suite L Mechanicsville, VA 23111	(804) 559-4404
19	VA206	Debra Sawyer	11544 Busy Street Richmond, VA 23236	(804) 378-9997
20	VA207	Debra Sawyer	1700 Willow Lawn Drive, Suite 109 Richmond, VA 23230	(804) 282-4440
21	VA208	Debra Sawyer	11914 Iron Bridge Place Chester, VA 23831	(804) 414-8624
22	VA209	Debra Sawyer	15752 Westchester Main St., Suite 215 Midlothian, VA 23113	(804) 378-3327
23	VA210	Jeremiah & Robin Coyle	1907 Southpark Boulevard Colonial Heights, VA 23834	(804) 479-3014
24	VA211	Debra Sawyer	1318 Gaskins Road, Suite 33 Richmond, VA 23238	(804) 918-1685
25	VA212	Tuan Dam	7101 Forest Hill Avenue, Suite M Richmond, VA 23225	(804) 447-1463
26	VA301	Anthony & Kerry Sawyer	12551 Jefferson Ave., Ste. 405 Newport News, VA 23602	(757) 833-7773
27	VA302	Anthony & Kerry Sawyer	5206 Monticello Ave. Williamsburg, VA 23188	(757) 253-2547
28	VA303	Anthony & Kerry Sawyer	4600 Kilgore Road Hampton, VA 23666	(757) 838-3008
29	VA401	Anthony & Kerry Sawyer	741 Eden Way North, Ste 306 Chesapeake, VA 23320	(757) 548-4880
30	VA402	Anthony & Kerry Sawyer	4554 Virginia Beach Blvd, Suite 670 Virginia Beach, VA 23462	(757) 490-0097
31	VA403	Anthony & Kerry Sawyer	4105 Chesapeake Square Blvd, Ste 104 Chesapeake, VA 23321	(757) 966-9662
32	VA404	Anthony & Kerry Sawyer	2165 General Booth Blvd, Suite 157 Virginia Beach, VA 23454	(757) 716-3599
33	VA405	Anthony & Kerry Sawyer	545A Hilltop Plaza Virginia Beach, VA 23454	(757) 769-7063
34	VA406	Anthony & Kerry Sawyer	1217 North Main Street, #203 Suffolk, VA 23434	(757) 538-0000
35	VA407	Jeremiah & Robin Coyle	1909 Landstown Centre Way, Suite 155 Virginia Beach, VA 23456	(757) 689-6607
36	VA501	Fred & Ena Selby	1480 South Main Street #112 Blacksburg, VA 24060	(540) 552-4897
37	VA502	Fred & Ena Selby	4210 Franklin Road, Suite 02 Roanoke, VA 24014	(540) 562-8687
38	VA503	Tim & Kelly Beckett	4018 Wards Road, Suite E Lynchburg, VA 24502	(434) 832-1370
39	VA504	Fred & Ena Selby	1467 West Main Street, Suite 1467 Salem, VA 24153	(540) 387-1400
40	VA601	Rick & Holly Ouellette	1615 Rio Rd Charlottesville, VA 22901	(434) 293-7347



**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

41	VA701	Tim & Kelly Beckett	1645 Reservoir Street Harrisonburg, VA 22801	(540) 434-2226
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<b>WASHINGTON</b>				
1	WA117	Phil & Laurie Brown*	8933 Market Pl. NE Lake Stevens, WA 98258	(425) 374-2945
2	WA101	Corey & Cori Belle	1645 140th Ave. NE, #B10 Bellevue, WA 98005	(425) 378-3333
3	WA102	Corey & Cori Belle	1401 South 348th St, # M104 Federal Way, WA 98003	(253) 835-1800
4	WA103	Corey & Cori Belle	775 NW Gilman Blvd., Suite C-07 Issaquah, WA 98027	(425) 313-5013
5	WA104	Tom Froslan & Rob Wick	17307 SE 272nd St., Suite 109 Covington, WA 98042	(253) 630-1343
6	WA105	Corey & Cori Belle	17020 Twin Lakes Ave., Suite 104 Marysville, WA 98271	(360) 652-7600
7	WA106	Corey & Cori Belle	10637 NE 68th St, Suite B Kirkland, WA 98033	(425) 968-5249
8	WA107	Yen Ling Liu	12926 Mukilteo Speedway Lynnwood, WA 98087	(425) 353-5300
9	WA108	Tom Froslan & Rob Wick	21260 SR 410 East, B21260 Bonney Lake, WA 98391	(253) 862-2281
10	WA109	Keith Cooke & Lynda Zeis	1029 NE 65th Avenue, Space 24 Seattle, WA 98115	(206) 525-2215
11	WA110	Rob Crandall	17705 140th Ave. NE Woodinville, WA 98072	(425) 487-6200
12	WA111	Anant & Leena Porwal	1018 164th St SE, Suite A-26 Mill Creek, WA 98012	(425) 741-8700
13	WA112	Rob Crandall	17158 Redmond Way Redmond, WA 98052	(425) 881-8200
14	WA114	Anant & Leena Porwal	21125 Bothell Everett Hwy, Ste. F-103 Bothell, WA 98021	(425) 419-4707
15	WA115	Yen Ling Liu	15407 Westminster Way N, Bldg 5, Ste 5A-2 Shoreline, WA 98113	(206) 367-0058
16	WA116	Chris Good	16816 Meridian Ave. E, Suite K105 Puyallup, WA 98375	(253) 864-3080
17	WA118	Anant & Leena Porwal	960 Park Ave. N, Suite B Renton, WA 98057	(425) 264-5945
18	WA119	Steve & Margaret Maffett Jay & Karen Bergevin	3700 Factoria Blvd SE, Suite 3700 D Bellevue, WA 98006	(425) 223-5849
19	WA120	Steve & Margaret Maffett Jay & Karen Bergevin	3052 Issaquah Pine Lake Rd SE Sammamish, WA 98075	(425) 427-0068
20	WA121	Corey & Cori Belle	24081 SE 264 <sup>th</sup> Street Maple Valley, WA 98038	(425) 584-7345
21	WA122	Yen Ling Liu	18700D 33rd Ave West & 184th St SW Lynnwood, WA 98037	(425) 673-5001
22	WA123	Keith Cooke & Lynda Zeis	1401 Marvin Way Rd, Suite 308 Lacey, WA 98516	(360) 491-2215

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

23	WA124	Chris Good	6830 NE Bothell Way, Suite G Kenmore, WA 98028	(425) 908-7468
24	WA125	Corey & Cori Belle	10321 Gravelly Lake Drive SW, Suite E Lakewood, WA 98499	(253) 584-1120
25	WA126	Corey & Cori Belle	1034 Outlet Collection Way, Suite 103 Auburn, WA 98001	(253) 939-6335
26	WA127	Chris Good	4641 Point Fosdick Dr, Bldg 15, Suite 100, Gig Harbor, WA 98335	(253) 514-6404
27	WA128	Yen Ling Liu	21920 Hwy 99 Edmonds, WA 98026	(425) 361-7612
28	WA129	Don & Carolyn Funk	4809 132nd St SE, Suite A101 Everett, WA 98208	(425) 948-6305
29	WA130	JB Dahmoune & Josh English	9414 Ridgetop Blvd Silverdale, WA 98383	(360) 286-2040
30	WA201	Scott & Diana Colgrove	4805 N. Division St, Ste. 106 Spokane, WA 99207	(509) 624-2404
31	WA202	Scott & Diana Colgrove	10 North Sullivan Spokane Valley, WA 99037	(509) 242-3434
32	WA203	Scott & Diana Colgrove	2525 E 29th Ave, Suite 4 Spokane, WA 99223	(509) 241-3752
33	WA301	Brian & Kristen Millett	19171 SE Mill Plain Blvd, Suite 103 Vancouver, WA 98683	(360) 882-8832
34	WA302	Brian & Kristen Millett	310 NE 78th Street, Suite 103 Vancouver, WA 98665	(360) 882-3305
35	WA303	Tim & Sally Mueller	11215 NE Fourth Plain Blvd., Suite 102 Vancouver, WA 98662	(360) 891-5600
36	WA401	Mike Clark & Jack Holewa	140 S 72nd Ave, Suite 110 Yakima, WA 98908	(509) 469-9633
37	WA402	Mike Clark & Jack Holewa	1811 George Washington Way Richland, WA 99354	(509) 578-1145
38	WA501	Dave & Claudia Heidinger	1301 West Bakerview, Suite 103 Bellingham, WA 98226	(360) 656-5249

**WEST VIRGINIA**

1	WV101	Amanda, Ryan, Terry & Sandra Donovan	225 RHL Blvd South Charleston, WV 25309	(681) 205-2602
2	WV151	Amanda, Ryan, Terry & Sandra Donovan	1134 Giant Street Morgantown, WV 26501	(304) 599-7700
3	WV201	Amanda, Ryan, Terry & Sandra Donovan	806 Grand Central Mall Vienna, WV 26105	(304) 917-3652

**WISCONSIN**

1	WI101	Mark Carlson	2913 S. 108th West Allis, WI 53227	(414) 327-4866
2	WI102	Stephen & Donna Smith	2095 North Calhoun Road, Unit 3 Brookfield, WI 53005	(262) 641-7443

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

3	WI103	Barry & Kristen Esch	7915 W. Layton Ave. Greenfield, WI 53220	(414) 282-4444
4	WI104	Mark Carlson	1279 Capitol Drive Pewaukee, WI 53072	(262) 691-2688
5	WI105	JJ O'Connor	7127 120th Ave. Kenosha, WI 53142	(262) 857-8700
6	WI106	Mark Carlson	W182 N9606 Appleton Ave., Ste. 108 Germantown, WI 53022	(262) 251-7551
7	WI107	Larry & Natalie Schumacher	5502 Washington Ave., Ste. 200 Racine, WI 53406	(262) 634-4247
8	WI108	Larry & Natalie Schumacher	7700 S. Lovers Lane Franklin, WI 53132	(414) 425-4247
9	WI109	Mark Carlson	12460B West Capitol Drive, Suite #2 Brookfield, WI 53005	(262) 373-1880
10	WI110	JJ O'Connor	2450 N. Grandview Blvd, Suite F Waukesha, WI 53188	(262) 549-0305
11	WI111	Mark & Melissa Gretebeck	1739 S. Main Street West Bend, WI 53095	(262) 353-9240
12	WI112	Larry & Natalie Schumacher	6150 North Port Washington Rd, Suite F Glendale, WI 53217	(414) 962-2547
13	WI114	Barry Esch	15500 W Greenfield Avenue, Suite C Brookfield, WI 53005	(414) 881-4470
14	WI115	Rick & Dawn Schmidt	3711 S. Moorland Road New Berlin, WI 53151	(262) 788-5953
15	WI201	Jeff Foley	4665 Keystone Crossing Eau Claire, WI 54701	(715) 831-8411
16	WI202	Jeff Foley	3034 Commercial Blvd. Chippewa Falls, WI 54729	(715) 723-2690
17	WI203	Jeff Foley	2741 N Clairemont Ave., Ste. F Eau Claire, WI 54703	(715) 836-7005
18	WI204	Cody & Dawn Wehling	1230 Crossing Meadows Dr. Onalaska, WI 54650	(608) 781-2954
19	WI301	Curt & Jean Andrews Keith Andrews	2665 S. Oneida St, Suite F Green Bay, WI 54304	(920) 494-7990
20	WI302	Curt & Jean Andrews Keith Andrews	2363 W. Mason Street, Ste. 1 Green Bay, WI 54313	(920) 494-1020
21	WI303	Curt & Jean Andrews Keith Andrews	1976 Lime Kiln Road, Suite B Green Bay, WI 54311	(920) 468-4685
22	WI401	Curt & Jean Andrews Keith Andrews	122 Crossroads Dr., Ste. 103 Plover, WI 54467	(715) 343-9922
23	WI501	Curt & Jean Andrews Keith Andrews	4343 West Wisconsin Ave. Appleton, WI 54913	(920) 830-3505
24	WI502	Curt & Jean Andrews Keith Andrews	536 South Koeller St. Oshkosh, WI 54902	(920) 385-0368
25	WI601	Kevin Madoch	6231 McKee Road, Ste. B Fitchburg, WI 53719	(608) 441-9300
26	WI602	Cary & Laura Kledzik	701 S. Gammon Rd. Ste. 3 Madison, WI 53719	(608) 277-7825

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

27	WI603	Kevin Madoch	2189 Deming Way Middleton, WI 53562	(608) 836-4050
28	WI604	Todd Kronberg & Eric Olstad	2929 Milton Ave., Suite 160 Janesville, WI 53545	(608)563-5530
29	WI605	Kevin Madoch	2828 Prairie Lakes Dr., Unit 103 Sun Prairie, WI 53590	(608) 834-2001
30	WI606	Cary & Laura Kledzik	4020 Univerisity Avenue Madison, WI 53705	(608) 409-1210
31	WI607	Todd Kronberg & Eric Olstad	3821 East Washington Ave. Madison, WI 53714	(608) 665-3335
32	WI901	Jeff Foley	1049 Pearson Drive Hudson, WI 54016	(715) 808-0078

**WYOMING**

1	WY101	Darrin Austin, Kyle True, Tracy True Propp & Randy Wesnitzer	2550 South Douglas Highway, #120 Gillette, WY 82718	(307) 257-2187
2	WY102	Darrin Austin, Kyle True, Tracy True Propp & Randy Wesnitzer	4030 Plaza Drive, Suite #2 Casper, WY 82604	(307) 333-6555
3	WY201	Darrin Austin, Kyle True, Tracy True Propp & Randy Wesnitzer	5115 Frontier Mall drive, Suite 100A Cheyenne, WY 82009	(307) 514-9322

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

<b>COMPANY-OWNED STORES</b>				
1	TX101		10515 N. Mopac Expy. NB, Ste. B220 Austin, TX 78759	(512) 795-8775
2	TX102		3201 Bee Caves Rd. #107 Austin, TX 78746	(512) 329-9402
3	TX103		11301 Lakeline Blvd, Suite 320 Austin, TX 78717	(512) 918-8756
4	TX105		2000 S. IH 35, Suite N-4B Round Rock, TX 78681	(512) 218-4228
5	TX106		4970 Hwy 290 W., Suite 450 Austin, TX 78735	(512) 899-2830
6	TX107		1300 IH-35 North, Suite 300 Austin, TX 78753	(512) 832-7912
7	TX109		202 Walton Way Ste. #164 Cedar Park, TX 78613	(512) 528-8070
8	TX110		1103 Rivery Blvd., Bldg. 1, Ste. 150 Georgetown, TX 78628	(512) 863-2800
9	TX111		12717 Shops Parkway, Suite 400 Bee Cave, TX 78738	(512) 402-1082
10	TX112		9600 S. IH 35 Service Rd SB Ste. S 100 Austin, Tx 78747	(512) 280-0900
11	TX114		4500 E Palm Valley Dr Ste. 110 Round Rock, Tx 78664	(512) 244-7710
12	TX115		201 University Oaks Blvd., Suite 1220 Round Rock, TX 78665	(512) 341-0194
13	TX116		1890 Ranch Shopping Center Cedar Park, Tx 78613	(512) 528-9460
14	TX117		1512 Town Center Drive, Suite 450 Pflugerville, TX 78660	(512) 990-8883
15	TX118		5695 Kyle Parkway, Suite 200 Kyle, TX 78640	(512) 268-1133
16	TX119		2525 W Anderson Ln Austin, TX 78757	(512) 374-0578
17	TX120		8300 N. FM 620, Bldg. G, Suite 200 Austin, TX 78726	(512) 494-5855
18	TX121		489 Agnes, Suite 108 Bastrop, TX 78602	(512) 321-3339
19	TX292		2600 Trimmier Road, Ste. 700 Killeen, TX 76542	(254) 501-7099
20	TX298		3010 E. Hwy 109, #236 Copperas Cove, TX 76522	(254) 518-0350
21	NV101		605 Mall Ring Circle, Suite 160 Henderson, NV 89014	(702) 558-4222
22	NV102		9905 S. Eastern #130 Las Vegas, NV 89183	(702) 837-1700
23	NV103		6640 North Durango Drive, Suite 120 Las Vegas, NV 89149	(702) 395-9495
24	NV104		5130 S. Fort Apache Rd., Suite 200 Las Vegas, NV 89148	(702) 220-6600

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

25	NV105		6475 N. Decatur Blvd. #115 Las Vegas, NV 89131	(702) 395-0382
26	NV106		7310 Arroyo Crossing Pkwy, Ste. 100 Las Vegas, NV 89113	(702) 262-0017
27	NV107		7260 Lake Mead Blvd. Las Vegas, NV 89128	(702) 636-1839
28	NV108		2546 E Craig Road, Suite 110 North Las Vegas, NV 89030	(702) 363-1130
29	NV109		655 S Green Valley Pkwy, Suite 150 Henderson, NV 89052	(702) 202-4014
30	NV110		1000 S. Rampart Blvd., Suite 6 Las Vegas, NV 89145	(702) 463-4410
31	NV111		3962 Blue Diamond Drive, Suite 102 Las Vegas, NV 89139	(702) 331-5329
32	NV112		10965 Lavender Drive, Suite 140 Las Vegas, NV 89135	(702) 487-6393

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

<b>AREA DEVELOPER DIRECTORY</b>		
<b>ALABAMA, ARKANSAS (NORTHEAST), FLORIDA (WESTERN), TENNESSEE, INDIANA &amp; KENTUCKY (SOUTHERN)</b>		
John Weber	4277 Murfreesboro Road Franklin, TN 37067	(501) 940-8245
<b>CALIFORNIA (SAN DIEGO, IMPERIAL &amp; ORANGE COUNTIES)</b>		
Ron Chamberlain	3581 Corte Castillo Carlsbad, CA 92009	(760) 942-6748
<b>COLORADO, IOWA (WESTERN), KANSAS, MISSOURI (KANSAS CITY), NEBRASKA &amp; SOUTH DAKOTA</b>		
David & Becky Weseman	1725 S. 94th St Omaha, NE 68124	(402) 871-9066
<b>GEORGIA (WESTERN)</b>		
Dennis French	580 Greenview Terrace Alpharetta, GA 30004	(678) 231-3761
<b>IDAHO (SOUTHERN) &amp; UTAH</b>		
Duke Sorensen	125 E. Main, Suite 606 American Fork, UT 84003	(801) 756-2463
<b>ILLINOIS, MICHIGAN (WESTERN), &amp; MISSOURI (EASTERN)</b>		
John Kohler	101 W. 2nd Street, Suite 109 Lombard, IL 60148	(630) 469-5812
<b>KENTUCKY (NORTHERN) &amp; OHIO (CENTRAL &amp; SOUTHERN)</b>		
David Boucher	894 Squire Oaks Drive Vista Hills, KY 41017	(513) 509-1228
<b>LOUISIANA &amp; MISSISSIPPI</b>		
Ron & Paul Williams	2715 W. Willow Street Scott, LA 70583	(337) 769-4802
<b>MINNESOTA &amp; NORTH DAKOTA</b>		
Bob Chelberg	4800 Olson Memorial Pkwy, Suite 150 Golden Valley, MN 55422	(763) 231-7554
<b>NEW JERSEY</b>		
Greg Zotian	53 Amerman Lane Hillsborough, NJ 08844	(908) 963-5625
<b>NORTH CAROLINA</b>		
Matt Lewis & Carty Davis	4441 Six Forks Road, Suite 106-307 Raleigh, NC 27609	(919) 818-9728

**SPORT CLIPS FRANCHISEES AND AREA DEVELOPERS AS OF DECEMBER 31, 2016**

<b>OREGON, WASHINGTON &amp; IDAHO (NORTHERN)</b>		
Phil & Laurie Brown	4427 95th Avenue NE Bellevue, WA 98004	(425) 260-5796
<b>PENNSYLVANIA (WESTERN), SOUTH CAROLINA, GEORGIA (EASTERN) &amp; WEST VIRGINIA</b>		
Eric & Rosemary Gozur	2729 Tiffany Drive Rock Hill, SC 29732	(803) 487-7708
<b>TEXAS (DALLAS, FORT WORTH &amp; WEST TEXAS), NEW MEXICO &amp; OKLAHOMA (SOUTHERN)</b>		
Mark & Jan Mansfield	3112 Sleepy Hollow Drive Plano, TX 75093	(972) 378-1482
<b>TEXAS (HOUSTON &amp; SOUTHEAST TEXAS)</b>		
Joe & Jane Klimek and Bill & Sharon Vandrick	3750 FM 1488 D-108 The Woodlands, TX 77384	(713) 443-2117
<b>VIRGINIA, MARYLAND (SOUTHERN) &amp; DELAWARE (SOUTHERN)</b>		
Keith & Linda Kostek	114 Church Hill Downs Cape Charles, VA 23310	(757) 695-3517



**EXHIBIT C**

**FINANCIAL STATEMENTS**

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITOR'S REPORT**  
**YEARS ENDED**  
**DECEMBER 31, 2016, 2015, AND 2014**

Brown, Graham and Company, P.C.  
Certified Public Accountants



**BROWN, GRAHAM & COMPANY**  
PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

13809 Research Blvd., Suite 305 • Austin, Texas 78750  
512-257-8078 • Fax 512-257-8091 • www.bgc-cpa.com

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Stockholders  
of Sport Clips, Inc.

We have audited the accompanying consolidated financial statements of Sport Clips, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2016, 2015, and 2014, and the related consolidated statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Sport Clips, Inc. and Subsidiaries as of December 31, 2016, 2015, and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Brown, Graham & Company, P.C.

Austin, Texas  
March 22, 2017

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2016, 2015, AND 2014**

**ASSETS**

	2016	2015	2014
Current assets:			
Cash and cash equivalents (Notes 5 and 16)	\$ 16,506,128	\$ 15,207,031	\$ 11,175,028
Accounts receivable - trade	1,599,558	1,365,675	1,173,754
Notes receivable (Note 2)	261,870	425,339	202,007
Inventories	758,076	294,416	200,047
Prepaid expenses	2,248,394	1,717,925	1,411,035
Federal income tax receivable	45,590	232,993	187,454
Total current assets	21,419,616	19,243,379	14,349,325
Property and equipment, net of accumulated depreciation (Note 4)	3,830,237	4,039,750	3,358,329
Other assets:			
Notes receivable (Note 2)	799,406	584,580	521,290
Deposits	59,472	52,168	50,052
Antique car collection	3,494,651	3,494,651	3,469,405
Goodwill (Note 12)	3,186,695	3,236,695	3,236,695
Investment in affiliate (Note 14)	-	-	456,155
Other assets	344,623	339,232	293,465
Total other assets	7,884,847	7,707,326	8,027,062
Total assets	\$ 33,134,700	\$ 30,990,455	\$ 25,734,716

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

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS - CONTINUED**  
**DECEMBER 31, 2016, 2015, AND 2014**

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	2016	2015	2014
Current liabilities:			
Accounts payable:			
Trade	\$ 2,027,471	\$ 1,889,979	\$ 1,601,458
Related party (Note 3)	191,525	170,082	156,122
Accrued expenses	3,781,911	3,143,667	2,535,866
Dividends payable	1,198,752	-	-
Advertising fund liability (Note 5)	7,314,872	7,803,436	6,328,153
Current portion of long-term debt (Note 6)	102,900	98,000	113,569
Current portion of capital lease obligation (Note 7)	111,593	24,969	23,418
Deferred revenue	425,648	446,864	462,054
Deferred income tax liability (Note 8)	117,300	238,559	203,260
Income tax payable	148,191	95,701	56,914
Total current liabilities	15,420,163	13,911,257	11,480,814
Long-term debt, net of current portion (Note 6)	-	-	16,471
Capital lease obligation, net of current portion (Note 7)	-	111,593	136,562
Deferred revenue	941,500	991,000	1,016,500
Deferred income tax liability (Note 8)	1,258,770	1,320,145	1,435,052
Total liabilities	17,620,433	16,333,995	14,085,399
Stockholders' equity (Note 9):			
Sport Clips, Inc. stockholders' equity:			
Preferred stock; \$0.01 par value; 10,000,000 shares authorized; none outstanding	-	-	-
Common stock; \$0.01 par value; 90,000,000 shares authorized; 1,908,390, 1,908,390 and 1,908,390 shares issued; 1,198,752, 1,211,952, and 1,217,352 shares outstanding	19,084	19,084	19,084
Additional paid-in capital	4,017,806	4,017,806	4,017,806
Retained earnings	19,880,163	18,734,199	15,550,597
Treasury stock, at cost; 709,638, 696,438, and 691,038 shares	(8,131,908)	(7,929,420)	(7,836,964)
Total Sport Clips, Inc. stockholders' equity	15,785,145	14,841,669	11,750,523
Non-controlling interests	(270,878)	(185,209)	(101,206)
Total stockholders' equity	15,514,267	14,656,460	11,649,317
Total liabilities and stockholders' equity	\$ 33,134,700	\$ 30,990,455	\$ 25,734,716

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

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenue:			
Continuing fees	\$ 33,317,554	\$ 28,862,252	\$ 24,922,941
Services and product sales (Company-owned stores)	16,768,323	15,321,486	13,555,272
License fees	3,013,738	3,332,268	3,609,848
Training fees	5,332,665	4,603,617	4,095,107
Other fees	1,623,874	1,527,850	1,303,276
Miscellaneous	<u>127,902</u>	<u>78,500</u>	<u>76,250</u>
 Total revenue	 <u>60,184,056</u>	 <u>53,725,973</u>	 <u>47,562,694</u>
Expenses:			
General and administrative	39,896,248	35,037,065	30,641,482
Cost of sales and operations (Company-owned stores)	13,688,475	11,905,513	10,536,473
Depreciation	<u>745,646</u>	<u>678,228</u>	<u>638,781</u>
 Total expenses	 <u>54,330,369</u>	 <u>47,620,806</u>	 <u>41,816,736</u>
 Income from operations	 <u>5,853,687</u>	 <u>6,105,167</u>	 <u>5,745,958</u>
Non-operating revenue (expenses):			
Interest income	88,556	79,786	55,042
Interest expense	(15,771)	(24,588)	(26,995)
Loss on sale of assets	(133,219)	(18,286)	(11,863)
Loss on discontinued operations of subsidiary (Note 17)	(136,288)	-	-
Loss on investment in affiliate (Note 14)	<u>-</u>	<u>(34,211)</u>	<u>(34,212)</u>
 Total non-operating revenue (expenses)	 <u>(196,722)</u>	 <u>2,701</u>	 <u>(18,028)</u>
 Income before provision for income taxes	 5,656,965	 6,107,868	 5,727,930
 Provision for income taxes (Note 8)	 <u>2,185,966</u>	 <u>2,349,139</u>	 <u>2,177,914</u>
 Net income	 3,470,999	 3,758,729	 3,550,016
 Add back net loss from non-controlling interests	 <u>85,669</u>	 <u>33,549</u>	 <u>121,092</u>
 Net income - Sport Clips, Inc. and Subsidiaries	 <u>\$ 3,556,668</u>	 <u>\$ 3,792,278</u>	 <u>\$ 3,671,108</u>

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

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

	Sport Clips, Inc. Stockholders					Total Stockholders' Equity
	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Non-controlling interest(s)	
Balance, December 31, 2013	\$ 19,084	\$ 4,017,806	\$ 11,879,489	\$ (7,730,288)	\$ 19,886	\$ 8,205,977
Purchase of treasury stock for cash (Note 9)	-	-	-	(106,676)	-	(106,676)
Net income for 2014	-	-	3,671,108	-	-	3,671,108
Non-controlling interests (LLU Enterprises, LLC; SCWM San Antonio, LLC; and SCWM Horizon City, LLC): Net losses attributable to non-controlling interests	-	-	-	-	(121,092)	(121,092)
Balance, December 31, 2014	19,084	4,017,806	15,550,597	(7,836,964)	(101,206)	11,649,317
Purchase of treasury stock for cash (Note 9)	-	-	-	(92,456)	-	(92,456)
Dividends paid	-	-	(608,676)	-	-	(608,676)
Net income for 2015	-	-	3,792,278	-	-	3,792,278
Non-controlling interests (LLU Enterprises, LLC; SCWM San Antonio, LLC; and SCWM Horizon City, LLC): Net losses attributable to non-controlling interests	-	-	-	-	(33,549)	(33,549)
Sale of interest in LLU Enterprises, LLC at December 31, 2015	-	-	-	-	(50,454)	(50,454)
Balance, December 31, 2015	19,084	4,017,806	18,734,199	(7,929,420)	(185,209)	14,656,460
Purchase of treasury stock for cash (Note 9)	-	-	-	(202,488)	-	(202,488)
Dividends paid	-	-	(1,211,952)	-	-	(1,211,952)
Dividends declared	-	-	(1,198,752)	-	-	(1,198,752)
Net income for 2016	-	-	3,556,668	-	-	3,556,668
Non-controlling interests (SCWM San Antonio, LLC and SCWM Horizon City, LLC): Net losses attributable to non-controlling interests	-	-	-	-	(85,669)	(85,669)
Balance, December 31, 2016	\$ 19,084	\$ 4,017,806	\$ 19,880,163	\$ (8,131,908)	\$ (270,878)	\$ 15,514,267

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



**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

	2016	2015	2014
Cash flows from operating activities:			
Net income	\$ 3,556,668	\$ 3,792,278	\$ 3,671,108
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation	745,646	678,228	638,781
Loss on sale of assets	133,219	5,990	11,863
Loss on discontinued operations of subsidiary	136,288	-	-
Loss on sale of antique car collection	-	9,126	-
Loss on sale of interest in LLU Enterprises, LLC	-	3,170	-
Write-off of notes receivable	-	-	5,019
Issuance of notes receivable	(410,429)	(560,975)	(150,720)
Deferred income tax liability	(182,634)	(79,608)	108,766
Loss on investment in affiliate	-	34,211	34,212
Changes in:			
Restricted cash	-	-	100,000
Accounts receivable - trade	(233,883)	(191,921)	(253,577)
Deposits	(7,304)	(2,116)	(6,513)
Inventories	(463,660)	(94,369)	(7,252)
Prepaid expenses	(530,469)	(306,890)	(342,551)
Federal income tax receivable	187,403	(45,539)	193,501
Other assets	(5,391)	(45,767)	(35,667)
Accounts payable:			
Trade	137,492	288,521	266,267
Related party	21,443	13,960	38,319
Accrued expenses	501,956	607,801	389,152
Deferred revenue	(70,716)	(40,690)	92,515
Income tax payable	52,490	38,787	(644)
Net cash flows from operating activities	3,568,119	4,104,197	4,752,579
Cash flows from investing activities:			
Purchase of property and equipment, net	(669,352)	(943,695)	(527,310)
Purchases of antique car collection	-	(171,872)	(1,403,622)
Proceeds from sale of antique car collection	-	137,500	-
Advertising fund liability	(488,564)	1,475,283	1,593,082
Cash received on notes receivable	409,072	274,353	400,333
Purchase of stores held as goodwill	-	-	(192,500)
Net cash flows from investing activities	(748,844)	771,569	(130,017)

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

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Cash flows from financing activities:			
Payments of long-term debt	\$ -	\$ (32,040)	\$ (1,127,005)
Proceeds from long-term debt	4,900	-	98,000
Payments on capital lease obligation	(24,969)	(23,418)	-
Dividends paid to stockholders	(1,211,952)	(608,676)	-
Net change in non-controlling interest(s)	(85,669)	(87,173)	(121,092)
Purchase of treasury stock	<u>(202,488)</u>	<u>(92,456)</u>	<u>(106,676)</u>
Net cash flows from financing activities	<u>(1,520,178)</u>	<u>(843,763)</u>	<u>(1,256,773)</u>
Net increase in cash and cash equivalents	1,299,097	4,032,003	3,365,789
Cash and cash equivalents:			
Beginning of year	<u>15,207,031</u>	<u>11,175,028</u>	<u>7,809,239</u>
End of year	<u>\$ 16,506,128</u>	<u>\$ 15,207,031</u>	<u>\$ 11,175,028</u>
Supplemental disclosures of cash flow information:			
Interest paid	<u>\$ 15,771</u>	<u>\$ 24,588</u>	<u>\$ 26,995</u>
Income tax paid	<u>\$ 2,128,707</u>	<u>\$ 2,435,499</u>	<u>\$ 1,876,291</u>
Supplemental disclosures of non-cash transactions:			
Disposal of fully depreciated property and equipment	<u>\$ -</u>	<u>\$ 238,873</u>	<u>\$ -</u>
Property and equipment acquired with capital lease obligation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,980</u>
Note receivable exchanged in lieu of payment for goodwill	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>
Increase in dividends payable for dividends declared	<u>\$ 1,198,752</u>	<u>\$ -</u>	<u>\$ -</u>

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

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization:**

The consolidated financial statements at December 31, 2016 and 2015 include the accounts of Sport Clips, Inc.; its wholly owned subsidiaries, Sport Clips International, Inc., VBlotique, Inc. (“Vent Blotique”), Sport Clips Collection, LLC, and Vanguard Jet, LLC; and its less-than-wholly-owned subsidiaries, SCWM San Antonio, LLC and SCWM Horizon City, LLC (collectively, the “Company”). The consolidated financial statements at December 31, 2014 include the accounts of Sport Clips, Inc.; its wholly owned subsidiary, Sport Clips International, Inc.; and its less-than-wholly-owned subsidiaries, LLU Enterprises, LLC, SCWM San Antonio, LLC and SCWM Horizon City, LLC (collectively, the “Company”). The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). All significant intercompany balances and transactions have been eliminated in consolidation. Investee entities that are not consolidated, but over which the Company exercises significant influence, are accounted for under the equity method of accounting (see Note 16).

Sport Clips, Inc. was incorporated in the state of Texas on July 13, 1995. The Company is the franchisor of the Sport Clips System (Sport Clips), a system of hair cutting stores that are tailored to meet the needs of the male client. The Company has licensed the intellectual property from Sport Clips I Prop., Ltd. The Company licenses its system and provides support to franchisees as well as operating all Company-owned stores. During the years ended December 31, 2016 and 2015, the Company opened two and three salons, respectively, focused on the beauty needs of the female client under the trade name of Vent Blotique.

**Fiscal Year:**

The Company operates on a 52-53 week fiscal year, which ends on the Saturday closest to December 31. The fiscal years ending December 31, 2016, January 2, 2016, and January 3, 2015 are identified in these consolidated financial statements as of December 31 or year ended December 31. The fiscal year ended January 3, 2015 was a 53 week fiscal year. The fiscal years ended December 31, 2016 and January 2, 2016 were 52 week fiscal years.

**Estimates:**

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

**Cash and Cash Equivalents:**

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

**Inventories:**

Inventories, consisting primarily of hair care products available for retail product sale at company-owned stores, are valued at the lower of cost (first-in, first-out method) or market.

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Accounts and Notes Receivable:**

The Company follows the direct write-off method of expensing accounts and notes receivable when considered uncollectible. Based on the Company's historical bad debt experience and the management's judgment, the effects of using this method (as compared to an allowance method) on the consolidated statements of income are immaterial.

**Property and Equipment:**

Property and equipment are stated at cost and depreciated using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized on a straight-line basis over the shorter of the estimated useful life of the related asset or the remaining life of the lease plus reasonable extensions included in the lease agreement. Upon retirement or disposition of property and equipment, the cost and related accumulated depreciation are removed from the accounts, and the gains or losses are reflected in the consolidated statements of income.

**Revenue Recognition:**

*Supplies and Retail*

The Company purchases supplies in limited quantities and resells them to its franchisees. Also, the Company retails to the public through company-owned Sport Clips and Vent Blotique stores. Revenue from sales is recognized when the products or services are delivered.

*Franchise and Royalty Fees*

All franchise agreements made with either individual franchisees or area developers include a nonrefundable initial franchise fee which is included in revenue as earned. As part of the franchise agreement, the Company provides training to the franchisee; therefore, a portion of the initial franchise fee is recorded as deferred revenue until such training is complete. Each franchisee pays a continuing nonrefundable weekly royalty fee. Royalty fees for all franchised Sport Clips stores are 6% of net sales for each franchised store.

**Treasury Stock:**

The Company has repurchased shares of its common stock which are being held as treasury stock. The Company accounts for treasury stock under the cost method. Upon the retirement of treasury stock shares, the par value and any related paid-in capital are removed from the accounts.

**Advertising Costs:**

Advertising costs, except for costs associated with direct response advertising, are charged to operations when the advertising first takes place. Advertising costs for the Company for the years ended December 31, 2016, 2015, and 2014, included in expense are \$1,028,916, \$911,415, and \$840,106, respectively.

**Income Taxes:**

Deferred tax assets and liabilities are recorded for the expected future tax consequences of temporary differences between the financial reporting and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Income Taxes - Continued:**

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 740, *Income Taxes*, requires extensive disclosures about uncertain income tax positions. The Company evaluates any uncertain tax positions using the provisions of FASB ASC 450, *Contingencies*. Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and the management's judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized. The Company does not believe that it has engaged in any situation that would result in an uncertain tax position. As a result, the management does not believe that any uncertain tax positions currently exist and therefore, no loss contingency has been recognized in the financial statements for the years ended December 31, 2016, 2015, and 2014.

The Company's policy is to record any income tax related penalties and interest incurred as operating expense. Income tax related penalties or interest amounted to \$1,705, \$2,565, and \$374, for the years ended December 31, 2016, 2015, and 2014, respectively.

**Goodwill:**

The Company evaluates goodwill related to prior years' purchases of area development territories and Sport Clips stores (reporting units) on an annual basis or more frequently if management believes indicators of impairment exist. Such indicators could include, but are not limited to significant prolonged financial losses or changes in business climate. The Company first assesses qualitative factors to determine whether it is more likely than not that the fair value of each reporting unit is less than its carrying amount, including goodwill. If management concludes that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, management conducts a two-step quantitative goodwill impairment test. The first step of the impairment test involves comparing the fair value of the applicable reporting unit with its carrying value. The Company estimates the fair values of its reporting units using a combination of the income, or discounted cash flows, approach and the market approach, which utilizes comparable companies' data. If the carrying amount of a reporting unit exceeds the reporting unit's fair value, management performs the second step of the goodwill impairment test. The second step of the goodwill impairment test involves comparing the implied fair value of the affected reporting unit's goodwill with the carrying value of that goodwill. The amount, by which the carrying value of the goodwill exceeds its implied fair value, if any, is recognized as an impairment loss. The Company's qualitative evaluation of goodwill completed during the years ended December 31, 2016, 2015, and 2014, resulted in no need for further impairment consideration.

**Comprehensive Income:**

The Company had no items of comprehensive income for each of the three years in the period ended December 31, 2016.

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 2 - NOTES RECEIVABLE**

The Company has issued notes to area developers to finance the cost of certain Sport Clips area developer fees. The face amount of the notes range from \$25,000 to \$375,000, mature one to ten years after the origination date, and are guaranteed by individual area developers. Interest rates on the notes range from 4.25% to 6.00%. The Company is authorized to withhold up to fifty percent of royalties and franchise fees earned by these developers under their Sport Clips Area Development Agreement as payment on these notes. Application of payment is first applied to accrued interest and any remaining balance is applied towards the outstanding principal. Notes receivable as of December 31, 2016, 2015, and 2014, amounted to \$1,061,276, \$1,009,919, and \$723,297, respectively, with \$261,870, \$425,339, and \$202,007, respectively, estimated to be collected during the next year.

**NOTE 3 - RELATED PARTY TRANSACTIONS**

At December 31, 2016, 2015, and 2014, accounts payable-related party consisted of amounts owed to Sport Clips I Prop., Ltd., which is owned substantially by a stockholder, for accumulated and unpaid license fees. License fee expense for the years ended December 31, 2016, 2015, and 2014, was \$376,314, \$334,689, and \$294,678, respectively.

During the years ended December 31, 2016, 2015, and 2014, the Company leased office space under operating leases (Note 7) from an entity owned substantially by certain stockholders. The various leases expire through 2022 at which time the Company may renew for two additional terms of five years each. Rent expense was \$392,541 for each of the years ended December 31, 2016, 2015 and 2014.

Certain stockholders of the Company hold an indirect ownership interest in two Oklahoma insurance companies that have written insurance policies for the Company with premiums and fees totaling \$1,238,230, \$1,242,000, and \$848,000 paid during 2016, 2015 and 2014, respectively, of which \$1,238,230, \$1,242,000, and \$848,000 remained in prepaid expense on the accompanying consolidated balance sheets at December 31, 2016, 2015, and 2014, respectively.

**NOTE 4 – PROPERTY AND EQUIPMENT**

The following is a summary of property and equipment at December 31, 2016, 2015, and 2014:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Vehicles and aircraft	\$ 1,318,357	\$ 1,289,982	\$ 440,636
Software	117,173	119,338	119,338
Furniture and equipment	2,596,886	2,589,767	2,597,784
Leasehold improvements	<u>3,773,718</u>	<u>3,536,574</u>	<u>3,356,515</u>
Total property and equipment	7,806,134	7,535,661	6,514,273
Less: accumulated depreciation	<u>(3,975,897)</u>	<u>(3,495,911)</u>	<u>(3,155,944)</u>
Net property and equipment	<u>\$ 3,830,237</u>	<u>\$ 4,039,750</u>	<u>\$ 3,358,329</u>

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 5 - ADVERTISING FUND**

Each franchised store, including Company owned stores, is required to make a non-refundable weekly advertising fund contribution ranging from \$300 to \$450, as well as a one-time grand opening deposit of \$30,000 into an advertising and promotion fund managed by the Company. These funds are maintained in a separate cash account, with a corresponding liability on the Company's books until expended. Accordingly, advertising fund amounts collected and spent are not reflected as revenues or expenses in the accompanying consolidated statements of income. Cash and cash equivalents include cash for the advertising fund in the amount of \$6,752,514, \$7,317,384, and \$5,880,118 as of December 31, 2016, 2015, and 2014, respectively.

**NOTE 6 - LONG-TERM DEBT**

Long-term debt consists of the following at December 31, 2016, 2015, and 2014:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
4.25% unsecured notes payable to managing member of SCWM Horizon City, LLC; principal of \$80,850, \$17,150 and \$4,900 plus accrued interest payable originally in due July 2015 and December 2015, respectively, with an extension of pay-off date to December 31, 2016 granted during the year ended December 31, 2015. An additional extension of pay-off date to December 31, 2017 for all principal and accrued interest was granted subsequent to the year ended December 31, 2016.	\$ 102,900	\$ 98,000	\$ 98,000
5.76% note payable to a bank; payable in monthly installments of \$2,174, including interest through March 2017; secured by certain store assets.	<u>-</u>	<u>-</u>	<u>32,040</u>
Total long-term debt	102,900	98,000	130,040
Less: current portion of long-term debt	<u>(102,900)</u>	<u>(98,000)</u>	<u>(113,569)</u>
Long-term debt, net of current portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,471</u>

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 7 – LEASES**

**Operating Leases:**

The Company leases the premises for its Company owned stores and headquarters (Note 3) as well as certain office equipment under operating leases expiring in various years through 2022. Minimum future rental payments under noncancellable operating leases having remaining terms in excess of one year as of December 31, 2016 are:

	2017	\$ 1,846,789
	2018	1,559,264
	2019	1,360,556
	2020	1,115,470
	2021	690,392
	Thereafter	<u>279,153</u>
Total minimum future rental payments		<u>\$ 6,851,624</u>

Rent expense for the years ended December 31, 2016, 2015, and 2014, was \$2,450,721, \$2,178,696, and \$1,899,107, respectively.

**Capital Lease:**

During December 2014, the Company entered into a lease agreement that is classified as a capital lease. The cost of the property and equipment under capital lease totaled \$159,980. Obligations under the capital lease as of December 31, 2016, are as follows:

Total minimum lease payments	\$ 117,570
Less: amount representing interest	<u>(5,977)</u>
Present value of minimum lease payments	111,593
Less: current maturities of obligations under capital lease	<u>(111,593)</u>
Long-term obligations under capital lease	<u>\$ -</u>

Minimum future lease payments under this capital lease for 2017 is \$117,570.



**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 8 - INCOME TAXES**

A reconciliation of current income tax expense at the federal statutory rate to income tax expense at the Company's effective rate is as follows:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Tax provision at federal statutory rate	\$ 1,923,368	\$ 2,076,675	\$ 1,947,496
Effect of state taxes	156,858	189,826	129,682
Effect of losses from non-controlling interests	29,128	11,407	41,171
Non-taxable, non-deductible items	99,317	63,353	44,874
Other	<u>(22,705)</u>	<u>7,878</u>	<u>14,691</u>
Provision for income taxes	<u>\$ 2,185,966</u>	<u>\$ 2,349,139</u>	<u>\$ 2,177,914</u>

Components of net deferred income tax liability are as follows:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net deferred tax assets (liabilities):			
Depreciable assets	\$ (551,257)	\$ (626,077)	\$ (651,973)
Accrued liabilities	48,069	49,077	47,482
Prepaid expenses	(427,189)	(428,490)	(292,560)
Goodwill	(811,855)	(806,091)	(783,079)
Deferred compensation	261,820	140,854	41,818
Start-up costs	<u>104,342</u>	<u>112,023</u>	<u>-</u>
Net deferred tax assets (liabilities)	<u>\$ (1,376,070)</u>	<u>\$ (1,558,704)</u>	<u>\$ (1,638,312)</u>

Components of provision for income taxes are as follows:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current:			
Federal	\$ 2,128,289	\$ 2,139,979	\$ 1,874,237
State	<u>240,311</u>	<u>288,768</u>	<u>194,911</u>
	<u>2,368,600</u>	<u>2,428,747</u>	<u>2,069,148</u>
Deferred:			
Federal	(179,987)	(78,454)	107,190
State	<u>(2,647)</u>	<u>(1,154)</u>	<u>1,576</u>
	<u>(182,634)</u>	<u>(79,608)</u>	<u>108,766</u>
Provision for income taxes	<u>\$ 2,185,966</u>	<u>\$ 2,349,139</u>	<u>\$ 2,177,914</u>

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 9 – CAPITAL STOCK**

The Company is authorized to issue 100,000,000 shares of stock with a value of par \$0.01. Of these shares, 90,000,000 shares have been authorized to be issued as common stock and 10,000,000 shares have been authorized to be issued as preferred stock. Of the authorized shares of preferred stock, 300,000 shares have been designated as 12% Series A Convertible Preferred Stock of which no shares are outstanding.

*Common Stock:*

The Company has two classes of common stock: voting common stock (“Voting Common”) and non-voting common stock (“Non-Voting Common”). The stockholders of Voting Common have the right to vote on issues that are presented to the holders of common stock. The holders of Non-Voting Common do not have voting rights.

As of December 31, 2016, 2015, and 2014, the Company had the following shares of Voting Common and Non-Voting Common outstanding:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Voting Common	108,150	108,150	108,150
Non-Voting Common	<u>1,090,602</u>	<u>1,103,802</u>	<u>1,109,202</u>
Total common stock outstanding	<u><u>1,198,752</u></u>	<u><u>1,211,952</u></u>	<u><u>1,217,352</u></u>

During the years ended December 31, 2016, 2015, and 2014, the Company purchased 13,200, 5,400, and 6,400 shares of Non-Voting Common for \$202,488, \$92,456, and \$106,676, respectively.

**NOTE 10 - EMPLOYEE BENEFIT PLAN**

The Company sponsors a defined 401(k) contribution plan (the Plan) covering substantially all employees. Plan participants may make certain voluntary contributions in which they are 100% vested. The Company has agreed to make certain matching contributions to the Plan not to exceed the amount deductible for federal income tax purposes. All of the Company’s employees are 100% vested in the Company’s matching contributions when they become a participant.

The Company’s contributions to the Plan for the years ended December 31, 2016, 2015, and 2014, were \$455,371, \$397,522, and \$359,281, respectively.

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

**Litigation:**

The Company is subject to various claims and litigation in the normal course of business. However, in the opinion of management, the ultimate resolution of such matters will not have a material adverse effect on the financial position or results of operations of the Company.

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 11 – COMMITMENTS AND CONTINGENCIES - CONTINUED**

**Guarantees:**

As of December 31, 2016, the Company has guaranteed eight leases for franchisee locations with future potential obligations of approximately \$1,020,000. Fees in the amount of \$34,000 received in connection with the guarantees are included in deferred revenue in the consolidated balance sheets. The Company believes that the franchisees will be able to perform under their respective lease agreements and that no payments will be required and no losses will be incurred under such guarantees.

**NOTE 12 – GOODWILL**

During the year ended December 31, 2016, goodwill in the amount of \$50,000 associated with a certain portion of one of the Company's territories was purchased by an existing area developer.

During the year ended December 31, 2014, the Company purchased the assets of one store for \$200,000. Goodwill totaling \$192,500 was recognized and is deductible for income tax purposes.

**NOTE 13 - FRANCHISE ACTIVITY**

The following is a summary of franchise activity for the years ended December 31, 2016, 2015, and 2014:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Franchise licenses sold	128	164	251
Franchised stores in operation at December 31	1,552	1,423	1,272
Company owned stores in operation at December 31	32	32	32

**NOTE 14 – INVESTMENT IN AN AFFILIATE AND BUSINESS COMBINATION**

During the year ended December 31, 2013, the Company purchased a 50% interest in Vanguard Jet, LLC for \$513,175. The Company used the equity method to account for its investment in this affiliate. Under the equity method, the carrying value of the investment is adjusted for the Company's share of the investee's earnings and losses, as well as capital contributions to and distributions from Vanguard Jet, LLC. The Company classified income and losses as well as gains and impairments related to its investment in this unconsolidated affiliate as a component of non-operating income or loss. The Company's investment in Vanguard Jet, LLC, amounted to \$456,155 at December 31, 2014.

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 14 – INVESTMENT IN AN AFFILIATE AND BUSINESS COMBINATION - CONTINUED**

On December 27, 2015, the Company purchased the remaining 50% interest in Vanguard Jet, LLC. The following table summarizes the consideration paid for this interest and the amounts of the assets acquired and liabilities assumed recognized at the acquisition date, as well as the fair value at the acquisition date of the investment in an affiliate.

Consideration:	
Cash	\$ 375,000
Fair value of the Company's investment in an affiliate held before the business combination	421,943
Total	<u>\$ 796,943</u>
Recognized amounts of identifiable assets acquired and liabilities assumed:	
Cash	\$ 35,166
Accounts receivable	8,292
Aircraft	796,943
Accounts payable	(41,902)
Accrued expenses	<u>(1,556)</u>
Total	<u>\$ 796,943</u>

The fair value of the Company's investment in an affiliate before the business combination was determined on the basis of the fair market value of the aircraft on the acquisition date.

**NOTE 15 – LONG TERM INCENTIVE PLAN**

During the year ended December 31, 2014, the Company adopted a non-qualified long-term incentive plan (the "Incentive Plan"). Awards of incentive units under the Incentive Plan are made to certain individuals at the discretion of the Company's Board of Directors. Awards vest at the rate of 20% per year for five years and vested units are payable in their cash equivalent upon the earlier of: i) a change in control as defined in the incentive plan, ii) death, iii) disability or iv) a termination of service. Unit grantees may forfeit their rights to the units in certain situations as described in the Incentive Plan. Upon termination of service, payments are generally made in installments except in cases of death or disability. The units have a dividend equivalent right feature that is triggered upon payments of dividends on the Company's common stock. The Company uses the intrinsic value method to account for these units and accrues the expected cost of payment over the term of the underlying service period.

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 15 – LONG TERM INCENTIVE PLAN – CONTINUED**

A summary of the activity under the Incentive Plan as of December 31, 2016, 2015 and 2014, and changes during the years then ended is presented below:

	2016		2015		2014	
	Incentive Units	Intrinsic Value per Incentive Unit	Incentive Units	Intrinsic Value per Incentive Unit	Incentive Units	Intrinsic Value per Incentive Unit
Outstanding at January 1,	310,775	\$ 4.05	193,275	\$ 3.14	-	
Granted	110,000	\$ 4.05	117,500	\$ 3.06	193,275	\$ 2.63
Cashed out	(2,750)	\$ 4.05	-		-	
Forfeited	<u>(15,750)</u>	\$ 4.05	<u>-</u>		<u>-</u>	
Outstanding at December 31,	<u>402,275</u>	\$ 4.28	<u>310,775</u>	\$ 4.05	<u>193,275</u>	\$ 3.14

A summary of the status of the Company's nonvested incentive units as of December 31, 2016, 2015 and 2014, and changes during the years then ended is presented below:

	2016		2015		2014	
	Incentive Units	Intrinsic Value per Incentive Unit	Incentive Units	Intrinsic Value per Incentive Unit	Incentive Units	Intrinsic Value per Incentive Unit
Nonvested at January 1,	209,967	\$ 4.05	154,623	\$ 3.14	-	
Granted	110,000	\$ 4.05	117,500	\$ 3.06	193,275	\$ 2.63
Vested	(76,653)	\$ 4.05	(62,156)	\$ 4.05	(38,652)	\$ 3.14
Forfeited	<u>(15,750)</u>	\$ 4.05	<u>-</u>		<u>-</u>	
Nonvested at December 31,	<u>227,564</u>	\$ 4.28	<u>209,967</u>	\$ 4.05	<u>154,623</u>	\$ 3.14

The total intrinsic value of incentive units vested during the years ended of December 31, 2016, 2015 and 2014 was \$758,900, \$287,060 and \$121,213, respectively. The total intrinsic value of incentive units cashed out during the year ended December 31, 2016 was \$11,137.

**SPORT CLIPS, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014**

**NOTE 16 – CONCENTRATIONS OF CREDIT RISK**

At December 31, 2016, 2015, and 2014, the Company maintained cash balances at certain financial institutions. Cash accounts at the financial institutions are secured by FDIC in the amount of \$250,000. At certain times, the Company's cash and cash equivalents exceed \$250,000. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash accounts.

**NOTE 17 – DISCONTINUED OPERATIONS OF SUBSIDIARY**

During the year ended December 31, 2016, the members of SCWM San Antonio, LLC, a less-than-wholly-owned subsidiary of the Company, decided to discontinue operations of its sole store. A loss on discontinued operations of subsidiary in the amount of \$136,288 is recognized in the accompanying consolidated statements of income.

**NOTE 18 - DATE OF MANAGEMENT EVALUATION OF SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 22, 2017, the date on which the consolidated financial statements were available to be issued.

**EXHIBIT D**

**SPORT CLIPS  
FRANCHISE AGREEMENT**



**FRANCHISE AGREEMENT**

**Unit #** \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

\_\_\_\_\_

**TELEPHONE:** \_\_\_\_\_



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## FRANCHISE AGREEMENT

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by and between **Sport Clips, Inc.**, a corporation incorporated under the laws of Texas, whose principal place of business is 110 Briarwood, Georgetown, Texas 78628 (hereinafter referred to as the "Franchisor") and \_\_\_\_\_ with a current address of \_\_\_\_\_, (hereinafter referred to as the "Franchisee").

### WITNESSETH:

**WHEREAS**, the Franchisor holds the exclusive franchise rights to a proprietary system which it has developed through significant expenditures of time, skill, effort and money (hereinafter the "System") relating to the establishment, development and operation of a **Sport Clips** retail business (hereinafter the "Franchised Business" and signifying both franchise and Franchisor-managed outlets) which offers professional haircutting and grooming services to men, women and children in a sports-oriented environment; and in conjunction therewith, offers hair care products, sports apparel and sports-related specialty items;

**WHEREAS**, the Franchisor has developed a distinctive exterior and interior design, decor, color scheme, fixtures and furnishings for the Franchised Business store, and has developed the uniform standards, specifications, methods, policies and procedures for the store operations, inventory and management control, training and assistance, and advertising and promotional programs, all of which may be changed, improved upon, and further developed from time to time;

**WHEREAS**, the Franchisor, through its dedicated operations, marketing methods, and merchandising policies, has developed the reputation, public image and good will of its System and established a firm foundation for its franchised retail operations consisting of the highest standards of training, management, supervision, appearance, services and quality of products;

**WHEREAS**, the System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including the mark **Sport Clips** and logo, and such other trade names, service marks, and trademarks as are now, and may hereafter be designated for use in connection with the System (the "Proprietary Marks") which Proprietary Marks are owned by Sport Clips IP, LLC and exclusively licensed to the Franchisor, which has the exclusive right to sub-license and police the use of the System and the Proprietary Marks;

**WHEREAS**, the Franchisor continues to develop, expand, use, control and add to the Proprietary Marks and the System for the benefit of and exclusive use by the Franchisor and its Franchisees in order to identify for the public the source of the products and to represent the System's high standards of quality and service;

**WHEREAS**, the Franchisor uses a system of Area Developers and may delegate one or more of its obligations under this Agreement to an Area Developer;

**WHEREAS**, the Franchisee desires to operate a Franchised Business under the System and the Proprietary Marks and to obtain a license from the Franchisor for that purpose, as well as to receive the training and other assistance provided by the Franchisor in connection therewith;

**WHEREAS**, the Franchisee hereby acknowledges that it has read this Agreement and the Franchisor's Uniform Franchise Disclosure Document, and that it has no knowledge of any representations about the Franchised Business or about the Franchisor or its franchising program or policies made by the Franchisor or by its officers, directors, shareholders, employees or agents which are contrary to the statements in the Franchisor's Franchise Disclosure Document or to the terms of this Agreement, and that it understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain the Franchisor's high standards of quality and service and the uniformity of those standards at all facilities which operate pursuant to the System and thereby to protect and preserve the goodwill of the Proprietary Marks; and

**WHEREAS**, the Franchisee understands and acknowledges the importance of the Franchisor's uniformly high standards of quality and service and the necessity of operating the Franchised Business granted hereunder in strict conformity with the Franchisor's quality control standards and specifications.

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

#### **I. GRANT OF FRANCHISE AND LOCATION**

A. The Franchisor hereby grants to the Franchisee, and the Franchisee accepts, a non-exclusive and personal license to operate one unit of the Franchised Business in strict conformity with the Franchisor's standards and specifications (which may be changed, improved and further developed from time to time) at one location (the "Location") selected by the Franchisee and as will be more particularly described in the Location Addendum attached to this Agreement as Attachment A.

B. The Franchisor hereby grants to the Franchisee, for one initial term of this Franchise Agreement, a Protected Territory that is the lesser of (i) a one-mile radius around the Location, or (ii) a radius around the Location that encompasses a total population of 25,000 people. During the initial term of this Agreement, the Franchisor shall not establish company-owned units, or license other Sport Clips franchises, within the Protected Territory.

1. After the initial term, as long as there is no default under this Agreement and all conditions for renewal are met, the Franchisee shall have a First Right of Refusal for any location within the Protected Territory. After the initial term, the Franchisor may propose to the Franchisee in writing locations within the Protected Territory for an additional Sport Clips store. The Franchisee shall have thirty (30) days upon receipt of the written notice to execute the then-current Sport Clips Franchise Agreement and execute a lease with the landlord for the proposed location. If the Franchisee does not sign a Franchise Agreement or execute a lease within the thirty (30) day period, then the Franchisor shall be permitted to grant a franchise or establish a company-owned store for that location.

2. Protected Territories for Sport Clips units may overlap one another; however, in no event shall the Franchisor allow a Sport Clips unit to be placed within the Protected Territory of an existing unit during the initial term of this Franchise Agreement.

C. The Franchisor reserves the following rights:

1. Subject to Section I.B, to establish Sport Clips franchises and company-owned stores at any site the Franchisor deems to be appropriate.

2. To develop, offer, and support franchises in lines of business other than and similar to a Sport Clips business, and the Franchisor makes no representation or warranty to the Franchisee that the Franchisee shall have any right to participate in such other franchises.

3. At any time during this Franchise Agreement, and in the event the Franchisor or its affiliates acquires a company, or is acquired by a company, that is in a business similar to a Sport Clips business, the acquired or acquiring company may operate or franchise existing locations within the Protected Territory under that company's own trade name or service mark.

D. The Franchisee acknowledges and agrees that certain products of the Franchisor or its affiliates, whether now existing or developed in the future, may be distributed in the Franchisee's Protected Territory by the Franchisor or by its affiliates through channels that include, but are not limited to, supermarkets, variety stores and electronic distribution (including, without limitation, the World Wide Web), catalogs, and direct mail. This Agreement grants Franchisee no rights (i) to distribute such products through such alternative channels of distribution, or (ii) to share in any of the proceeds received by such alternative channels of distribution.

E. The Franchisor may, in its sole discretion, consent to a relocation of the Franchised Business. At a minimum, the Franchisor's consent shall be based upon the following conditions:

1. The Franchisee shall not be in default of any provision of this Agreement or in default of the lease for the original Location.

2. The Franchisee shall deliver to the Franchisor a financial statement that includes a profit and loss statement for the franchised business reflecting the previous twelve (12) months of operation, and the Franchisee shall deliver to the Franchisor a copy of the lease for the new location.

3. The new store must be constructed, located and equipped in accordance with the Franchisor's then-current specifications.

4. The Franchisee must give the Franchisor written notice of the proposed relocation ninety (90) days before the relocation date.

5. The Franchisee shall execute the Franchisor's then-current form of Franchise Agreement, which may include materially different terms, including a different royalty rate, training fees and advertising fees, except that: (i) the term of such amended Franchise Agreement shall expire on the same day that this Agreement would have expired; and (ii) there shall be no requirement for an initial franchise fee.

## II. TERM AND RENEWAL

A. The initial term of this Agreement shall be for five (5) years and shall commence on the date the Franchised Business is open for business to the general public.

B. The Franchisee may renew this Agreement for additional five (5) year terms, subject to the following conditions:

1. The Franchisee shall give the Franchisor written notice of its election to renew this Agreement not more than twelve (12) months and not less than six (6) months prior to the end of the current term of this Agreement.

2. The Franchisee has made or has provided for such renovation and modernization of the Franchised Business as the Franchisor requires, including, without limitation, new signs, equipment, furnishings and decor that reflect the then-current Sport Clips trade dress and appearance set forth by the Franchisor in the Manual.

3. The Franchisee is not in default of any provision of this Agreement, or any other agreement between the Franchisee and the Franchisor, and shall not have received more than three (3) written notices of default during any twenty-four (24) consecutive month period during the current term of this Agreement.

4. The Franchisee executes the Franchisor's then-current Franchise Agreement for the renewal term, which may include material terms different from this Agreement, including a new royalty rate, training fees and advertising fees.

5. The Franchisee shall pay a renewal fee of five thousand dollars (\$5,000) per Franchise Agreement if the Franchisee owns fewer than three (3) open Sport Clips stores, or three thousand five hundred dollars (\$3,500) per Franchise Agreement if the Franchisee owns three (3) or more open Sport Clips stores.

6. Upon the Franchisor's request, the Franchisee and its certified manager shall, at the Franchisee's expense, attend the Franchisor's then-current qualification and training programs.

7. The Franchisee, its shareholders, directors and officers shall execute a general release, in a form prescribed by the Franchisor, of any and all claims against the Franchisor, its subsidiaries and affiliates, and their respective officers, directors, agents and employees. The Franchisee shall not be required, however, to release the Franchisor for violations of or failure to comply with federal or state franchise registration and disclosure laws.

8. The Franchisee shall present evidence satisfactory to the Franchisor that it has the right to remain in possession of the premises where the Franchised Business is located for the duration of the renewal term.

9. The Franchisee's operation and management of the Franchised Business shall be in full compliance with the Confidential Manual.

10. The Franchisee shall maintain and be in good standing with all of its necessary and applicable licenses and permits.

### III. FEES

A. In consideration of the right and license to operate the Franchised Business granted herein, the Franchisee shall pay to the Franchisor the following fees:

1. **Initial Franchise Fee.** Upon the execution of this Agreement, and unless otherwise stated in Schedule A, Sport Clips Multi-Unit Development Agreement, the Franchisee shall pay an initial franchise fee of Twenty-Five Thousand Dollars (\$25,000) that shall be deemed not refundable under any circumstances and fully earned upon receipt by the Franchisor as consideration for the Franchisor's services to that time, including, without limitation, screening of the Franchisee, counseling and consultation.

2. **Grand Opening Deposit.** Upon the earlier of (i) ten (10) days after the date a construction permit is issued by the local government or (ii) the date construction of the Franchised Business commences, the Franchisee shall pay to the Franchisor a grand opening deposit of thirty thousand dollars (\$30,000) to be used by the Franchisor for public relations, promotions, marketing, advertisements, direct mail, coupons and other initial marketing expenses related to the opening of the Franchised Business.

3. **Royalty Fees.** The Franchisee shall pay to the Franchisor a continuing and non-refundable weekly royalty fee of six percent (6%) of Net Sales. "Net Sales" is defined as all sales of services and goods through the Franchised Business and at the Location, whether for cash or credit (and regardless of collectability), but does not include the sale price of goods returned by customers and does not include any sales tax or other taxes collected from customers by the Franchisee for transmittal to the appropriate taxing authority.

4. **Advertising and Promotion Fund Contribution.** The Franchisee shall pay to the Franchisor a continuing and non-refundable weekly Advertising and Promotion Fund Contribution an amount equal to the greater of three hundred dollars (\$300.00) or five percent (5%) of the Franchisee's Net Sales for the previous week.

5. **Training Fees.** Franchisee shall pay to the Franchisor a weekly Base Training Fee of twenty-five dollars (\$25.00) per week, plus a Percentage Training Fee equal to the greater of fifty-five dollars (\$55.00) or one percent (1%) of the Franchisee's Net Sales for the previous week.

6. **Stylist Recruitment Fee.** Franchisee shall pay to the Franchisor a weekly Stylist Recruitment Fee equal to one percent (1%) of the Franchisee's Net Sales for the previous week.

7. **Technology Fee.** Franchisee shall pay to the Franchisor a weekly Technology Fee equal to one percent (1%) of the Franchisee's Net Sales for the previous week.

8. **Local Advertising Cooperative Fee.** In the event a Local Advertising Cooperative is formed in the Franchisee's Metropolitan Statistical Area, the Franchisee shall pay to the Cooperative a weekly fee of up to three hundred dollars (\$300.00).

9. **Sport Clips Wayne McGlone Memorial Relief Fund (SCWMMRF) Contribution.** Franchisee shall pay to the Franchisor five dollars (\$5.00) per week which the Franchisor shall forward to the custodian of the SCWMMRF.

10. **Local Stylist Recruitment Cooperative Fee.** In the event a Local Stylist Recruitment Cooperative is formed in the Franchisee's Metropolitan Statistical Area, the

Franchisee shall pay to the Cooperative a weekly fee of the greater of one hundred dollars (\$100.00) or one percent (1%) of the Franchisee's Net Sales for the previous week.

B. The Royalty Fees on all Net Sales made the previous calendar week, Advertising and Promotion Fund Contributions, SCWMMRF Contribution, Training Fees shall be due and payable each Monday at 2:00 pm Central Time (Standard or Daylight, whichever is in effect). The Franchisor shall obtain all information on Net Sales through polling the Franchisee's computerized point of sale system. The Franchisee shall make arrangements with its local bank to allow the Franchisor to draw a draft on the Franchisee's bank account for the amount of all fees and payments due the Franchisor on a weekly basis. Any payment that cannot be collected by the Franchisor from the Franchisee's bank on the due date shall be deemed overdue, and the Franchisee shall be in default under this Franchise Agreement. If any payment or report is overdue, the Franchisee shall pay to the Franchisor, in addition to the overdue amount, interest on such amount from the date it was due until paid, at the maximum rate permitted by law. Entitlement to collect such interest shall be an addition to any and all other remedies the Franchisor may have. In addition to interest, the Franchisee shall pay a penalty of one hundred dollars (\$100.00) for each week, or portion of a week, that the Franchisor does not have access through the Franchisee's computer system to sales reports, not as a penalty, but as liquidated damages for the expense to manually compile this data.

#### **IV. DUTIES OF THE FRANCHISOR**

A. Prior to the opening of the Franchised Business:

1. The Franchisor shall approve or disapprove a site proposed by the Franchisee as the Location. Approval or disapproval shall be in accordance with the Franchisor's established guidelines; however, approval of a site by the Franchisor shall not be a warranty, representation, or promise that the Location is suitable for a Sport Clips Business and is not to be deemed to be a representation or warranty as to the likelihood of success by the Franchisee. The Franchisee acknowledges and agrees that its success will be due to factors beyond the control of the Franchisor.

2. The Franchisor shall provide to the Franchisee written guidelines and specifications for the operation and management of the Franchised Business.

3. The Franchisor shall make available, at no charge to the Franchisee, standard (generic) plans and specifications for the construction of a typical Sport Clips store. Such plans will include typical exterior signage and interior design and layout, decor, color scheme, fixtures, furnishings and interior signage. However, the Franchised Business must be designed by a store designer or architect approved by the Franchisor, and plans must be approved by the Franchisor prior to soliciting bids for construction.

4. The Franchisor shall provide pre-opening training in the operation of the Franchised Business for up to two (2) people approved by the Franchisor (at least one of whom must be a principal of the Franchised Business), plus one manager designated by the Franchisee.

5. The Franchisor shall provide such on-site, pre-opening and opening supervision and assistance as the Franchisor deems, in its sole discretion, advisable and subject to the availability of staff.

6. The Franchisor shall loan to the Franchisee one set of the Confidential Operating Manuals (the "Manuals") that may include, at the option of Franchisor, one or more training programs on videotape or other electronic media. The Manuals shall include standards and



specifications for procedures, equipment, supplies, inventory, management and operation of the Franchised Business. Manuals may be delivered in hard copy or by electronic media.

7. At the Franchisor's sole option and discretion, the Franchisor may provide pre-opening assistance in the evaluation, selection and supervision of contractors and vendors, monitoring permits and construction, assistance with ordering supplies, installing interior signs, and other pre-opening activities. In the event that Franchisor offers these supplemental services to the Franchisee, the Franchisee shall be required to execute the Pre-Opening Services Agreement, Attachment E to this Franchise Agreement, use the services provided under Attachment E, and the Franchisee shall pay the Franchisor an additional fee of five thousand dollars (\$5,000) for the services for Franchisee's first store to open; four thousand dollars (\$4,000) for Franchisee's second store to open; and, three thousand dollars (\$3,000) each for Franchisee's third and subsequent stores to open.

B. After the opening of the Franchised Business:

1. The Franchisor shall provide such on-going and general advisory assistance the Franchisor, in its sole discretion, determines to be helpful and necessary for the operation and promotion of the Franchised Business.

2. The Franchisor shall continue its efforts to establish and maintain high standards of quality, cleanliness, safety, customer satisfaction and service.

3. The Franchisor shall provide to the Franchisee all updates, revisions and amendments to its Manuals, in either printed or electronic format.

4. Franchisor may, as it deems necessary and in its sole discretion, coordinate and conduct periodic training programs for its network of Franchisees.

5. The Franchisor may, on a periodic basis and as it deems advisable in its sole discretion, conduct inspections of the Franchised Business and evaluate its operation and the employed staff.

6. The Franchisor may provide management consulting services for special projects or assistance, and shall be entitled to charge a fee that is agreed to by the Franchisee.

7. The Franchisor shall have the right to send test customers ("Mystery Shoppers") to the Franchised Business from time to time, and without prior notification to the Franchisee.

8. The Franchisor shall, within thirty (30) days after the last day of the annual national meeting, and provided the Franchisee and the Store Manager attend that meeting and all required seminars held during the meeting, and provided the Franchisee is not in default of any Franchise Agreement with the Franchisor, pay to Franchisee one thousand three hundred dollars (\$1,300.00). Notwithstanding anything in this paragraph, if the Franchisee's Sport Clips store licensed under this Agreement has been open less than twelve (12) full calendar months at the time of the annual national meeting, or the Franchisee has been a party to this Franchise Agreement as a renewal for less than twelve (12) months, the Franchisor shall pay to the Franchisee one hundred dollars (\$100.00) for each full calendar month the Franchisee's store has been open and operating in the case of a new store, or one hundred dollars (\$100.00) for each full calendar month the Franchisee has been a party this Franchise Agreement in the case of a renewal or transfer, provided the Franchisee and the Store Manager attend the annual national meeting and all required seminars and the Franchisee is not in default of the Franchise Agreement.

C. At the Franchisor's sole discretion, some or all of the Franchisor's duties may be assigned by the Franchisor to a Sport Clips Area Developer.

## **V. DUTIES OF THE FRANCHISEE**

A. The Franchisee understands and acknowledges that the Franchisor's standards of appearance and operation of the Franchised Business are critical to the Franchisor, the Franchisee and other Franchisees in order to (i) satisfy the expectations of the customers of the Franchised Business; (ii) develop and maintain high and uniform operating standards; (iii) increase the awareness of the products and services sold by Franchisees; and (iv) protect the Proprietary Marks, the System, and the Franchisor's trade secrets, reputation and goodwill. Accordingly, the Franchisee shall comply with all aspects of the System as set forth in this Agreement, the Manuals, and otherwise in writing by the Franchisor.

B. The Franchisee shall, within one year after executing this Agreement, have obtained the Franchisor's approval for the Location, executed Attachment A to this Agreement; signed a lease for the Location that has been approved by the Franchisor, and opened a Sport Clips business at the approved Location. The Franchisor's approval of the lease shall be conditioned upon the landlord's and the Franchisee's execution of Attachment B to this Agreement as an amendment to the lease, and the Franchisee's execution of the Telephone Assignment Agreement that is Attachment C to this Franchise Agreement.

C. The Franchisee shall commence operation of the Franchised Business within one year after signing the lease for the Location.

D. Before commencing any construction or leasehold improvements at the Location, the Franchisee shall:

1. Ensure that the Location is in compliance with all applicable local and state laws, regulations, and ordinances including but not limited to all zoning, signage and parking requirements.

2. Have plans drawn up by a store designer or architect approved by the Franchisor; plans must be approved by the Franchisor prior to soliciting bids for construction. Many jurisdictions require an architect and/or engineer to design the space; when this is the case, the Franchisee is encouraged to use the Sport Clips approved and recommended architectural firm to save time, ensure consistency with Sport Clips standards and specifications, and to ensure compatibility/fit with the store fixtures. If another architectural/engineering firm is used, final plans must be submitted to the Franchisor for final approval prior to soliciting bids for construction.

3. Employ a qualified general contractor for the purpose of supervising the construction of the Franchised Business. Prior to employing the contractor, the Franchisee shall submit to the Franchisor a statement identifying the general contractor and describing the general contractor's qualifications and financial responsibility.

4. The Franchisee shall obtain all business licenses, permits and certifications required for lawful construction and ongoing operation of the Franchised Business (including, without limitation, zoning, access, variances, health and safety, sign and fire requirements).

E. The Franchisee shall construct and equip, at the Franchisee's sole expense, the Location in accordance with Franchisor's standards and specifications. During the period of construction, Franchisee shall provide to Franchisor such periodic progress reports as the

Franchisor may, in its discretion require, signed by the Franchisee and its general contractor, warranting that construction is proceeding on schedule and in accordance with the approved final plans and with all applicable laws, ordinances and regulations. The Franchisor shall have the right to inspect the construction at all reasonable times. Franchisee shall promptly notify Franchisor of the date of completion of construction, and the Franchisee shall not open the Franchised Business without the express written authorization of the Franchisor. The Franchisor's authorization to open the Franchised Business may be conditioned upon the Franchisee's strict compliance with the Franchisor's requirements regarding initial inventory, fixtures, furnishings, equipment, and the proper staffing level.

F. The Franchisee shall comply with all of the Franchisor's training requirements for the Franchisee, any person acting as the Franchisee's manager, and acting as the Franchisee's employees.

1. Prior to the opening of the Franchised Business, the Franchisee shall complete to the Franchisor's satisfaction the Team Leader Orientation self-study program, and the initial training program in Georgetown, Texas. There shall be no additional charge for this initial training, but the Franchisee shall pay all travel expenses to Georgetown, Texas, and living expenses while in Georgetown, Texas, for the Franchisee and all other persons who attend the initial training program on behalf of the Franchisee. A Manager who attends and completes to the Franchisor's satisfaction the initial training course shall be certified by the Franchisor as able to serve as a full time Manager of the Franchised Business.

2. At all times during this Agreement, the Franchised Business shall be under the direct, on-premises, and full time supervision of a Manager certified and approved by the Franchisor to manage the Franchisee's store location. If the Franchisee is the Manager, the Franchisee must meet the criteria for a Manager published in the Operating Manual; be trained and certified by the Franchisor; and devote full-time and best efforts to the management of the store. At all times the Franchisee shall be accountable for all operations and the conduct of the Franchisee Business.

3. Prior to serving Clients, all persons acting as employees of the Franchisee shall be trained by the Franchisee, or a Manager certified by the Franchisor, by using the Franchisor's training program that includes materials supplied by the Franchisor. Employee training shall be at the Franchisee's expense, and the training may take place at the Franchised Business. Franchisees are responsible for hiring, managing and compensating their employees within the laws of any jurisdiction in which they operate and are encouraged to consult their own legal counsel to ensure their compliance with all applicable laws. Franchisee and Franchisor recognize that Franchisor neither dictates nor controls labor and employment matters for the Franchisee or the Franchisee's employees.

4. At the Franchisor's request, the Franchisee's employees shall periodically attend refresher training courses sponsored by the Franchisor that are held within two hundred (200) miles of the Franchised Business. This periodic training shall not be more than once every three (3) months. There shall be no charge for the training, but the Franchisee shall pay the travel and living expenses of employees during the periodic training program.

5. The Franchisee and the Franchisee's Manager shall be required to attend and complete to the Franchisor's satisfaction any additional training programs that the Franchisor may, from time-to-time, require.

6. The Franchisee and the Franchisee's Manager shall be required to attend the national convention sponsored by the Franchisor. The Franchisee shall pay a fee in connection

with the national convention that shall not exceed one thousand dollars (\$1,000.00) per person each year.

G. The Franchisee shall use the premises of the Franchised Business solely for the operation of a Sport Clips store in strict accordance with the Operating Manuals, and shall not use the premises of the Franchised Business for any other purpose.

H. The Franchisee shall continuously maintain the Franchised Business in the highest degree of sanitation, safety, repair and condition as regulatory agencies, governmental agencies and/or the Franchisor may require, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but not without the Franchisor's prior written consent) as may be required for that purpose, including without limitation, redecorating, replacement of inventory and replacement of obsolete signs, fixtures or materials as the Franchisor may reasonably direct, or as required under the lease for the Franchised Business.

I. The Franchisee shall operate the Franchised Business in conformity with the uniform methods, standards and specifications, and operating hours as the Franchisor may from time to time prescribe in the Operating Manual to ensure uniformity and a high degree of product quality and service. The Franchisee shall conduct its business in a manner, which reflects favorably at all times on the System and the Proprietary Marks. The Franchisee shall at no time engage in deceptive, misleading or unethical practices or conduct any other act which may have a negative impact on the reputation and goodwill of the Franchisor or any other Franchisee operating under the System.

J. The Franchisee shall equip and furnish the Franchised Business in accordance with the Franchisor's specifications, and only with equipment, fixtures, furniture, and signs that have been approved by the Franchisor for use in the Franchised Business. The Franchisee shall maintain at the premises of the Franchise Business at least one computerized point-of-sale system approved by the Franchisor. The Franchisee shall promptly obtain, at the Franchisee's expense, any applicable updates to the software for the system as the updates become available.

K. The Franchisee shall offer for retail sale only such products and services as have been expressly approved in writing by the Franchisor. The Franchisee shall, at all times, maintain at the Franchised Business a level of inventory that is approved by the Franchisor of approved product for retail sale.

L. The Franchisee shall maintain at the Franchised Business a minimum number of employees as may be prescribed by the Franchisor and in compliance with all applicable federal, state, and local laws and regulations. The Franchisee shall ensure that all employees are competent, trained, and are courteous to the public.

M. All customer complaints shall be promptly addressed by the Franchisee, and all consumer complaints pending in a legal or administrative forum shall be answered by the Franchisee within ten (10) days after receipt of any such legal proceedings (or such shorter period of time as may be provided by law). A copy of any consumer legal proceeding and the Franchisee's response shall be forwarded to the Franchisor within three (3) business days of the date that response is forwarded to the consumer or the applicable legal authority.

N. The Franchisee shall permit the Franchisor or its representatives to enter upon the premises of the Franchised Business at any reasonable time for purposes of conducting inspections, taking photographs and interviewing employees and customers. The Franchisee shall cooperate fully with the Franchisor's agents or representatives in such inspections by rendering such assistance as they may reasonably request. The Franchisee shall immediately

correct any deficiencies detected during such inspections, including, without limitation, cease all use of products, equipment, inventory, advertising materials, supplies or other items that are not approved by the Franchisor. In the event the Franchisee fails or refuses to correct such deficiencies, the Franchisor shall have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such corrections as may be required, at the sole expense of the Franchisee, which the Franchisee agrees to pay upon demand.

O The Franchisee shall at all times use the Franchisee's best efforts to promote and increase the sales and consumer recognition of the products and services offered at the Franchised Business pursuant to the System and the Manuals, to effect the widest and best possible distribution of the Franchisor's products and services from the Franchised Business.

P. The Franchisee shall not advertise any goods or services offered by the Franchised Business through the Word Wide Web except as specifically approved in writing by the Franchisor.

Q. The Franchisee shall at all times display the Franchisor's Proprietary Marks and logos at the Franchised Business and on uniforms in the manner prescribed by the Franchisor. The color, design and location of displays shall be specified by the Franchisor and may be changed from time to time in the sole discretion of the Franchisor. The Franchisee shall conspicuously display to customers any sign or notice designated by the Franchisor serving to notify and inform third parties that the Franchisor is engaged in the business of franchising and providing sufficient information to enable third parties to contact the Franchisor to inquire about prospective franchises. The Franchisee shall not display any signs or posters at the premises or elsewhere without the prior written consent of the Franchisor.

R. The Franchisee shall comply with all requirements set forth in this Agreement, in the Manuals or as the Franchisor may, from time to time, designate in writing.

S. If franchisees owning 75% or more of the stores in your market area vote to establish a local area Stylist Recruitment Cooperative, the Franchisor shall have the right, but not the obligation, to require that the franchisees in that designated media market coverage area, including the Franchisee, form a local area Stylist Recruitment Cooperative. Once such a Cooperative is established, membership by all Sport Clips franchisees in the designated media market coverage area shall be mandatory. A local Stylist Recruitment Cooperative can, by a majority vote of its members, assess each Franchisee a fee not to exceed 1% of Net Sales and can establish a minimum fee not to exceed \$100 per week for each individual Franchised Business owned by the Franchisee. The rules of the local Cooperative will be established by the adoption of bylaws, which shall be subject to the approval of the Franchisor.

## **VI. PROPRIETARY MARKS**

A. The Franchisee and the Franchisor agree that this license to use the Proprietary Marks applies only to their use in connection with the operation of the Franchised Business conducted at the Location, and that the license includes only such Proprietary Marks as are now or may hereafter be designated by the Franchisor in writing for use with the licensed System.

B. The Franchisor has the exclusive right to license the Proprietary Marks and the identification schemes, standards, specifications, operating procedures and other concepts embodied in the System. Any unauthorized use of the System and the Proprietary Marks is and shall be deemed an infringement of the Franchisor's rights and a breach of this Agreement. Except as expressly granted by this Agreement, the Franchisee acquires no right, title or interest in the

System or in the Proprietary Marks. Any and all good will associated with the System or the Proprietary Marks shall inure exclusively to the Franchisor. Upon the expiration and termination of this Agreement, the Franchisee shall not be entitled to any compensation attributable to any goodwill associated with the Franchisee's use of the System or of the Proprietary Marks.

C. Franchisee shall promptly notify the Franchisor of the attempt by any person or entity, other than the Franchisor or its licensees, to use the Proprietary Marks or any colorable variation thereof, or any other name, mark or symbol in which the Franchisor claims a proprietary interest, or which is confusingly similar to the Proprietary Marks. Franchisee shall notify the Franchisor promptly of any litigation involving the Proprietary Marks that is instituted by any person or firm against Franchisee. Notwithstanding the lack of an obligation on the part of the Franchisor to assume responsibility or control of any such litigation, Franchisee shall, immediately upon receiving notice thereof, grant to the Franchisor the option to defend the litigation. Within ten (10) days of receipt of the written notice from the Franchisee, the Franchisor shall notify Franchisee of its election to either defend and assume control of such litigation, or decline to defend and assume control the litigation. In the event the Franchisor elects to defend and control such litigation, the Franchisor may, without the consent of Franchisee, settle or compromise any such claims on such terms as the Franchisor, in its sole discretion, may deem appropriate, provided that any monetary settlement entered into without the consent of Franchisee will be paid by the Franchisor. In the event the Franchisor does not elect to defend and assume control of the litigation, the Franchisee shall not settle or otherwise compromise any claims regarding the Proprietary Marks on terms that are not first approved by the Franchisor. The Franchisor shall defend and indemnify the Franchisee from any claims or litigation arising under the Franchisee's use of the Proprietary Marks that arise subsequent to the date of this Agreement, provided the Franchisee has not used the marks in an unauthorized manner. The Franchisor may, in its sole discretion and at its sole expense, settle or compromise any such claims on such terms as the Franchisor deems appropriate and any settlement entered into shall be paid by Franchisor.

D. The Franchisee shall not use the Proprietary Marks or any part or form of the Proprietary Marks as part of the Franchisee's corporate or other legal name, or hold out or otherwise employ the Proprietary Marks to perform any activity, or to incur any obligation or indebtedness, in such a manner that could reasonably result in making the Franchisor responsible or liable for that obligation or debt. The Franchisee shall display within the Franchised Business a prominently visible sign stating that the Franchisee's business is independently owned by the Franchisee and that the business is operated pursuant to a Franchise Agreement with the Franchisor.

E. In addition to all other obligations of the Franchisee with respect to the Proprietary Marks licensed herein, the Franchisee agrees:

1. To refrain from using any of the Proprietary Marks, or any part or form thereof, in conjunction with any other word or symbol without the Franchisor's prior written consent.

2. To feature and use the Proprietary Marks solely in the manner prescribed by the Franchisor and not use the Proprietary Marks on the World Wide Web or as part of any e-mail address except as approved in writing by the Franchisor.

3. To observe all such requirements with respect to service mark, trademark and copyright notices, fictitious name registrations, and the display of the legal name or other identification of the Franchisee as the Franchisor may direct in writing from time to time.

4. To use, promote and offer for sale under the Proprietary Marks only those products and services which are authorized by the Franchisor.

5. To execute all documents requested by the Franchisor or its counsel that are necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability, and to take no action that would jeopardize the validity or enforceability of such marks.

F. In the event the trade name "Sport Clips" is not available for use in any particular area, the Franchisor shall designate a trade name and logo for use by the Franchisee which shall become part of the Proprietary Marks, and the Franchisor shall have no liability to the Franchisee for any senior users that may claim rights to the Proprietary Marks

## **VII. CONFIDENTIAL OPERATING MANUALS**

A. The Franchisee will conduct the business licensed under this Franchise Agreement in accordance with the Franchisor's Confidential Operating Manuals (the "Manuals") that the Franchisee acknowledges having received on loan from the Franchisor for the Franchisee's use during the term of this Franchise Agreement. Franchisee expressly agrees that any personnel policies or procedures made available in the Manuals are for Franchisee's optional use and are not mandatory. Franchisees are responsible for hiring, managing and compensating their employees within the laws of any jurisdiction in which they operate and are encouraged to consult their own legal counsel to ensure their compliance with all applicable laws. Franchisee and Franchisor recognize that Franchisor neither dictates nor controls labor and employment matters for the Franchisee or the Franchisee's employees.

B. The Franchisee will at all times treat the Manuals, which include all electronic training materials, created or approved for use in the operation of the Franchised Business, as confidential, proprietary information of the Franchisor disclosed to the Franchisee under an agreement of confidentiality, and shall use all reasonable efforts to maintain such information secret and confidential. The Franchisee will not at any time, without the Franchisor's prior written consent, copy, duplicate, record, or distribute any part of the Manuals, or any other operating instructions, standards or procedures or training materials disclosed to the Franchisee by the Franchisor. The Franchisee shall not allow any person to duplicate or copy any such material, and shall obligate all employees to abide by the terms of this provision and keep and maintain such information secret and confidential, and refrain from the use of the information in any other business or activity except that which is licensed by this Agreement. Only employees that need to have access to the Manuals during the normal course of business shall have access to the Manuals.

C. The Manuals, including the electronic training materials, shall at all times remain the sole property of the Franchisor. The Franchisor may from time to time revise the content of the Manuals without the consent of the Franchisee, and the Franchisee will observe and comply with the Manuals in the amended form. The Franchisee will at all times insure that the Franchisee's copy of the Manuals is kept current and up-to-date. Additional or replacement portions of the Manuals shall, immediately upon receipt, be inserted in the Franchisee's copy of the Manuals, and the replaced portions shall immediately be destroyed. In the event of any dispute as to the contents of the Manual, the terms of the master copy maintained by the Franchisor at its primary office shall be controlling. In the event the Franchisee's copy of the Manuals is damaged, lost or for other reasons becomes out of date or unusable due to the negligence of the Franchisee, the Franchisee shall promptly acquire new Manuals from the Franchisor and shall, upon such event, pay a Manual replacement fee in the amount of two hundred and fifty dollars (\$250.00) per Manual or one thousand dollars (\$1,000) per set of Manuals.

## VIII. ACCOUNTING, INSPECTIONS AND RECORDS

A. The Franchisee shall maintain and preserve during the term of this Agreement and for not less than three (3) years after the expiration or termination of this Agreement, full, complete and accurate books, financial records and accounts in the form and manner prescribed by the Manuals or otherwise in writing by the Franchisor.

B. The Franchisor shall have the right to poll by high speed Internet connection or other means the Franchisee's computerized point of sale system to obtain any and all information the Franchisor deems necessary to its monitoring of the Franchised Business, including Net Sales and any other information that is recorded by the computerized system. All such information received by Franchisor will be treated as confidential information, and will not be made available to any third party without the consent of the Franchisee, except that comparative store data including Net Sales may be distributed to other franchises in the system by the Franchisor.

C. The Franchisee shall provide to the Franchisor, on a quarterly basis, unaudited profit and loss statements for the Franchised Business, in the format prescribed in the Manuals, within thirty (30) days of the end of each calendar quarter. During the term of this Agreement, the Franchisor may require the Franchisee to use a standardized on-line accounting system provided by a third-party, and as directed by the Franchisor, and the Franchisor shall have the right to access the Franchisee's accounting records and compile data from those records and reports. The Franchisor shall be entitled to use the compiled information for comparative purposes and use the compiled information for any lawful purpose. The Franchisee shall pay to the Franchisor or to the third-party providing the on-line accounting service a monthly fee for the service that shall not, for the term of this Franchise Agreement, exceed seventy-five dollars (\$75.00) per month.

D. The Franchisee shall provide to the Franchisor on an annual basis financial statements for the Franchised Business that are prepared in accordance with Generally Accepted Accounting Procedures (GAAP), within ninety (90) days of the close of the Franchisee's fiscal year. Upon the written request of the Franchisor, Franchisee shall provide to the Franchisor copies of federal and state income tax returns for the Franchisee and the Franchised Business, as well as quarterly or monthly state sales tax returns. The annual financial statements and each annual tax return shall be prepared or reviewed by an independent public accountant and signed by the Franchisee attesting that the statements are true and correct.

E. Upon the Franchisor's request, the Franchisee shall submit copies of the Franchisee's invoices for goods purchased from all suppliers and copies of the Franchisee's operating reports to its landlord and/or shopping mall operator. The Franchisee hereby grants the Franchisor the right to independent access to the Franchisee's accounts and records with any vendor approved by the Franchisor for the purposes of verifying sales data and product purchases.

F. The Franchisee shall submit to the Franchisor such other financial and operating data and information as the Franchisor may request.

G. The Franchisor or its designated agents shall have the right at all reasonable times to audit, examine and copy, at the Franchisor's expense, all books, financial records, receipts, bank statements and tax returns of the Franchisee. The Franchisor shall also be entitled to review the tax returns of any individual who has an ownership interest in the Franchised Business or the Franchisee. If an inspection should reveal that Net Sales have been understated through any report to, or polling by, the Franchisor, the Franchisee shall immediately pay to the Franchisor the amount owed plus interest at a rate of ten percent (10%) per annum of the underpaid amount. If



any inspection or audit discloses that Net Sales have been understated during any four (4) week period by two percent (2%) or more through any report to, or polling by, the Franchisor, the Franchisee shall then also pay for the Franchisor's costs in connection with the inspection or audit, including reasonable accountants' and attorneys' fees.

## **IX. ADVERTISING**

A. The Franchisee shall not use any advertising or promotional plans or materials that have not been approved in writing by the Franchisor, and the Franchisee shall cease to use any plans or materials promptly upon notice by the Franchisor. The Franchisee shall submit to the Franchisor for its prior written approval, samples of all promotional and marketing materials in whatever form that the Franchisee desires to use and which have not been previously supplied or approved by the Franchisor. If the Franchisor does not respond to the request to use advertising materials submitted by the Franchisee within thirty (30) days, the Franchisee shall be entitled to use the submitted materials until receiving notice otherwise from the Franchisor.

B. The Franchisor may, in its sole discretion, establish and maintain an Advertising and Promotion Fund (the "Fund"). All Advertising and Promotion Contributions made by the Franchisee shall be deposited by the Franchisor into the Fund. The Franchisor may make a reasonable allocation for its overhead expenses incurred in connection with the administration and management of the Fund, including employee salaries. However, in no event shall administration and management expenses of the Fund exceed twenty percent (20%) of the collected amount.

C. The Franchisor shall spend at least eighty percent (80%) of the Fund on advertising and promotion of the Proprietary Marks as the Franchisor deems, in its sole discretion, to be useful and appropriate. The Franchisor does not promise or represent to the Franchisee that any particular level or amount of Advertising and Promotion Contributions made by the Franchisee to the Fund will be used for advertising or promotion in the Franchisee's Protected Territory or region. The Franchisor's determination of the allocation and use of the Contributions to the Fund shall not be challenged or contested by the Franchisee.

D. If Contributions made by the System to the Fund are not spent in the fiscal year in which they made, the Contributions shall remain in the Fund for use during the following year. It is understood and agreed that the Franchisor shall allocate advertising funds as it deems, in its sole discretion, to be appropriate.

E. If franchisees owning 75% or more of the stores in your market area vote to establish a local area advertising cooperative, the Franchisor shall have the right, but not the obligation, to require that the franchisees in that designated media market coverage area, including the Franchisee, form a local area advertising cooperative. Once such a cooperative is established, membership by all Sport Clips franchisees in the designated media market coverage area shall be mandatory. A local advertising cooperative can, by a majority vote of the member, assess each Franchisee up to \$300 per week for each individual Franchised Business owned by the Franchisee. The rules of the local cooperative will be established by the adoption of bylaws, which shall be subject to the approval of the Franchisor.

F. The Company may, in its sole discretion, initiate and promote national, regional and local marketing programs that include coupons and discounts. Coupons and discount offers may be advertised through direct mail, newspaper advertisements, radio, or any other medium chosen or approved by the Company. The Franchisee shall accept and redeem all such coupons, and honor all discounts included in any marketing program approved by or sponsored by the

Company, but in no event shall the Franchisee be required to redeem coupons or honor discounts that collectively exceed a redeemed value of five thousand dollars (\$5,000.00) per calendar year.

## **X. INSURANCE**

A. Prior to the opening of the Franchised Business and prior to the commencement of any construction at the Location, the Franchisee shall obtain, and thereafter maintain in full force and effect during the term of this Agreement, insurance that protects the Franchisee, the Franchisor, any Area Developer that is assigned to the Franchisee's Territory, and their respective officers, directors, partners and employees, against any loss, liability, personal injury, death, property damage or expense whatsoever from fire, lightning, theft, vandalism, malicious mischief and the perils included in the extended coverage endorsement, arising or occurring upon or in connection with the Franchised Business or the construction of or leasehold improvements to the Franchised Business, or by reason of the operation or occupancy of the Franchised Business.

B. The Franchisee shall submit to the Franchisor proof of insurance required by this Agreement prior to construction of the Franchise Business. Such insurance policy or policies shall be written by an insurance company satisfactory to the Franchisor in accordance with the standards and specifications set forth in the Manuals or otherwise in writing, and shall include, at a minimum (except as additional coverage and higher policy limits may reasonably be specified from time to time by the Franchisor in the Manuals or otherwise in writing) the following:

1. Comprehensive general liability insurance, including contractual liability, broad form property damage, personal injury, advertising injury, product liability, non-owned and hired auto liability, completed operations and independent contractors coverage, and fire damage coverage in the amount of at least two million dollars (\$2,000,000), or such higher amount as required by the lease, combined single limit, and naming the Franchisor and the Area Developer, if applicable, as an additional insured in each such policy or policies.

2. Worker's compensation and employer's liability insurance as well as such other insurance as may be required by statute or rule of the state in which the Franchised Business is located and operated.

3. Fire, vandalism and extended coverage insurance with primary and excess limits of not less than the full replacement value of the Franchised Business and its furniture, fixtures and equipment.

4. Business interruption insurance in amounts equal to at least the average annual royalties and Advertising and Promotion Fund Contributions payable to the Franchisor, but in no event not less than one hundred thousand dollars (\$100,000) annual coverage.

5. Professional liability insurance (Barbers and Beauticians) in the amount of at least one million dollars (\$1,000,000), combined single limit, and naming the Franchisor as an additional insured in each such policy or policies (which may be included in the basic policy by some insurers, or may be written as a separate policy by others).

6. Employment practices liability insurance in the amount of at least five hundred thousand dollars \$500,000, combined single limit, and naming the Franchisor as an additional insured in each such policy or policies.

C. The Franchisee shall not employ any general contractor to work at the Location unless the contractor submits to the Franchisee proof of comprehensive general liability insurance (with comprehensive automobile liability coverage for both owned and non-owned vehicles,

builder's risk, product liability and independent contractors coverage) in at least the amount of one million dollars (\$1,000,000) with the Franchisor and any applicable Area Developer named as an additional insured, and worker's compensation and employer's liability insurance as required by state law. A copy of the Certificates of Insurance for all coverage shall be provided to the Franchisor prior to the commencement of construction of the leasehold improvements.

D. Should the Franchisee fail to procure or maintain the insurance required by this Agreement, the Franchisor shall have the right, but not the obligation, to procure such insurance for the benefit of the Franchisee, and the Franchisee shall promptly reimburse the Franchisor for the insurance premiums, together with a reasonable fee for the Franchisor's expenses in obtaining the insurance. The Franchisor may recover such reimbursement and expenses by drafting directly from the Franchisee's bank account.

## **XI. TRANSFER OF INTEREST AND INCAPACITY OF FRANCHISEE**

A. The Franchisor shall have the unencumbered right, at any time, to assign this Agreement, and all or part of its rights and privileges hereunder, to any person, firm, corporation or other business entity.

B. Neither the Franchisee, nor any of the Franchisee's shareholders, members, or partners, if any, shall transfer or sell five percent (5%) or more of the assets used in the Franchised Business, or mortgage or pledge as security any part of this Franchise Agreement, without obtaining the Franchisor's prior written consent.

C. If the Franchisee or any person with an ownership interest in the Franchised Business desires to accept an offer from a third party to purchase the Franchised Business in whole or in part, the Franchisee shall notify the Franchisor in writing and send a written copy of the signed offer to purchase. The Franchisor shall have the option, but not the obligation, exercisable within thirty (30) days after receipt of such written notification, to purchase the ownership interest on the same terms and conditions offered by the third party.

1. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by the Franchisor as in the case of an initial offer.

2. In the event that the Franchisor exercises its option to purchase the Franchised Business under this Section, the closing of the purchase shall occur by the later of: (i) the closing date specified in the third party offer; or (ii) within sixty (60) days from the date the Franchisor sends written notice exercising its option.

3. In the event the consideration, terms and/or conditions offered by a third party are such that the Franchisor may not reasonably be required to furnish the same consideration, terms and/or conditions, then the Franchisor may purchase the ownership interest for the reasonable equivalent in cash. If Franchisor and Franchisee cannot agree, within a reasonable time, on the reasonable equivalent in cash of the consideration, terms and/or conditions offered by a third party, then each party, at its own expense, will designate an independent appraiser. The two appraisers attempt to agree as to the value and if they cannot agree to a value within in ten (10) days, the appraisers shall select a third independent appraiser and the independent appraiser's determination shall be final and binding. The cost of the third appraiser shall be borne equally by the Franchisor and the Franchisee. In the event the consideration, terms and/or conditions offered by a third party include the purchase of a business entity owned by the Franchisee that operates or has an interest in the Franchised Business, the Franchisor shall have the option to purchase only the assets of the Franchised Business at a price that is equivalent to the price offered by the third party to purchase the business entity.

D. The Franchisee must first obtain the Franchisor's written approval before the transfer or sale of any controlling interest in the Franchised Business. Neither the rights under this Agreement nor any part of the Franchised Business shall be transferred, sold, or assigned to another unless the Sport Clips store licensed by this Agreement has been open and operating for a minimum of three (3) months. The Franchisor's approval to a proposed transfer or assignment shall not be unreasonably withheld, but shall be conditioned upon the following:

1. The Franchisee shall not be in default of any part of this Agreement or any other Agreement between the Franchisee and Franchisor, including, but not limited to, monetary default.

2. The Franchisee and each of its partners, shareholders, officers and directors, if applicable, shall have executed a general release under seal, in a form satisfactory to the Franchisor, of any and all claims against the Franchisor and its officers, directors, shareholders and employees in their corporate and individual capacities.

3. The transferee shall demonstrate to the Franchisor's satisfaction that the transferee meets the Franchisor's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate the Franchised Business (as may be evidenced by prior related experience, Franchisor's testing criteria or otherwise); has at least the same managerial and financial criteria required of new Franchisees; and shall have sufficient equity capital to operate the Franchised Business.

4. The transferee shall enter into a written assignment, under seal and in a form satisfactory to the Franchisor, assuming and agreeing to discharge all of the Franchisee's obligations under this Agreement, and, if the transferee is not an individual, then the shareholders, partners or other owners of the transferee shall jointly and severally guarantee the obligations of the Franchisee under this Agreement in writing in a form satisfactory to the Franchisor. In the alternative, and at the Franchisor's option, the transferee shall execute the then-current form of the Sport Clips Franchise Agreement which may contain terms that are materially different from this Agreement, with a term ending on the expiration date of this Agreement but including any renewal terms as may be provided by this Agreement.

5. At least ten (10) days prior to the date of the transfer, the transferor must renovate and upgrade the Franchised Business to conform to the then-current specifications of the Franchisor.

6. The Franchisee shall be released from liability to the Franchisor for all obligations under the Franchise Agreement assumed by the transferee, except that the Franchisee shall continue to remain bound by all post-term covenants and obligations contained in this Agreement.

7. At the transferee's expense, the transferee and its manager and employees shall complete any training programs then in effect for current franchisees upon such terms and conditions as the Franchisor may reasonably require except that, if the manager and employees of the Franchised Business have been trained previously by the Franchisor, they may not be required to attend any additional training programs as a result of the transfer if the Franchisor is satisfied that no further training is required.

8. The Franchisee shall pay to the Franchisor a transfer fee of five thousand dollars (\$5,000) for the first Franchised Business that is transferred and, provided the transfers take place in one simultaneous transaction, a transfer fee of one thousand dollars (\$1,000) for each additional Franchised Business (or license to open a Franchised Business) that is transferred.

9. The Franchisee must provide the Franchisor with a fully executed copy of the purchase and sale agreements of purchase and sale between the Franchisee and the transferee.

10. In the event the transferee was referred to the Franchisee by a business broker with whom the Franchisor has an on-going relationship, the Franchisee shall pay to that business broker the standard fee charged by the broker for similar transactions, which may be up to fifteen thousand dollars (\$15,000.00).

E. The Franchisee must obtain the Franchisor's written approval before the transfer or sale of any controlling interest in the Franchised Business to a corporation, limited liability company, partnership, or other business entity. The Franchisor's approval shall not be unreasonably withheld, but shall be conditioned upon the following:

1. The Franchisee shall be a newly organized business entity (unless such entity already has an existing relationship with the Franchisor) and the entity's articles of formation provide that the entity's business shall be confined to the operation and management of Sport Clips franchises.

2. The Franchisee shall provide the Franchisor with a true and correct copy of the business entity's articles of formation, state certificates of formation, bylaws, and any other similar documents requested by the Franchisor.

3. All owners of the business entity, regardless of the percentage of ownership, shall jointly and severally guarantee all obligations of the business entity under the Franchise Agreement, and agree to be personally bound by all post-termination covenants.

4. In the event the business entity issues any certificates of ownership, including but not limited to stock certificates, the certificates of ownership shall state in bold face and capital letters that the sale, transfer, assignment, pledge or encumbrance of the certificates of ownership are subject to the terms and conditions of a Franchise Agreement with Sport Clips, Inc. and the Franchisee.

5. The Franchisee shall maintain and provide to the Franchisor upon request a current list of all individual owners or partners of the business entity, together with the addresses and telephone numbers of each owner or partner.

6. The business entity shall file an assumed name registration with the county clerk of each county in which the Franchisee operates, and any other government agency that requires such a filing, stating that it is doing business under the name "Sport Clips," along with the business entity's legal name, and a copy of the filing shall be supplied to the Franchisor.

F. The Franchisee and anyone with an ownership interest in the Franchised Business must obtain the Franchisor's written approval before offering any ownership interest in the Franchised Business to the public by private or public offering or any stock exchange. The Franchisor's approval shall not be unreasonably withheld, but shall be conditioned upon the following:

1. All materials required by federal or state law, as well as any materials to be used to exempt the offering, shall be submitted to the Franchisor for review at least sixty (60) days prior to such documents being filed with any government agency or distributed to investors. Under no circumstances shall the Franchisee or anyone with an ownership interest in the Franchised

Business imply by the use of the Proprietary Marks or otherwise that the Franchisor is participating in an underwriting, issuance or offering of the Franchisee's securities.

2. The Franchisee and any other participants in the offering must fully indemnify the Franchisor in connection with the offering pursuant to an indemnity agreement in form and substance satisfactory to the Franchisor and its counsel. For each proposed offering, the Franchisee shall pay to the Franchisor a non-refundable fee of no less than ten thousand dollars (\$10,000) to reimburse the Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including, without limitation, legal and accounting fees.

G. Upon the death, mental incapacity or disability of the Franchisee or any person with an ownership interest in the Franchised Business, the Franchisor shall consent to the transfer of the ownership interest in the Franchised Business and in this Agreement to the spouse, heirs or relative by blood or by marriage, of the deceased, incapacitated or disabled person, whether such transfer is made by will or by operation of law, if such person or persons meet the Franchisor's standards as set forth in Section XI.D. of this Agreement. If the transfer is not approved by the Franchisor, the executor, administrator or personal representative of the deceased, incapacitated or disabled person shall transfer the interest to a third party approved by the Franchisor within six (6) months after such death, mental incapacity or disability. Such transfer shall be subject to the Franchisor's right of first refusal and to the same conditions as set forth in Section XI.D of this Agreement.

H. In the event that the Franchisee or the Franchisee's owners are absent or incapacitated for any reason, and in order to protect the Franchised Business and to prevent injury to the goodwill and reputation of the Proprietary Marks, the Franchisor shall have the right, but not the obligation, to operate the Franchised Business for as long as the Franchisor deems necessary and practical. If the Franchisor elects to operate the Franchised Business, all revenues from the operation of the Franchised Business during the period of operation by the Franchisor shall be kept in a separate account. All expenses of the Franchised Business, including but not limited to Royalty Fees, Advertising and Promotion Fund Contributions, SCWMMRF Contributions, Training Fees, any applicable Cooperative Fees, and compensation and expenses for the Franchisor's representative, shall be charged to and paid from the account. Disbursements to Franchisee will be made periodically at the sole discretion of Franchisor, taking into consideration the reasonable and necessary needs of the business. If the Franchisor elects to operate the Franchised Business under this Section on behalf of the Franchisee, the Franchisee shall indemnify and hold harmless the Franchisor from any and all claims arising from the acts and omissions of the Franchisor and its representatives in the operation of the Franchised Business.

## **XII. DEFAULT AND TERMINATION**

A. The Franchisee shall be deemed to be in default and the Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording the Franchisee any opportunity to cure the default, effective immediately upon receipt of notice from the Franchisor to the Franchisee, upon the occurrence of any of the following events:

1. If the Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, or if a petition in bankruptcy is filed by the Franchisee or such a petition is filed against and consented to by the Franchisee, or if the Franchisee is adjudicated bankrupt, or if a bill in equity or other proceeding for the appointment of a receiver of the Franchisee or other custodian for the Franchisee's business or assets is filed and consented to by the Franchisee, or if a receiver or other custodian (permanent or temporary) of the Franchisee's business or assets is appointed by any court of competent jurisdiction, or if proceedings for a conference with a committee of

creditors under any state, federal or foreign law should be instituted by or against the Franchisee, or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless *supersedes* bond is filed), or if execution is levied against the Franchisee's operating location or property, or if any substantial real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal or constable.

2. If the Franchisee ceases to do business at the Location for five (5) or more consecutive business days, relocates the Franchised Business without the Franchisor's consent, or loses the right to possession of the premises upon which the Franchised Business is located or otherwise forfeits the right to do or transact business where the Franchised Business is located; provided, however, that if any such loss of possession results from the governmental exercise of the power of eminent domain, or if, the premises are damaged or destroyed by a disaster such that they cannot, in the Franchisor's judgment, reasonably be restored within one hundred twenty (120) days, and the landlord (if the business location is leased) releases Franchisee from the applicable lease, then, the Franchisee shall have ninety (90) days to identify an alternative location within the same market area as the Location for the operation of the Franchised Business (the "Substituted Site") and submit all information reasonably requested by the Franchisor in connection with the Substituted Site for its review and approval. Notwithstanding the foregoing, the Franchisor shall have a right to terminate this Agreement if the Franchisee is not in possession of the Substituted Site and open for business to the general public within six (6) months of its receipt of the Franchisor's approval.

3. If the Franchisee misuses or makes any unauthorized use of the Proprietary Marks, engages in any business or markets any service or products under a name or mark which is confusingly similar to the Proprietary Marks.

4. If the Franchisee attempts to modify the computerized point-of-sale computer system software without the prior written approval of Franchisor.

5. If the Franchisee understates by five percent (5%) or more its Net Sales in connection with any report required to be submitted to the Franchisor.

6. If a threat or danger to public safety results from the construction, maintenance or operation of the Franchised Business, or if the Franchisee operates the Franchised Business in an unlawful manner or without the proper licenses.

7. If the Franchisee is convicted of a crime of moral turpitude or any other crime or offense that the Franchisor reasonably believes is likely to have an adverse effect on the System and the Proprietary Marks, or if a judgment or a consent decree is entered against the Franchisee, or any of its officers, directors, shareholders or partners in any civil case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or similar claim which the Franchisor reasonably believes is likely to have an adverse effect on the System or the Proprietary Marks.

8. If the Franchisee fails to obtain and maintain all required licenses under state and local law, so that the business is no longer able to operate as a Sport Clips franchised business.

9. If the Franchisee purports to transfer any rights or obligations under this Agreement to any third party without the Franchisor's prior written consent, or if the Franchisee moves or changes the Location without the Franchisor's prior consent.

10. If the Franchisee discloses, divulges or disseminates to an unauthorized third party the contents of the Manuals or any other designated trade secrets or confidential information provided to the Franchisee by the Franchisor.

11. If the Franchisee knowingly maintains false books or records or submits any false statements, applications or reports to the Franchisor.

12. If the Franchisee fails to present a Location for the Franchised Business and obtain the Franchisor's approval of the Location, or fails to sign the lease for the Location, or fails to open the Franchised Business within the time frames set forth in this Agreement.

13. If the Franchisee receives three (3) or more notices of default within any consecutive twenty-four (24) month period during the term of this Franchise Agreement, whether or not such defaults are timely cured by the Franchisee.

14. If the Franchisee defaults under its lease agreement for the Location and fails to cure the default within the applicable grace period.

15. If any other agreement, including any other Franchise Agreement, to which the Franchisee and the Franchisor are parties, or to which any of the Guarantors of this Franchise Agreement have also guaranteed, is terminated as a result of the Franchisee failing to cure any default within the grace period (if any) provided for in that agreement.

16. If the Franchisee makes any unauthorized sale of product that violates approved vendor or manufacturer policies regarding sale of product, such as re-selling professional hair care products to wholesalers or other retailers.

B. The Franchisee shall have thirty (30) days after receiving from the Franchisor a written notice of default to remedy any default described below. If any such default is not cured within that time, or such longer period as required by applicable state law, this Agreement, at Franchisor's option, shall terminate without further notice to the Franchisee effective immediately upon the expiration of the thirty (30) day period. Such defaults shall include, without limitation, the occurrence of any of the following events:

1. If the Franchisee fails, refuses or neglects to pay promptly any monies owed to the Franchisor, its subsidiaries or affiliates, or to suppliers approved by the Franchisor, when due.

2. If the Franchisee fails to maintain any of the standards or procedures prescribed by the Franchisor in this Agreement, the Manuals, any other written agreements between the parties or otherwise.

3. If the Franchisee fails to comply with any material provision of this Agreement.

4. If the Franchisee fails to maintain and submit to the Franchisor any financial reports or statements required by this Agreement, including tax returns and bank statements.

5. If the Franchisee fails to install and maintain in good working condition computer hardware and software for a point-of-sale system as specified in the Manuals, or fails to set up the point-of-sale system so that Franchisor can access the system to download data by high-speed Internet connection during store hours or after the store is closed each evening.

6. If the Franchisee fails to maintain signage as required by the Franchisor in the Manuals.



7. If the Franchisee, the Franchisee's manager or employees fail to attend and successfully complete any mandatory training program as required by the Franchisor. Attendance at the annual conference is mandatory and failure of the Franchisee and/or Franchisee's store manager to attend this conference shall be a default under this section.

8. If the Franchisee fails to obtain the prior written approval of the Franchisor of any and all advertising, marketing or promotional plans and materials used by the Franchisee in connection with its promotion of the Franchised Business or otherwise fails to comply with Franchisor's policies and procedures with respect to advertising, marketing or promotion.

9. If the Franchisee fails, refuses, or neglects to pay promptly when due any monies owing to a local area advertising cooperative or a local stylist recruitment cooperative of which the Franchisee is a member.

10. If the Franchisee fails to obtain and maintain all required licenses under state and local law, even if the business is able to continue to operate as a Sport Clips franchised business.

11. If the Franchisee offers through the Franchised Business or at the Location any product or service that is not approved by the Franchisor.

C. Termination of this Agreement for the reasons described in this Section shall be in addition to any other remedy that the Franchisor shall have in law or equity.

### **XIII. OBLIGATIONS UPON TERMINATION OR EXPIRATION OF FRANCHISE AGREEMENT**

A. Upon termination or expiration of this Agreement, all rights granted to the Franchisee under this Agreement shall terminate immediately and the Franchisee shall have no further right to operate the Franchised Business.

B. Upon the termination or expiration of this Agreement, the Franchisee shall immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold that the Franchisee is a Sport Clips franchisee.

C. Upon the termination or expiration of this Agreement, The Franchisee shall immediately cease to use, in any manner whatsoever, the Proprietary Marks, the Manuals, trade dress, customer database, programs, literature, and all procedures and techniques associated with the System and the name "Sport Clips."

D. Upon the termination or expiration of this Agreement, the Franchisee shall cancel any assumed name or equivalent registration which contains the Proprietary Marks or any other trademark, trade name or service mark of the Franchisor, and the Franchisee shall furnish the Franchisor with evidence satisfactory to the Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

E. Upon the termination or expiration of this Agreement, the Franchisee shall, at the Franchisor's option and upon the Franchisor's request, assign to the Franchisor any interest that the Franchisee has in any lease or sublease for the premises of the Franchised Business, and/or sell to the Franchisor any furniture, equipment, supplies or signs used in the Franchised Business.

1. In the event the Franchisor elects to exercise its option to acquire the lease or sublease of the Franchised Business, the Franchisor shall provide the Franchisee written notice

of the Franchisor's election to exercise the option within thirty (30) days of the date of termination or expiration of the Franchise Agreement.

2. In the event the Franchisor elects to purchase from the Franchisee any furniture, equipment, supplies and signs used in the Franchised Business, the Franchisor shall provide the Franchisee written notice of the Franchisor's election to exercise the option within thirty (30) date of the date of termination or expiration of the Franchise Agreement. If the Franchisor elects to buy the furniture, equipment, supplies and signs, the Franchisor shall compensate the Franchisee for these items at the lesser of the (i) the Franchisee's book value, or (ii) fair market value. The Franchisor shall be entitled to deduct from the purchase price any sums of money owed by the Franchisee to the Franchisor. If Franchisor and Franchisee cannot agree, within a reasonable time, on the fair market value of the items to be purchased by the Franchisor, then each party, at its own expense, shall designate an independent appraiser; the two appraisers will then attempt to agree as to the value. In the event that the two appraisers cannot agree in a reasonable time, then they will select a third independent appraiser and his determination shall be final and binding. The cost of the third appraiser shall be borne equally by both parties.

F. Upon the termination or expiration of this Agreement, and in the event that the Franchisor does not elect to exercise its option to assume the lease or sublease for the Franchised Business, the Franchisee shall make such modifications or alterations to the premises of the Franchised Business as may be necessary to distinguish the appearance of said premises from that of a business operating under the System. The Franchisee shall make such specific additional changes as the Franchisor may reasonably request including, but not be limited to, ceasing to use exterior signage identifying the store as a Sport Clips; all proprietary interior signage; equipment that is unique to or an integral part of the Sport Clips overall decor package, including the receptionist desk, reception area stadium-type seats and benches, proprietary murals of crowd scenes and athletes, styling stations, fencing modules, and drop-lights over the styling stations. In the event the Franchisee fails or refuses to comply with the requirements of this Section XIV, the Franchisor shall have the right to enter upon the premises of the Franchised Business without being guilty of trespass or any other tort for the purpose of making or causing to be made such changes as may be required, at the expense of the Franchisee, which expense the Franchisee agrees to pay upon demand.

G. Upon the termination or expiration of this Agreement, the Franchisee shall immediately deliver to the Franchisor or the Franchisor's designee all Manuals, customer lists and customer databases, records, files, correspondence, brochures, and all other materials relating to the operation of the Franchised Business. The Franchisee shall not retain any copies of the material delivered to the Franchisor except for financial records required by law, correspondence between the parties and any other documents which the Franchisee reasonably needs for compliance with any provision of law. In addition to the foregoing, the Franchisee shall deliver to the Franchisor a complete list of all persons employed by the Franchisee during the three (3) years immediately preceding termination. The cost of delivering the materials as required by this paragraph shall be borne by the Franchisee.

H. Upon the termination or expiration of this Agreement, the Franchisee shall promptly notify the appropriate telephone company and all telephone directory listing agencies of the termination or expiration of the Franchisee's right to use any telephone number and any regular, classified or other telephone directory listings associated with the Proprietary Marks. The Franchisee shall authorize the transfer of all telephone numbers associated with the Proprietary Marks to the Franchisor or the Franchisor's designee. The Franchisee agrees to execute updated letters of direction to any telephone companies and telephone directory listing agencies that enforce the Franchisor's right to telephone numbers under this paragraph. The Franchisee acknowledges that as between the Franchisor and the Franchisee, the Franchisor has the sole

right to and interest in all telephone numbers and directory listings associated with any Proprietary Marks. The Franchisee authorizes the Franchisor, and hereby appoints the Franchisor or any officer of the Franchisor as its attorney in fact, and coupled with an interest, to direct the appropriate telephone company and all listing agencies to transfer all applicable telephone numbers and telephone listings to the Franchisor upon the termination or expiration of this Agreement.

#### **XIV. COVENANTS**

A. The Franchisee specifically acknowledges that the Franchisee, through the Franchisee's relationship with the Franchisor and through this Agreement, shall receive valuable specialized training and confidential information regarding the business, promotion, sales, marketing and operational methods and techniques of the Franchisor and the System used for the retail sale of hair cutting and hair care services and related products.

B. The Franchisee covenants that during the term of this Agreement, and except as approved in writing by the Franchisor, neither the Franchisee nor any shareholder, partner, or other person with an ownership interest in the Franchisee, shall either directly or indirectly, for itself or through, on behalf of or in conjunction with any individual, partnership, corporation or other legal entity:

1. Divert or attempt to divert any business or customer of the Franchised Business to any competitor of the Franchised Business, by direct inducement or otherwise;

2. Employ or seek to employ any person who is at that time employed by the Franchisor or Area Developer of the Franchisor, and who possesses confidential information that belongs to the Franchisor, or otherwise directly or indirectly induce such person to leave his or her employment, whether that person is employed directly or through a Professional Employer Organization (PEO), commonly referred to as "employee leasing".

3. Own, manage, be employed by, advise, assist, invest in, make loans to, or have any interest in any business that offers hair cutting and hair care services and related products; or

4. Offer for sale hair cutting and hair care services and related services and products through any venue or business other than through, and on the premises of, the Franchised Business.

C. The Franchisee covenants that for a period of two (2) years upon the expiration or termination of this Agreement, and except as approved in writing by the Franchisor, neither the Franchisee nor any shareholder, partner, or other person with an ownership interest in the Franchisee, shall either directly or indirectly, for itself or through, on behalf of or in conjunction with any individual, partnership, corporation or other legal entity:

1. Divert or attempt to divert any business or customer of the Franchised Business to any competitor of the Franchised Business, by direct inducement or otherwise;

2. Employ or seek to employ any person who is at that time employed by the Franchisor or Area Developer of the Franchisor, and who possesses confidential information that belongs to the Franchisor, or otherwise directly or indirectly induce such person to leave his or her employment, whether that person is employed directly or through a Professional Employer Organization (PEO), commonly referred to as "employee leasing".

3. Own, manage, be employed by, advise, assist, invest in, make loans to, or have any interest in any business that offers hair cutting and hair care services and related product and that is within a ten (10) mile radius of the Location of the Franchised Business; or

4. Own, manage, be employed by, advise, assist, invest in, make loans to, or have any interest in any business that offers hair cutting and hair care services and related product and that is within a ten (10) mile radius of any business that is a franchisee of the Franchisor and does business under any of the Proprietary Marks.

D. If the period of time or the area specified above should be adjudged by any tribunal or court of competent jurisdiction to be unreasonable, then the period of time or the restricted area may be reduced so that the restrictions are deemed reasonable and enforceable by the presiding tribunal or court.

E. The Franchisee 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 the Franchisee, or the Franchisee's shareholders or partners, if the Franchisee is a corporation or partnership, since the Franchisee, its shareholders or partners have other considerable skills, experience and education which afford the Franchisee, its shareholders or partners the opportunity to derive income from other endeavors.

F. The parties agree that each covenant in this section of this Agreement shall be construed as independent of any other covenant or provision contained in this section of this Agreement. If any one covenant contained in this section is held unreasonable or unenforceable by a tribunal or court of competent jurisdiction, all other covenants deemed to be reasonable and enforceable shall remain in effect.

G. Notwithstanding anything to the contrary in this Agreement, the Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this section of this Agreement, without prior notice to the Franchisee or without the Franchisee's consent. The reduction in scope of the covenants shall be effective immediately upon receipt by the Franchisee of written notice regarding the reduction, and the Franchisee agrees that it shall comply with any covenant as it may be modified by the Franchisor.

H. The Franchisee expressly agrees that the existence of any claims it may allege against the Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by the Franchisor of the covenants in this Agreement. The Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by the Franchisor in connection with the enforcement of the covenants set forth in this Agreement.

I. The Franchisee acknowledges that violation of the covenants not to compete contained in this section of this Agreement will result in immediate and irreparable injury to the Franchisor for which no adequate remedy at law will be available. Accordingly, the Franchisee hereby consents to the entry of an injunction, without the necessity of Franchisor posting a bond, that prohibits any conduct by the Franchisee in violation of the terms of the covenants not to compete set forth in this Agreement.

## **XV. TAXES AND INDEBTEDNESS**

A. The Franchisee shall promptly pay, when due, all taxes levied or assessed by any federal, state or local tax authority and any and all other indebtedness incurred by the Franchisee in the operation of the Franchised Business. The Franchisee shall pay to the Franchisor an amount equal to any sales tax, gross receipts tax or similar tax imposed on the Franchisor with

respect to any payments to the Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by the Franchisor.

B. In the event of any bona fide dispute as to liability for taxes assessed or other indebtedness, the Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; provided, however, in no event shall the Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises of the Franchised Business or any improvements thereon.

C. The Franchisee shall notify the Franchisor in writing within three (3) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business.

## **XVI. INDEPENDENT CONTRACTOR AND INDEMNIFICATION**

A. This Agreement does not create a fiduciary or confidential relationship between the Franchisor and the Franchisee. The Franchisee acknowledges and agrees that the Franchisee is an independent business person and an independent contractor. Nothing in this Agreement is intended to make either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever.

B. During the term of this Agreement, the Franchisee shall hold itself out to the public as an independent contractor operating the Franchised Business pursuant to a license from the Franchisor and as an authorized user of the System and the Proprietary marks which are owned by the Franchisor. The Franchisee agrees to take such affirmative action as may be necessary to do so, including exhibiting to customers a sign provided by Franchisor in a conspicuous place on the premises of the Franchised Business.

C. The Franchisor shall not have the power to hire, manage, compensate or fire the Franchisee's employees and it is expressly agreed that the Franchisor has no employment relationship with the Franchisee's employees. Except as herein expressly provided, the Franchisor may not control or have access to the Franchisee's funds or the premises of the Franchised Business, or in any other way exercise dominion or control over the Franchised Business.

D. It is understood and agreed that nothing in this Agreement authorizes the Franchisee to make any contract, agreement, warranty or representation on the Franchisor's behalf, or to incur any debt or other obligation in the Franchisor's name, and that the Franchisor shall in no event assume liability for or be deemed liable as a result of any such action or by reason of any act or omission of the Franchisee in the Franchisee's conduct of the Franchised Business or any claim or judgment arising therefrom against the Franchisee.

E. The Franchisee agrees at all times to defend at the Franchisee's expense, and agrees to indemnify and hold harmless to the fullest extent permitted by law, the Franchisor and its corporate parent, subsidiaries, affiliates, employees and agents (including any Area Developer that is assigned to the Franchisee's Territory), and their respective directors, officers, employees, agents, shareholders, designees, and representatives from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof, which arises out of the Franchised Business or, including, but not limited to, the following:

1. The Franchisee's infringement or any other alleged violation of any patent, trademark, or other proprietary right that is owned or controlled by any third party.
2. The Franchisee's alleged violation of any federal, state or local law, regulation or ordinance, or any directive of any industry standard.
3. The Franchisee's libel, slander or any other form of defamation.
4. The Franchisee's alleged violation or breach of any warranty, representation, agreement or obligation in this Agreement.
5. Any acts, errors or omissions of the Franchisee or any of its agents, servants, employees, contractors, partners, proprietors, affiliates, or representatives.
6. Latent or other defects of the premises of the Franchised Business, whether or not discoverable by the Franchisor or the Franchisee.
7. Any services or products provided by the Franchisee at, from or related to the operation at the Franchised Business.
8. Any injury that occurs on the premises for the Franchised Business, including the build-out of the premises or any construction activity.

#### **XVII. APPLICABLE LAW AND FORUM SELECTION**

A. This Agreement shall take effect upon its acceptance and execution by the Franchisor in the state of Texas. This Agreement shall be interpreted and construed under the laws of the State of Texas except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051, *et seq.*).

B. Except for any claims arising under the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051, *et seq.*), any and all disputes arising out of or are related to this Agreement that cannot be settled through face-to-face discussions, shall be submitted to non-binding mediation for a minimum of eight hours before a mediation organization approved by the parties, or a mediator appointed by a court if the parties cannot agree on a mediation organization. Such mediation shall be held at the offices of the Franchisor or such other site in the state of Texas designated by the Franchisor.

**C. ANY LITIGATION BETWEEN THE PARTIES, OR BETWEEN THE FRANCHISEE AND THE COMPANY'S OFFICERS AND DIRECTORS, SHALL ONLY BE INSTITUTED IN THE WILLIAMSON COUNTY, TEXAS, DISTRICT COURT OR IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS. THE PARTIES AGREE THAT THIS FRANCHISE AGREEMENT WAS ENTERED INTO IN GEORGETOWN, TEXAS AND THAT SUBSTANTIAL PERFORMANCE OF ALL OBLIGATIONS HEREUNDER IS RENDERED IN GEORGETOWN, TEXAS AND THAT THERE IS A REGULAR STREAM OF BUSINESS ACTIVITY BETWEEN THE FRANCHISEE AND THE COMPANY FROM AND INTO WILLIAMSON COUNTY, TEXAS. ACCORDINGLY, THE PARTIES AGREE THAT VENUE IN ANY SUCH ACTION IS PROPERLY LAID IN EITHER SAID COURT.**

D. Notwithstanding any provision contained in this Agreement, the Franchisor may seek injunctive relief in a court of competent jurisdiction for the purpose of protecting the Proprietary Marks or for the purpose of seeking other equitable relief against the Franchisee.

E. If any party institutes litigation in a court of law or equity, the non-prevailing party shall pay the prevailing party's reasonable attorneys' fees relating to the litigation.

F. Each party to this Agreement waives all rights to a jury trial with respect to any litigation that is instituted or brought in any court regarding any matter arising out of or related to this Agreement.

G. No right or remedy conferred upon or reserved by the Franchisor or the Franchisee by this Agreement is intended and it shall not be deemed to be exclusive of any other right or remedy provided or permitted herein, by law or at equity, but each right or remedy shall be cumulative of every other right or remedy.

**XVIII. NO WAIVER**

A. No failure of the Franchisor to exercise any power reserved to it by this Agreement, or to insist upon strict compliance by the Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of the Franchisor's right to demand exact compliance with any of the terms herein. Waiver by either party of any particular default by the other shall not affect or impair any rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission of either party to exercise any power or right arising out of any breach or default by the other of any of the terms, provisions or covenants hereof affect or impair any right to exercise the same, nor shall such constitute a waiver of any right hereunder or the right to declare any subsequent breach or default and to terminate this Franchise Agreement prior to the expiration of its term. Subsequent acceptance by the Franchisor of any payments due to it hereunder shall not be deemed to be a waiver by the Franchisor of any preceding breach by the Franchisee of any terms, covenants or conditions of this Agreement.

**XIX. NOTICES**

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified mail, return receipt requested, including electronic receipt, or dispatched by overnight delivery envelope, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:            Gordon B. Logan, CEO  
   Sport Clips, Inc.  
   P.O. Box 3000-266  
   Georgetown, Texas 78627-3000

Notices to Franchisee:            \_\_\_\_\_  
   \_\_\_\_\_  
   \_\_\_\_\_

Any notice sent by certified mail shall be deemed to have been given at the date and time of mailing.

## **XX. ENTIRE AGREEMENT**

This Agreement, together with any Amendments and Attachments, if any, constitute the entire, full and complete agreement between the parties hereto concerning the subject matter hereof, and supersede all prior agreements. No amendment, change or variance from this Agreement shall be binding on the parties hereto unless mutually agreed to by the parties and executed by themselves or their authorized officers or agents in writing. Nothing in this Agreement or in any related Agreements is intended to disclaim the representations in the Franchise Disclosure Document.

## **XXI. SEVERABILITY AND CONSTRUCTION**

A. Except as expressly provided to the contrary in this Agreement, each section, part, term and/or provision of this Agreement shall be considered severable. If, for any reason, any section, part, term and/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, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and/or provisions of this Agreement as may remain otherwise intelligible, and the valid remainder of this Agreement shall continue to have full force and effect and bind the parties; provided, however, that if the Franchisor determines that such finding of invalidity or illegality adversely affects the underlying purpose of this Agreement, the Franchisor, at its option, may terminate this Agreement.

B. All captions in this Agreement are intended solely for the convenience of the parties, and none of the captions shall be deemed to affect the meaning or construction of any provision in this Agreement.

C. All references in this Agreement to the masculine, feminine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable, and all acknowledgments, promises, covenants, agreements and obligations made or undertaken by the Franchisee shall be deemed jointly and severally undertaken by all of the parties executing this Agreement in his individual capacity on behalf of the Franchisee. This Agreement may be executed in one or more originals, each of which shall be deemed an original.

D. As used in this Agreement, the term "Franchisee" shall include all persons who succeed to the interest of the original Franchisee by transfer or operation of law and shall be deemed to include not only the individual or entity defined as the "Franchisee" in the introductory paragraph of this Agreement, but shall also include all partners, shareholders, or members, as applicable of any business entity that executes this Agreement. By their signatures, all partners, shareholders, officers and directors of the entity that sign this Agreement as the Franchisee acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement.

E. As used in this Agreement, the term "employee" shall include all persons who are directly employed by Franchisee or other entities referenced in this Agreement, or who are "leased" from a Professional Employer Organization (PEO) under an arrangement commonly referred to as "employee leasing".

F. If, as a result of hurricane, tornado, typhoon, flooding, lightning, blizzard and other unusually severe weather, earthquake, avalanche, volcanic eruption, fire, riot, insurrection, war, explosion, unavoidable calamity or other act of God (a "Force Majeure"), compliance by any party with the terms of this Agreement is rendered impossible or would otherwise create an undue hardship upon any party, all parties shall be excused from their respective obligations hereunder



for the duration of the Force Majeure and for a reasonable recovery period thereafter, but otherwise this Agreement shall continue in full force and effect.

**XXII. ACKNOWLEDGMENTS**

The Franchisee acknowledges that it has conducted an independent investigation of all aspects relating to the Franchised Business and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the skills and ability of the Franchisee as an independent business person or organization. The Franchisee acknowledges that it has received, read and understands this Agreement, and any Amendment and Attachments, if any, that the Franchisor has accorded the Franchisee ample time and opportunity to consult with advisors of the Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

**THE SUCCESS OF THE FRANCHISEE IN OPERATING THIS FRANCHISE IS SPECULATIVE AND WILL DEPEND ON MANY FACTORS INCLUDING THE FRANCHISEE'S INDEPENDENT BUSINESS ABILITY. THE OBLIGATION TO TRAIN, MANAGE, PAY, RECRUIT AND SUPERVISE EMPLOYEES OF THE FRANCHISED BUSINESS RESTS SOLELY WITH THE FRANCHISEE. THE FRANCHISEE HAS NOT RELIED ON ANY WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED, AS TO THE POTENTIAL SUCCESS OR PROJECTED INCOME OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT**

**NO REPRESENTATIONS OR PROMISES HAVE BEEN MADE BY THE FRANCHISOR TO INDUCE THE FRANCHISEE TO ENTER INTO THIS AGREEMENT EXCEPT AS SPECIFICALLY INCLUDED WITHIN THIS AGREEMENT AND THE FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT. THE FRANCHISOR HAS NOT MADE ANY REPRESENTATION, WARRANTY OR GUARANTY, EXPRESS OR IMPLIED, AS TO THE POTENTIAL REVENUES OR PROFITS OF THE BUSINESS VENTURE TO THE FRANCHISEE.**

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed and delivered this Agreement on the day and year first above written.

**Sport Clips, Inc.**

**Franchisee**

\_\_\_\_\_  
Gordon B. Logan, CEO  
Date\_\_\_\_\_

\_\_\_\_\_  
Name  
Date\_\_\_\_\_

\_\_\_\_\_  
Name  
Date\_\_\_\_\_

## **STATE ADDENDUM TO THE SPORT CLIPS FRANCHISE AGREEMENT**

### **FOR THE RESIDENTS OF THE STATE OF CALIFORNIA**

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT. Item 2 is amended to state the following: Neither the franchisor nor any person in Item 2 of the UFDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange. The California Franchise Relations Act, Business and Professions Code Sections 20000 to 20043, provides the Franchisee with certain rights on termination or non-renewal of a franchise. Federal bankruptcy law may prohibit termination of a franchise on filing of a petition in bankruptcy by a Franchisee. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control. The Franchise Agreement provides for termination upon bankruptcy. Federal bankruptcy law may prohibit termination of a franchise on filing of a petition in bankruptcy by a Franchisee (11 U.S.C.A. '101 et seq.). The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California. The Franchise Agreement requires application of the law of the State of Texas. This provision may not be enforceable under California law. Section 31125 of the California Corporations Code requires us to give you a Disclosure Document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise. You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

### **FOR RESIDENTS OF THE STATE OF ILLINOIS**

The conditions under which your franchise can be terminated and your rights under non-renewal may be affected by 815 ILCS 705/19 and 705/20. Article XXII is amended to provide that the Illinois Franchise Disclosure Act governs the interpretation and construction of the Franchise Agreement.

Section XVII.C is amended to allow litigation between the parties to be instituted in any court of competent jurisdiction located in the State of Illinois.

The first sentence of the third paragraph of Article XXII is amended to read as follows: The Company expressly disclaims the making of any warranty or guarantee, express or implied, that the Franchisee will be successful in this venture or that the business will attain any level of sales volume, profits or success.

## **FOR THE STATE OF MARYLAND**

This Addendum for the residents of the state of Maryland also applies to non-residents who will operate a Sport Clips franchise in the state of Maryland. No acknowledgements or disclaimers contained within the Franchise Agreement shall, nor are they intended to, serve as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. Sections II.B.7 and XI.D.2 of the Franchise Agreement are amended to provide that a general release shall not be condition of renewal and/or assignment/transfer and shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law. Article XVII.C is amended to provide that the Franchisee may sue the Company in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law, and any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

## **FOR RESIDENTS OF THE STATE OF MINNESOTA**

No section shall in any way abrogate or reduce any rights of the Franchisee as provided for in the Minnesota Statutes, Chapter 80C. Minnesota statutes §80C14 regulate termination, including at least 90 days written notice in advance of termination or cancellation, with 60 days in which to cure, except that the notice shall be effective immediately for certain grounds.

Pursuant to Minn. Stat. §80C.21 and Minn. Rule Part 2860.44005, Section XXIII of the Franchise Agreement shall not in any way abrogate or reduce any rights of the Franchisee as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts of Minnesota.

Section II is amended to read that unless the franchise is not renewed for good cause as defined in Minnesota Statute §80C14(b), the Company may not fail to renew the Franchise Agreement unless (i) the Franchisee has been given written notice of the intention not to renew at least 180 days in advance and (ii) has been given an opportunity to operate the franchise over a sufficient period of time to enable the Franchisee to recover the fair market value of the franchise as a going concern measured from the date of the failure to renew. The Company may not refuse to renew the Franchise Agreement if the refusal is for the purpose of converting the Franchisee's business premises to an operation that will be owned by the Company for its own account.

Sections II.B.7 and XI.C.2 of the Franchise Agreement are amended to provide that a general release shall not be a condition or renewal and/or assignment/transfer.

Section VI.C is amended to read that the Company will indemnify the Franchisee against liability to third parties resulting from claims by third parties that the Franchisee's use of the Proprietary Marks infringes trademark rights of the third party. The Company does not indemnify against the consequences of the Franchisee's use of the Company's trademark except in accordance with the requirements of the Franchise Agreement, and as a condition of indemnification, the Franchisee must provide notice to the Company of any such claim within ten (10) days and tender the defense of the claim to the Company. If the Company accepts the tender of the defense, the Company has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

## **FOR THE RESIDENTS OF THE STATE OF NEW YORK**

Section IV.A.4 is amended to read that the training provided by the Company will take place at the Franchisor's home office located in Georgetown, Texas.

Section VIII.C is amended by adding the following: "Any new or different requirements set forth in the Operating Manual shall not unreasonably increase the Franchisee's obligations or place an excessive economic burden on the Franchisee's operations."

Section XII.A is amended by adding the following: "However, no assignment shall be made except to an assignee who in the good faith judgment of the Company is able to assume the Company's obligations under the Franchise Agreement."

Section XVII.C is amended by adding the following: "However, the foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisee by the provisions of Article 33 of the New York State General Business Law."

## **FOR THE RESIDENTS OF THE STATE OF NORTH DAKOTA**

Covenants not to compete, such as stated in Section XV of the Franchise Agreement, are generally considered unenforceable in the State of North Dakota. Section XVII.B of the Franchise Agreement is amended to provide that mediation shall take place at a location that is mutually agreeable to the parties. Sections II.B.7, XVII.A, XVII.C, and XVII.F of the Franchise Agreement are deleted in their entirety.

## **FOR RESIDENTS OF THE STATE OF RHODE ISLAND**

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

## **FOR RESIDENTS OF THE STATE OF WASHINGTON**

The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal rights of your franchise. There may also be court decisions that may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal by the Franchisor.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of arbitration, or as determined by the arbitrator.

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

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

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

**IN WITNESS WHEREOF**, each of the undersigned hereby acknowledges receipt and having read this Addendum for Residents of the **State of \_\_\_\_\_**, and understands and consents to be bound by all of its terms.

**Sport Clips, Inc.**

**Franchisee**

\_\_\_\_\_  
Gordon B. Logan, CEO  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

**Attachment A**

**Location of Franchise**

**THIS ADDENDUM** is made by and between Sport Clips, Inc. (the "Franchisor") and \_\_\_\_\_  
\_\_\_\_\_ (the "Franchisee") to the Sport Clips Franchise Agreement dated \_\_\_\_\_  
\_\_\_\_\_ .

1. Pursuant to Section V.B of the Franchise Agreement, the Location shall be at the  
following address: \_\_\_\_\_  
\_\_\_\_\_ .

**Sport Clips, Inc.**

**Franchisee**

\_\_\_\_\_  
Gordon B. Logan, CEO

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

**Attachment B**

**Addendum to Lease**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by and between Sport Clips, Inc. (hereinafter referred to as "Franchisor"), a Texas corporation; \_\_\_\_\_ (hereinafter referred to as the "Landlord"), with its principal offices at \_\_\_\_\_; and \_\_\_\_\_ (hereinafter referred to as the "Tenant"), with its principal offices at \_\_\_\_\_.

**WHEREAS**, the Landlord and the Tenant have executed a lease agreement dated \_\_\_\_\_, (the "Lease") for the premises located at \_\_\_\_\_ (the "Leased Premises") for use by the Tenant as a business to be opened pursuant to Franchisor's proprietary marks and system in connection with a written Franchise Agreement by and between Franchisor and the Tenant (the "Franchise Agreement");

**WHEREAS**, a condition to the approval of the Tenant's specific location by the Franchisor is that the Lease for the Leased Premises designated for the operation of a **Sport Clips** business (hereinafter the "Franchised Business") contain the agreements set forth herein;

**WHEREAS**, the Landlord acknowledges that the Franchisor requires the modifications to the Lease set forth herein as a condition to its approving the Leased Premises as a site for the Franchised Business, and that the Landlord agrees to modify and amend the Lease in accordance with the terms and conditions contained herein;

**WHEREAS**, according to the Sport Clips Franchise Agreement, all rights, title and interest in and to the Lease must be assigned to Franchisor, at Franchisor's option, upon the termination of the Franchise Agreement; and

**WHEREAS**, it is the intent of the parties hereto to provide Franchisor with the opportunity to preserve the leased premises as a Franchised Business in the event of any default or termination of said Lease or Franchise Agreement and to assure the Landlord that in the event Franchisor exercises its rights herein contained, any defaults of the Tenant under the Lease will be cured by Franchisor before it takes possession of the Leased Premises.

**NOW, THEREFORE**, the parties agree as follows:

1. Use Clause. The Leased Premises shall be used for the operation of a retail business specializing in professional haircutting and hair care services and sports-related accessories and identified by the mark **SPORT CLIPS** or any other name. The Leased Premises must be able to accommodate:

Hairstyling for a primarily male clientele, and sales of related products and services, including sports attire, collectibles and specialty items.

The Landlord acknowledges that such use shall not violate any then existing exclusives granted to any existing tenant of the Landlord. The Landlord further acknowledges that during the term of this Lease or any extension thereof, the Landlord will not lease space to a business similar to the Tenant's within the same shopping center or office building in which the Franchised Business is located. Privately owned full-service salons are agreed not to be a similar business.

Landlord represents and warrants that the Leased Premises has no existing building code violations and is properly zoned for its intended use.

2. Default of Lessee under Lease. The Landlord shall mail to Franchisor copies of any notice of default or termination it gives to the tenant concurrently with giving such notices to the Tenant. If the Tenant fails to cure any default within the period provided in the Lease, if any, the Landlord shall give Franchisor immediate written notice of such failure to cure. The Landlord shall thereupon offer to Franchisor and Franchisor shall have the right to accept an assignment of the Lease or a new lease containing the same terms and conditions of the Lease, whichever Franchisor elects.

If Franchisor elects to continue the use of the Leased Premises under an assignment of the Lease or a new lease, it shall so notify the Landlord in writing within thirty (30) days after it has received written notice from the Landlord specifying the defaults the Tenant has failed to cure within the grace period specified in the Lease. Upon receipt of such notice from Franchisor, the Landlord shall promptly execute and deliver to Franchisor an assignment of the Lease or a new lease, whichever Franchisor requests, and shall deliver to Franchisor possession of the Leased Premises, free and clear of any rights of the Tenant or any third party. Franchisor, before taking possession of the Leased Premises, shall promptly cure the defaults specified by the Landlord in its notice to Franchisor and shall execute and deliver to the Landlord its acceptance of the assignment of the Lease or of the new lease, as the case may be.

In the event that the Franchisor elects to enter into a new lease with the Landlord, Landlord shall do so upon terms and conditions no less favorable than those contained in the Lease.

3. Termination of the Franchise Agreement. If the Franchise Agreement between Franchisor and the Tenant is terminated for any reason during the term of the Lease or any extension thereof, the Tenant, upon the written request of Franchisor, shall assign to Franchisor all of its rights, title and interest in and to the Lease. If Franchisor elects to accept the assignment of the Lease from the Tenant, it shall give the Tenant and the Landlord written notice of its election to acquire the leasehold interest. The Landlord hereby consents to the assignment of the Lease from the Tenant to the Franchisor, subject to the Tenant's and/or Franchisor's curing any defaults of the Tenant under the Lease before Franchisor takes possession of the Leased Premises. Alternatively, in the event of a termination of the Franchise Agreement, Franchisor may elect to enter into a new lease with the Landlord containing terms and conditions no less favorable than the Lease. Upon the Landlord's receipt of written notice from Franchisor advising the Landlord that Franchisor elects to enter into a new lease, the Landlord shall execute and deliver such new lease to Franchisor for its acceptance. The Landlord and the Tenant shall deliver possession of the Leased Premises to Franchisor, free and clear of all rights of the Tenant or third parties, subject to Franchisor's curing any defaults of the Tenant, under the Lease, and executing an acceptance of the assignment of Lease or new lease, as the case may be.

The Franchisor shall indemnify, defend and hold the Landlord harmless from any attempt to terminate the Lease or dispossess the Tenant from the Leased Premises based upon a termination of the Franchise Agreement.



4. Tenant's Agreement to Vacate Leased Premises. The Tenant agrees to peaceably and promptly vacate the Leased Premises and (subject to Franchisor's right to acquire any such property pursuant to its Franchise Agreement with the Tenant) to remove its personal property therefrom upon the termination of the Franchise Agreement or upon the Tenant's failure to timely cure all of its defaults under the Lease. Any property not removed or otherwise disposed of by the Tenant shall be deemed abandoned.

5. Delivery of Possession. If it becomes necessary for the Landlord to pursue legal action to evict the Tenant in order to deliver possession of the Leased Premises to the Franchisor, the Franchisor shall, at the written request of the Landlord, pay into an interest-bearing escrow account all amounts necessary to cure any default of the Tenant's, pending delivery of the Leased Premises to the Franchisor. If the Landlord may not legally obtain possession of the Leased Premises or if the Landlord is unable to deliver the Leased Premises to the Franchisor within six (6) months from the date the Franchisor notifies the Landlord of its election to continue the use of the Leased Premises, then the Franchisor shall have the right at any time thereafter to rescind its election to acquire a leasehold interest in the Leased Premises and to terminate the Lease or any new lease between it and the Landlord for the Leased Premises, whereupon all amounts deposited by the Franchisor in escrow, together with the interest earned thereon, shall be returned forthwith to the Franchisor, and the Landlord shall release the Franchisor from all of its obligations under the Lease or any new lease.

6. Amendment of Lease. The Landlord and the Tenant agree not to amend the Lease in any respect, except with the prior written consent of the Franchisor.

7. Franchisor Not a Guarantor. The Landlord acknowledges and agrees that notwithstanding any terms or conditions contained in this Addendum or any other agreement, the Franchisor shall in no way be construed as a guarantor or surety of the Tenant's obligations under the Lease. Notwithstanding the foregoing, in the event the Franchisor becomes the Tenant by assignment of the Lease in accordance with the terms hereof or enters into a new lease with Landlord, then the Franchisor shall be liable for all of the obligations of the Tenant on its part to be performed or observed under the Lease or a new lease.

8. Document to Govern. The terms and conditions contained herein modify and supplement the Lease. Whenever any inconsistency or conflict exists between this Addendum and the Lease, the terms of the Addendum shall prevail.

9. No Hazardous Materials. The Landlord warrants and represents that no part of the Franchised Business location, including the walls, ceilings, structural steel, flooring, pipes or boilers is wrapped, insulated, fire-proofed or surfaced with any asbestos-containing materials (hereinafter "ACM") or other hazardous materials as the same may be identified from time to time by applicable federal, state or local laws or regulations ("Hazardous Materials"), and that no ACM materials or Hazardous Materials will be present in the Leased Premises as of the date Tenant takes possession thereof.

10. Assignment and Subletting. Notwithstanding anything set forth in the Lease to the contrary, the Tenant shall have the right to assign this Lease or any interest therein, or sublet the Leased Premises or any portion thereof without the consent of Landlord, to a corporation or entity that is

- (a) a parent, subsidiary, or affiliate of Tenant;
- (b) Tenant's Franchisor or any successor or affiliate thereof;
- (c) wholly owned by Tenant, Tenant's parent or a subsidiary of Tenant;
- (d) a corporation with which Tenant merges;
- (e) a result of a reorganization, or the surviving corporation of a business restructuring; or
- (f) any bona fide franchisee of the Franchisor, and all renewal options (if any) and other material provisions shall remain in force unchanged.

11. Special Provisions.

- (a) Subject to Landlord's consent as to the method of installation, which consent shall not be unreasonably withheld, Tenant shall be permitted to install a small (36" diameter or less) satellite television antennae on the roof of the Premises, such installation to be at the sole expense of Tenant. Tenant will submit drawings to Landlord as to the method of installation prior to authorizing the antennae to be installed, and Tenant shall be responsible for any damage to the roof.
- (b) Tenant, as part of the standard Sport Clips signage plan, shall have signs approximately 48" wide by 24" high hanging in the front windows to describe the unique services and experience offered by Sport Clips. These signs will be visible from outside the Premises.
- (c) As part of the standard Sport Clips design package, Tenant will have installed in the waiting area of the store a larger television (50" or larger) that will be visible from the exterior of the Premises.

12. Subordination. The Landlord will subordinate its interest in the Tenant's equipment to any lender financing the same, and the Landlord will further cooperate in executing all required documents to recognize such subordination.

13. Waiver. Failure of Franchisor to enforce or exercise any of its rights hereunder shall not constitute a waiver of the rights hereunder or a waiver of any subsequent enforcement or exercise of its rights hereunder.

14. Amendment of Agreement. This Agreement may be amended only in writing signed by all parties hereto.

15. Notices. All notices hereunder shall be by certified mail to the Franchisor at P.O. Box 3000-266, Georgetown, Texas 78627-3000 or to such other addresses as the parties hereto may, by written notice, designate.

16. Binding Effect. This Agreement shall be binding upon the parties hereto, their heirs, executors, successors, assigns and legal representatives.

17. Severability. If any provision of this Agreement or any part thereof is declared invalid by any court of competent jurisdiction, such act shall not affect the validity of this Agreement and the remainder of this Agreement shall remain in full force and effect according to the terms of the remaining provisions or part of provisions hereof.

18. Remedies. The rights and remedies created herein shall be deemed cumulative and no one of such rights or remedies shall be exclusive at law or in equity of the rights and remedies which Franchisor may have under this or any other agreement to which Franchisor and the Tenant are parties.

19. Attorneys' Fees. If any action is instituted by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover all attorneys' fees and costs incurred in connection therewith.

20. Construction. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Leased Premises are located.

21. Certain Acknowledgments. The Landlord and the Tenant acknowledge and agree that all interior and exterior signage and related items (collectively the "Leased/Licensed Assets") are the sole property of the Franchisor. The Tenant shall have no rights to pledge in any manner the Leased/Licensed Assets and the Landlord shall have no rights to place any liens on or make any claims to the Leased/Licensed Assets.

**IN WITNESS WHEREOF**, the parties hereto have caused this Mandatory Addendum to Lease to be executed the day and year first above written.

**Landlord**

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**Tenant and Franchisee**

\_\_\_\_\_  
Name

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

**Franchisor**

**Sport Clips, Inc.**

\_\_\_\_\_  
Gordon B. Logan, CEO

Date \_\_\_\_\_

## LANDLORD WAIVER

**Landlord:**

**Premises:**

**Debtor:**

**Secured Party:**

### **RECITALS**

The Landlord is the owner and landlord of the Premises described above and now occupied by Debtor. The Secured Party has been, and may in the future be, requested to make secured loans to Debtor from time to time covering consumer goods, equipment, inventory, accessions and fixtures (collectively the Personal Property) which are already on the Premises, or which may hereafter be delivered to or installed on the Premises. The Secured Party has required the execution of this waiver as a condition precedent to making or continuing a loan to Debtor, and the Landlord acknowledges that benefits will insure to the undersigned because of the loan.

### **AGREEMENT**

In consideration of the foregoing and of other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Landlord hereby agrees as follows:

1. Landlord hereby waives as to the Secured Party all rights which the Landlord now has, or may hereafter have, under the laws of the state in which the Premises are located, or by virtue of any lease, mortgage or deed of trust affecting the Premises, now in effect or hereafter executed by Debtor, or to levy upon or distrain the Personal Property for rent, or to claim or assert title to or any interest in any of the Personal Property.
2. The Personal Property shall remain personal property notwithstanding its attachment to or installation on the Premises and none of the Personal Property shall become a fixture.
3. The Personal Property may be kept, installed, maintained, used and operated on the Premises, and the Secured Party's interest in the Personal Property shall be superior to any interest which the Landlord may now have, or hereafter may acquire in the Personal Property, by operation of law or otherwise.
4. In the event of a default by Debtor in the payment or performance of any of its obligations to the Secured Party, the Secured Party may (i) enter upon the Premises and remove the Personal Property or any part thereof from the Premises, or (ii) enter upon the Premises and maintain the Personal Property on the premises with full right of access thereto for a reasonable period of time for purposes of disposing of the same, either privately or publicly, provided the Secured Party pays any rent or other payments to the Landlord that the Debtor would have been required to pay during the same period under any rental or lease agreement or mortgage or deed of trust between Debtor and the Landlord. Except for payment of rent or other payments during periods in which it occupies the Premises, the Secured Party shall have no obligation for rent or any other payments or obligations of Debtor to the Landlord.
5. The Landlord warrants and represents that the legal description of the Premises is as set forth in Exhibit A, attached hereto and made part hereof.

6. This waiver shall insure to the benefit of the successors and assigns of the Secured Party and shall be binding upon the successors and assigns of Landlord, and upon any purchaser of the undersigned's interest in the Premises.

IN WITNESS WHEREOF, the undersigned has caused this waiver to be duly executed this \_\_\_\_\_ day of \_\_\_\_\_, 201\_.

**LANDLORD:**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Attachment C**

**Telephone Assignment Agreement**

**THIS TELEPHONE ASSIGNMENT AGREEMENT** is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_\_ by and between \_\_\_\_\_ (hereinafter the "Assignor") and Sport Clips, Inc., a Texas corporation (hereinafter the "Assignee").

**WHEREAS**, the Assignee has developed and owns the trademark "**Sport Clips;**"

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

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

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

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

1. The Assignor hereby assigns to the Assignee all of its rights, title and interest in and to any telephone numbers, telephone listings and telephone directory advertisements that the Assignor uses in connection with the trademark "**Sport Clips.**"

2. Upon termination or expiration of the Sport Clips Franchise Agreement, the Assignee is authorized by the Assignor to present this Assignment Agreement to all relevant telephone companies and telephone directory companies for the purpose of obtaining control over all telephone numbers and telephone listings that are used in association with the trademark "**Sport Clips.**" The Assignee appoints the Assignor as the Assignee's attorney-in-fact, coupled with an interest, for this sole and express purpose.

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

**Assignee**  
**Sport Clips, Inc.**

\_\_\_\_\_  
Gordon B. Logan, CEO

Date \_\_\_\_\_

**Assignor**  
**Franchisee**

\_\_\_\_\_  
Name

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

**Attachment D**

**Personal Guarantee**

The undersigned Guarantor personally guarantees all obligations of the Franchisee under the foregoing Sport Clips Franchise Agreement dated \_\_\_\_\_, including all present and future amendments and addendums, between \_\_\_\_\_ as the Franchisee and Sport Clips, Inc. as the Franchisor. The undersigned hereby individually, personally and fully guarantee, and shall be primarily liable for the performance, debts and liabilities of the Franchisee incurred under the Franchise Agreement, and specifically agree that the Franchisor may seek against the undersigned specific performance of the Franchisee's obligations under the Franchise Agreement, to the same extent as if the undersigned were named as the Franchisee.

The undersigned Guarantor each acknowledge that the Guarantor personally owns a beneficial interest in the Franchisee and, as an individual, is benefiting from benefits that accrue to the Franchisee under the Franchise Agreement. Accordingly, the Guarantor specifically agrees to be personally bound by all the covenants contained in Section XIV of the Franchise Agreement as if the Guarantor is named as the Franchisee in the Franchise Agreement.

The undersigned further agrees and acknowledges that this Guarantee is intended to be and constitutes an inducement for the acceptance and execution of the Franchise Agreement by the Franchisor.

\_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

**Attachment E**

**Supplemental Pre-Opening Services Agreement**

This Supplemental Pre-Opening Services Agreement is between Sport Clips, Inc. (the "Company") and \_\_\_\_\_ (the "Franchisee").

1. The Company and the Franchisee are parties to a Sport Clips Franchise Agreement dated \_\_\_\_\_, 201\_\_.

2. In addition to the duties set forth in the Franchise Agreement, the Company shall provide one or more of the following supplemental services to the Franchisee prior to the opening of the Franchisee's Location:

- a. Assistance with determining one or more suitable sites for the Location; provided, however, that the Franchisee shall ultimately use the Franchisee's independent business judgment in determining whether or not to submit the Location to the Company for final approval.
- b. On-site, pre-opening supervision and assistance.
- c. Work with store designer(s) to develop the floor plan customized for the Location.
- d. Assistance with locating a qualified architect in the event a registered architect or engineer is required by either the landlord or a government authority to review and approve the building plans, and coordinate with the architect or engineer.
- e. Solicitation of construction bids from one or more general contractors. The Company shall compare and analyze the bids and submit the bids to the Franchisee for final approval and selection of a General Contractor (the "GC").
- f. Coordination of signage for the Location's storefront upon being provided by the Franchisee of sign specifications for the Location, including the required colors (if any). The Company shall submit the sign specifications to one or more sign contractors and analyze and compare the bids. The Franchisee shall have final approval of the sign contractor.
- g. Coordination with the GC prior to and at the commencement of the construction of the Location. The Franchisee shall remain responsible for obtaining from the GC a certificate of insurance as required by the Franchise Agreement.
- h. Schedule and coordinate an analysis of each proposed real estate location.



3. The Company shall visit the Location at least once during the construction phase to monitor progress and to verify workmanship and compliance with the plans. Upon completion of work by the GC, the Company shall inspect the Location and prepare an itemized project list of completed and uncompleted tasks and forward a copy of the list to the Franchisee and to the GC.

4. The Company shall assist the Franchisee with ordering and stocking initial inventory.

5. For the services provided under this Supplemental Pre-Opening Services Agreement, the Franchisee shall pay the Company, in addition to the initial franchisee fee, the sum of \$5,000 for Franchisee's first store to open; \$4,000 for Franchisee's second store to open; and, \$3,000 each for Franchisee's third and subsequent stores to open.

6. In the Company's sole discretion, the Company may assign its obligations under this Supplemental Pre-Opening Services Agreement to an Area Developer.

**Sport Clips, Inc.**

**Franchisee**

\_\_\_\_\_  
Gordon B. Logan, CEO  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

## **Multi-Unit Development Amendment to the Sport Clips Franchise Agreement**

This Multi-Unit Development Agreement Amendment to the Sport Clips Franchise Agreement is entered into by Sport Clips, Inc. (the “Franchisor”) and \_\_\_\_\_ (the Franchisee”).

The Franchisor and the Franchisee have entered into a Sport Clips Franchise Agreement for the establishment of an original Sport Clips franchised Unit. The Franchisee wishes to obtain from the Franchisor the non-exclusive right to develop additional Sport Clips units (hereinafter referred to as “Additional Units”) within the Territory described on Schedule A in accordance with the terms contained in this Amendment. The parties therefore agree as follows:

1. Section III.A.1 of the Franchise Agreement is amended to provide that the initial franchise fee for the Location shall be twenty-five thousand dollars (\$25,000.00), the initial franchise fee for the second Additional Unit on Schedule A shall be nineteen thousand five hundred dollars (\$19,500.00), and the initial franchise fee for the third Additional Unit on Schedule A shall be fifteen thousand dollars (\$15,000.00). For Additional Units above three that are part of this initial Franchise Agreement and listed on Schedule A, the initial franchise fee shall be twelve thousand five hundred dollars (\$12,500.00) each.

2. Upon execution of this Amendment, the Franchisee shall pay to the Franchisor, in addition to the initial franchise fee for the Franchisee’s original Sport Clips franchise unit, the initial franchise fees for each Additional Unit identified on Schedule A. No payment to the Franchisor under this paragraph is refundable under any circumstances.

3. No Additional Unit shall be opened, nor shall the original Sport Clips franchised Unit, be opened, until the Franchisee has executed the then-current Sport Clips Franchise Agreement for that Unit. The rights granted by this Amendment are not assignable by the Franchisee.

4. The Franchisee agrees to seek site approval for each Additional Unit and open each Additional Unit within the time set forth in Schedule A. Upon receiving site approval from the Franchisor for a scheduled Additional Unit, the Franchisee shall, after ten business days of receipt of the Franchisor’s then-current Disclosure Document, execute the then-current Sport Clips Franchise Agreement for that Additional Unit.

5. In the event the Franchisee fails to open a scheduled Additional Unit within the time set forth on Schedule A, and upon thirty (30) days written notice and opportunity to cure, the Franchisee shall forfeit the initial franchise fees paid upon the execution of this Addendum for any other Additional Units.

6. A default under any Sport Clips Franchise Agreement that is not cured by the Franchisee upon receipt of notice from the Franchisor shall be a default under this Agreement. Termination of any Sport Clips Franchise Agreement between the Franchisor and the Franchisee shall result in termination of this Agreement.

7. Each Additional Store opened by the Franchisee shall conform to the store design and trade dress of the Franchisor in existence at the time the Additional store is opened.

**Sport Clips, Inc.**

**Franchisee**

\_\_\_\_\_  
Gordon B. Logan, CEO

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

**SCHEDULE A**

**SPORT CLIPS MULTI-UNIT DEVELOPMENT AMENDMENT**

The Territory under this Sport Clips Multi-Unit Development Amendment shall consist of the following boundaries: \_\_\_\_\_

\_\_\_\_\_ .

In addition to Sport Clips franchise described in the Franchise Agreement, the Franchisee agrees to open and operate within the Territory Additional Units as set forth below.

<u>Unit Number</u>	<u>Date for Store to Open</u>	<u>Fee</u>
Second Unit		\$19,500.00
Third Unit		\$15,000.00
(Additional if necessary)		

**Sport Clips, Inc.**

**Franchisee**

\_\_\_\_\_  
Gordon B. Logan, CEO

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

\_\_\_\_\_  
Name

Date \_\_\_\_\_

**General Release for Renewal or Transfer**

\_\_\_\_\_ (the "Franchisee") hereby absolutely and unconditionally releases and forever discharges Sport Clips, Inc., its subsidiaries, affiliates, successors, assigns and associated companies, their respective officers, employees and directors, and their respective heirs, successors, assigns (collectively, "SCI"), jointly and severally, of and from any and all manner of claims, actions, causes of action, contracts, agreements and demands whatsoever ("Actions"), from the beginning of time to the effective date of this Release, which arise out of or under the Sport Clips Franchise Agreement, or are otherwise incidental to or arise out of any transaction or course of dealing between or among the Franchisee and SCI with respect to the franchise relationship. The Franchisee further agrees to indemnify and hold SCI harmless from and against any Actions by officers, directors or employees of the Franchisee and from and against any and all Actions asserted or instituted by any party against SCI and related to Franchisee's operation of a Sport Clips franchise at any time through the effective date of this Release.

This Release shall be effective as of \_\_\_\_\_.

**Sport Clips, Inc.**

**Franchisee**

\_\_\_\_\_  
Gordon B. Logan, CEO  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

**Individual**

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

**EXHIBIT E**  
**AGREEMENT TO GUARANTY LEASE**

## Agreement to Guaranty Lease

This Agreement is between Sport Clips, Inc. ("SCI"), a Texas corporation, \_\_\_\_\_, (the "Franchisee"), and \_\_\_\_\_ (the "Primary Guarantors").

1. The Franchisee has signed a Sport Clips Franchise Agreement for a Sport Clips franchised store. The Franchisee has identified an available space located at \_\_\_\_\_ (the "Location") to operate the Sport Clips franchised store, and the franchisor, Sport Clips, Inc., has approved the Location for the Franchisee's store.

2. The Franchisee's shareholders, if the Franchisee is a corporation, the Franchisee's members, if the Franchisee is a limited liability corporation, or each of the Franchisee's partners, if the Franchisee is a partnership, are each referred to in this Agreement as the "Primary Guarantors."

3. The landlord for the Location has determined that the landlord will not permit the Franchisee or the Primary Guarantors sign a lease (the "Lease") for the Location without the guaranty of a third party acceptable to the landlord. Provided the landlord accepts SCI's guaranty on the Lease, SCI shall guaranty the Lease for the benefit of the Franchisee and the Primary Guarantors, provided the Franchisee and the Primary Guarantors agree to the covenants and conditions contained in this Agreement.

4. As partial consideration for SCI's guaranty of the Lease, the Franchisee shall pay to SCI the sum of \$\_\_\_\_\_, which shall be deemed fully earned and non-refundable upon the landlord's acceptance of SCI's guaranty.

5. Each Primary Guarantor shall guaranty the Lease, and the Franchisee and the Primary Guarantors each covenants and agrees that they shall be primarily liable and responsible for all amounts due under the Lease and fulfillment of all terms and conditions of the Lease. Each Guarantor covenant and warrant that he or she has read the Lease, and has had the opportunity to consult with an attorney or other business advisor before executing this Agreement.

6. The Franchisee shall strictly adhere to and perform each and every covenant contained in the Lease. In the event the Franchisee defaults under the Lease, and the landlord seeks payment from SCI as a guarantor, the Franchisee and the Primary Guarantors agree that the Primary Guarantors shall be primarily liable for all amounts owed to the landlord under the Lease, and the Primary Guarantors shall promptly make payment as required. In the event SCI is required to pay to the landlord, as a result of SCI's guaranty of the Lease, any amount due under the Lease, the Franchisee and the Primary Guarantors shall promptly reimburse SCI. The Franchisee's and the Primary Guarantors' obligation to reimburse SCI under this Agreement shall be unconditional, immediate, and without notice, and without regard to any claims that the Franchisee or the Primary Guarantors have or may have against the landlord of the Location.

7. In the event SCI is required to pay to the landlord, as a result of SCI's guaranty of the Lease, any amount due under the Lease, in addition to reimbursing SCI for the amount SCI is required to pay the landlord, and in addition to any other rights and remedies that SCI may have, the Franchisee and the Primary Guarantors shall pay to SCI as liquidated damages, and not as a penalty, a sum equal to two (2) months of rent under the Lease.

8. The Franchisee and the Primary Guarantors shall indemnify Sport Clips, Inc. from any all claims, causes of actions, and liability that from the Franchisee's failure to perform any obligation under the Lease, including, but not limited to, the payment of rent, late fees, taxes, insurance, maintenance fees, and attorney fees.

9. The Franchisee and the Primary Guarantors hereby grant to SCI a security interest in the Franchisee's fixtures, equipment and inventory maintained by the Franchisee at the Location, subject only to any purchase money liens that may be held by a bank or financing institution. The Franchisee and the Primary Guarantors hereby authorize SCI to file with the applicable state authorities any statutory papers perfecting SCI's security interest, including a UCC-1 financing statement.

10. The Franchisee shall operate only a Sport Clips store at the Location, and shall not use the premises of the Location for any other business or activity. The Franchisee shall not sublet the premises at the Location or assign the Lease to any third party, except with the written consent of SCI.

11. Neither the Franchisee nor the Primary Guarantors shall amend the Lease with the landlord in any manner without the prior written consent of SCI.

12. In the event the Franchise Agreement between the Franchisee and Sport Clips, Inc. is terminated for any reason, the Franchisee shall, upon SCI's request, assign the Lease to SCI or to SCI's designee. By signing this Agreement, the Primary Guarantors agree to the assignment, upon SCI's demand, of the Lease to SCI or SCI's designee, and waive all rights they may have under the Lease.

13. Nothing in this Agreement shall be construed as an opinion of SCI on the suitability of the Location for the Franchisee's Sport Clips franchised store, or an opinion on or warranty of any profit potential that the Franchisee may realize at the Location. The Franchisee and the Primary Guarantors each covenant and warrant that each has performed an independent business analysis of the Location, and is entering into the Lease based upon their own business judgment and decision-making process.

14. This Agreement is entered into in Georgetown, Texas, and shall be construed and interpreted according to the laws of the state of Texas. Any litigation arising under this Agreement shall be heard by a court of competent jurisdiction located in Williamson County, Texas, or by a federal court in the Central District of Texas. If an action is instituted by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its attorneys' fees and costs

See next page for signature.



**Sport Clips, Inc.**

\_\_\_\_\_  
Gordon B. Logan, CEO  
Date \_\_\_\_\_

**Franchisee**

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

**Primary Guarantors**

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

**EXHIBIT F**  
**AGREEMENT TO GUARANTY LOAN**

## Agreement to Guaranty Loan

This Agreement is between Sport Clips, Inc. ("SCI"), a Texas corporation, \_\_\_\_\_, (the "Franchisee"), and \_\_\_\_\_ (the "Primary Guarantors").

1. The Franchisee has signed a Sport Clips Franchise Agreement for a Sport Clips franchised store. The Franchisee has identified an available space located at \_\_\_\_\_ (the "Location") to operate the Sport Clips franchised store, and the franchisor, Sport Clips, Inc., has approved the Location for the Franchisee's store.

2. The Franchisee's shareholders, if the Franchisee is a corporation, the Franchisee's members, if the Franchisee is a limited liability corporation, or each of the Franchisee's partners, if the Franchisee is a partnership, are each referred to in this Agreement as the "Primary Guarantors."

3. The Franchisee has applied for a loan in the amount of \$\_\_\_\_\_ (the "Loan") to open a store at the approved location, and the prospective lender \_\_\_\_\_ ("Lender") has determined that it will not make the Loan without the guaranty of a third party acceptable to Lender. Provided Lender accepts SCI's guaranty of the Loan, SCI shall guaranty the Loan for the benefit of the Franchisee and the Primary Guarantors, provided the Franchisee and the Primary Guarantors agree to the covenants and conditions contained in this Agreement.

4. As partial consideration for SCI's guaranty of Loan, the Franchisee shall pay to SCI 5% of the Loan amount or the sum of \$ \_\_\_\_\_, which shall be deemed fully earned and non-refundable upon the funding of the Loan.

5. Each Primary Guarantor shall guaranty the Loan, and the Franchisee and the Primary Guarantors each covenants and agrees that they shall be primarily liable and responsible for all amounts due under the Loan and fulfillment of all terms and conditions of the Loan. Each Guarantor covenant and warrant that he or she has read the Loan, and has had the opportunity to consult with an attorney or other business advisor before executing this Agreement.

6. The Franchisee shall strictly adhere to and perform each and every covenant contained in the Loan. In the event the Franchisee defaults under the Loan, and the Lender seeks payment from SCI as a guarantor, the Franchisee and the Primary Guarantors agree that the Primary Guarantors shall be primarily liable for all amounts owed to the Lender under the Loan, and the Primary Guarantors shall promptly make payment as required. In the event SCI is required to pay to the Lender, as a result of SCI's guaranty of the Loan, any amount due under the Loan, the Franchisee and the Primary Guarantors shall promptly reimburse SCI. The Franchisee's and the Primary Guarantors' obligation to reimburse SCI under this Agreement shall be unconditional, immediate, and without notice, and without regard to any claims that the Franchisee or the Primary Guarantors have or may have against the Lender.

7. In the event SCI is required to pay to the landlord, as a result of SCI's guaranty of the Loan, any amount due under the Loan, in addition to reimbursing SCI for the amount SCI is required to pay the Lender, and in addition to any other rights and remedies that SCI may have, the Franchisee and the Primary Guarantors shall pay to SCI as liquidated damages, and not as a penalty, a sum equal to two (2) months payments under the Loan.

8. The Franchisee and the Primary Guarantors shall indemnify Sport Clips, Inc. from any all claims, causes of actions, and liability that from the Franchisee's failure to perform any obligation under the Loan, including, but not limited to, the payment of rent, late fees and attorney fees.

9. The Franchisee and the Primary Guarantors hereby grant to SCI a security interest in the Franchisee's fixtures, equipment and inventory maintained by the Franchisee at the Location, subject only to any purchase money liens that may be held by a bank or financing institution. The Franchisee and the Primary Guarantors hereby authorize SCI to file with the applicable state authorities any statutory papers perfecting SCI's security interest, including a UCC-1 financing statement.

10. The Franchisee shall operate only a Sport Clips store at the Location, and shall not use the premises of the Location for any other business or activity. The Franchisee shall not sublet the premises at the Location or assign the Lease to any third party, except with the written consent of SCI.

11. Neither the Franchisee nor the Primary Guarantors shall amend the Loan with the Lender in any manner without the prior written consent of SCI.

12. In the event the Franchise Agreement between the Franchisee and Sport Clips, Inc. is terminated for any reason, the Franchisee shall, upon SCI's request, assign the Lease for the Location to SCI or to SCI's designee. By signing this Agreement, the Primary Guarantors agree to the assignment, upon SCI's demand, of the Lease to SCI or SCI's designee, and waive all rights they may have under the Lease.

13. Nothing in this Agreement shall be construed as an opinion of SCI on the suitability of the Location for the Franchisee's Sport Clips franchised store, or an opinion on or warranty of any profit potential that the Franchisee may realize at the Location. The Franchisee and the Primary Guarantors each covenant and warrant that each has performed an independent business analysis of the Location, and is entering into the Lease and this Loan based upon their own business judgment and decision-making process.

14. This Agreement is entered into in Georgetown, Texas, and shall be construed and interpreted according to the laws of the state of Texas. Any litigation arising under this Agreement shall be heard by a court of competent jurisdiction located in Williamson County, Texas, or by a federal court in the Central District of Texas. If an action is instituted by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its attorneys' fees and costs

**Sport Clips, Inc.**

\_\_\_\_\_  
Gordon B. Logan, CEO  
Date \_\_\_\_\_

**Franchisee**

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

**Primary Guarantors**

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

\_\_\_\_\_  
Name  
Date \_\_\_\_\_

**EXHIBIT G**  
**RESALE ASSISTANCE AGREEMENT**

## Resale Assistance Agreement

This Resale Assistance Agreement is between Sport Clips, Inc. ("SCI") and \_\_\_\_\_  
\_\_\_\_\_ (collectively referred to as the "Franchisee").

1. The Franchisee owns one or more Sport Clips franchised stores and has notified SCI that Franchisee wishes to sell the store(s) located at \_\_\_\_\_  
\_\_\_\_\_ (collectively referred to as the "Store").

2. In the event a prospective franchisee is communicating with SCI and expresses an interest in purchasing an open and operating Sport Clips store in the area of the Store, SCI may, at its option, provide the prospect with any sales data, real estate information and lease information SCI has regarding the Store. In addition, SCI may, at its sole option, refer that prospect to the Franchisee for further discussion directly between the prospect and the Franchisee.

3. In the event the Franchisee provides a prospective buyer with financial information regarding profitability of the Store, the Franchisee warrants that the information will be truthful and accurate. SCI may provide a prospective buyer with the gross sales history reported by the Franchisee to SCI for Store, but SCI shall not provide profitability data with any prospective buyer on behalf of the Franchisee.

4. In the event a Business Broker refers to the Franchisee or to SCI a prospective buyer who buys the Store from the Franchisee, the Franchisee shall pay to the Business Broker the standard fee that the Business Broker charges for similar stores. As of the date of signing this Agreement, the average fee charged by a Business Broker is fifteen thousand dollars (\$15,000.00). The fee payable to the Business Broker shall be payable upon the sale of the Store, and shall be paid from the sales proceeds at the time of the closing.

5. Upon the sale of the Store, the Franchisee shall pay to SCI a resale assistance fee equal to five percent (5%) of the sales price paid by the buyer. In no event, however, shall the resale assistance fee be less than five thousand dollars (\$5,000.00) or greater than ten thousand dollars (\$10,000.00).

6. Nothing in this Agreement shall be construed as a guaranty or warranty by SCI that a buyer will be found for the Store or that a buyer will purchase the Store. The Franchisee hereby absolutely and unconditionally releases Sport Clips, Inc., its affiliates, successors, and assigns, and their respective officers, employees and directors, from any and all claims, causes of action, whether known or unknown, and of whatever kind or nature from the beginning of time to the effective date of this Agreement.

**IN WITNESS WHEREOF** the parties have executed this Agreement and agree that the effective date shall be \_\_\_\_\_, 201\_\_.

**Sport Clips, Inc.**

\_\_\_\_\_  
Gordon B. Logan, CEO  
Date\_\_\_\_\_

**Franchisee**

\_\_\_\_\_  
Name  
Date\_\_\_\_\_

\_\_\_\_\_  
Name  
Date\_\_\_\_\_

**Individual**

\_\_\_\_\_  
Name  
Date\_\_\_\_\_

\_\_\_\_\_  
Name  
Date\_\_\_\_\_



**RECEIPT**

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document all agreements carefully.

If Sport Clips, Inc. 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 and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.**

If Sport Clips, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Exhibit A to this Disclosure Document.

The franchisor is Sport Clips, Inc., 110 Briarwood, Georgetown, Texas 78628. Its telephone number is (512) 869-1201.

Issuance date: April 1, 2017.

The person making this offering for Sport Clips, Inc. is \_\_\_\_\_. The name, address, and telephone number of each franchise seller offering the franchise (other than employees and Area Developers of Sport Clips, Inc.) will be added in the space above before you buy the franchise, and a copy of the supplemented Receipt will be sent to you.

Sport Clips, Inc. authorizes the respective state agencies identified in Exhibit A to receive service of process for it in the particular state.

I received a Disclosure Document dated April 1, 2017 that included the following Exhibits:

- List of State Administrators and Registered Agents ..... Exhibit A
- List of Current Sport Clips Franchisees and Area Developers..... Exhibit B
- Financial Statements ..... Exhibit C
- Sport Clips Franchise Agreement ..... Exhibit D
- Agreement to Guaranty Lease ..... Exhibit E
- Agreement to Guaranty Loan..... Exhibit F
- Resale Assistance Agreement ..... Exhibit G

\_\_\_\_\_  
Franchisee Signature  
Date \_\_\_\_\_

\_\_\_\_\_  
Franchisee Signature  
Date \_\_\_\_\_

Name and Address (Please Print)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

You may return the signed receipt either by signing, dating, and mailing it to Sport Clips, Inc. at 110 Briarwood, Georgetown, Texas 78628, or by faxing a copy of the signed and dated receipt to Sport Clips, Inc. at (512) 864-2522.

**RECEIPT**

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document all agreements carefully.

If Sport Clips, Inc. 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 and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.**

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Sport Clips, Inc. authorizes the respective state agencies identified in Exhibit A to receive service of process for it in the particular state.

I received a Disclosure Document dated April 1, 2017 that included the following Exhibits:

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- Agreement to Guaranty Lease ..... Exhibit E
- Agreement to Guaranty Loan..... Exhibit F
- Resale Assistance Agreement ..... Exhibit G

\_\_\_\_\_  
Franchisee Signature  
Date \_\_\_\_\_

\_\_\_\_\_  
Franchisee Signature  
Date \_\_\_\_\_

Name and Address (Please Print)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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