

FRANCHISE DISCLOSURE DOCUMENT



GLO Tanning Franchise, LLC
an Oklahoma Limited Liability Company
12335 N. Rockwell Ave.
Oklahoma City, Oklahoma 73142
(405) 708-6320
onyi@glotanning.com
<https://www.glotanning.com>

As a GLO Tanning® franchisee, you will operate luxury sun spa that offers a variety of tanning and spa services.

The total investment necessary to begin operation of a GLO Tanning® franchised business is ~~\$757,200-759,700~~ to ~~\$1,316,500~~~~1,478,167~~. This includes the \$97,500 to \$102,500 that must be paid to the franchisor ~~or its affiliates~~. The total investment necessary to enter into an area development agreement ranges from ~~\$2,978,800 to \$5,206,000~~~~3,0092,968,800 to \$5,852,668~~ –(based on the minimum 4-unit area development). This includes the ~~\$390,000 to \$410,000~~~~320,000~~~~172,500~~~~177,500~~ that must be paid to the franchisor ~~or its affiliates~~.

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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Quinn Cooper at Sales@Glotanning.com and (945) 336-9873.

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

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

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

Issuance Date: June 16, 2025, as amended September 15, 2025

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in ~~Oklahoma City~~, Oklahoma. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in ~~Oklahoma City~~, Oklahoma than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **General Financial Condition.** The franchisor's financial condition as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
- 3.4. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

Some jurisdictions have passed laws that require businesses to pay their employees a higher minimum wage than what is required under federal law, which laws may disproportionately affect franchised businesses.

The details of state, county and local laws and regulations vary from place to place. It is your responsibility to research these matters. Please be aware that the changes in these laws may increase the cost of operating your business. You are solely responsible to determine what local or state regulations, permits and licenses you will need to comply with and/or obtain to conduct the franchise business in a particular state, city, or town.

ITEM 2 BUSINESS EXPERIENCE

Onyi Odunukwe –Co-Founder and CEO

Onyi Odunukwe is our CEO. He has held this position since our inception in 2020, and has served as CEO of Glo Tanning Centers, Inc. [out of Oklahoma City, Oklahoma](#) since 2018.

Paul Rudnicki –Co-Founder and CFO

Paul Rudnicki is our CFO. He has held this position since our inception in 2020. He has held the position of CFO of Glo Tanning Centers, Inc. [out of Oklahoma City, Oklahoma](#) since 2018.

Denae Blough – Chief Operations Officer. Denae has been our Chief Operations Officer since July of 2025. Denae is also our Director of Training and has been with us since July of 2018.

Amara Omoregie – Chief Development Officer and Chief Technology Officer. Amara Omoregie has been our Chief Development Officer since July of 2025 and also serves as our Chief Technology Officer. Prior to this, Amara ~~w~~has [been the CEO of REPS LLC, a consulting firm in Long Beach, California starting in since](#) March of 2008.

Quinn Cooper – Franchise Development Manager. Quinn has served as our Franchise Development Manager since July of 2024. Prior to this, Quinn was a financial consultant for Chales Schwab [in Westlake, Texas](#) from January 2020 to July 2024.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item

ITEM 5 INITIAL FEES

Initial Franchise Fee

On the signing of the franchise agreement, all franchisees pay an initial franchise fee of \$45,000. The initial franchise fee is uniform for all franchisees. [signing a franchise agreement after September 2025. Prior to September 2025, we discounted or waived initial franchise fees for many initial franchisees.](#) The initial franchise fee is payable in a lump sum upon signing the franchise agreement.

Additional Franchise Purchases

During the term of your franchise, you may purchase additional franchises for the reduced franchise fee equal to the greater of \$30,000 or \$15,000 off the then-current initial franchise fee. In addition, you must sign the then-current franchise agreement. This option will only be available to you after 12 months of operation of your first franchise unit, if there are franchise territories available, you meet our then-current criteria for new franchisees, you are current and not in default of your franchise agreement, and, in our sole discretion, we determine to sell you another franchise.

Required Purchases from the Franchisor or an Affiliate

All franchisees pay us an initial grand opening marketing and promotion fee of \$50,000.

We provide you with up to 3 of our representatives for up to 5 days of grand opening training and assistance. Depending on the level of assistance, you will pay a fee of between \$2,500 and \$7,500. The higher amount provides more assistance from us.

Initial Training

~~There is no training fee for up to 25 attendees. You may have up to an additional 25 attendees attend the same training for a fee of \$300 per person, per day. You will be responsible for covering the cost of travel, food, and lodging for your attendees to attend the initial training.~~

Area Development Agreement

If you enter into an area development agreement, the minimum area development fee is \$120,000 (\$45,000 for the 1st unit and \$25,000 for units 2 through 4). If you choose to develop more than 4 units, you will pay an additional \$25,000 for each additional unit to be developed. These fees are due upon signing the franchise agreement.

Uniformity and Refunds

These costs and fees are uniform and are non-refundable for all franchisees signing a franchise agreement after September 2025. Prior to September 2025, the GLO Tanning system offered franchise agreements on different initial fee, royalty, marketing and tech fund, and other fee and operating terms; those franchisees are considered “Legacy Franchisees” and the offering provided to those Legacy Franchisees is no longer being offered to new franchisees. The amounts payable to us or an affiliate for opening marketing are payable in a lump sum at the time of signing the franchise agreement.

**ITEM 6
OTHER FEES**

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty ¹	6.5% of Gross sales	Payable monthly to be received by the 10th of the following month	Gross sales include all revenue from the salon but does not include sales tax. We require royalties to be paid in accordance with our electronic funds transfer or automatic withdrawal program as developed.
Marketing <u>and Tech</u> Fund Fee ¹	3% of gross sales	Payable monthly to be received by the 10th of the following month	See Note 3 below.
Successor Franchise Fee ^{1,2}	\$10,000	Prior to your entering into a successor franchise agreement	A successor franchise agreement is available to you only if you meet each of the requirements described in the franchise agreement at the time of your timely election to enter into a successor

Technology Fee ^{1,2}	Currently \$0 up to \$150 per month	<u>Payable with royalty or upon billing</u>	Currently, we use a portion of the marketing fund fee to cover some of the technology franchisees will use. However, this may change in the future and we have the right to charge a fee upon 60 days' written notice for use of our designated technology suite. The fee <u>can increase to a maximum of \$150 per month, and the amount payable</u> will be updated periodically in our manuals to account for increased costs and new technologies, if applicable.
New Operating Principal or New Store Operator Training ¹	\$300 per person per day	In advance of training	Any new operating principal or store operators must complete the initial training program before taking over as operating principal or manager. You must pay all associated travel, food, and lodging associated with such training.
Online Training ^{1,7}	Currently \$0	Prior to training	We currently do not charge for online training, but may in the future. If we do charge, we have the right to charge up to the in-person daily assistance fee.
Additional In-Person Assistance ¹	\$300 per person per day	Upon billing	A minimum of 3 days is required for in-person assistance. Depending on advanced notice and our availability, you may request additional in-person training. In such case, you will also be required to pay all the travel, lodging, food, and other expenses of your attendees or our representatives during this additional training. We can also require you to attend refresher training classes if you do not pass our inspections or otherwise determined by us in our sole discretion.
Insurance Reimbursement Fee ¹	Reimbursement of premium amount, plus an administration fee of \$50 per hour	Upon billing	You are required to hold and maintain your own insurance, but if you fail to do so, we have the right to obtain insurance on your behalf.
PCI and DSS Audit Reimbursement Fee ¹	Actual costs of the audit	Upon billing	You must reimburse us all costs related to an audit for your non-compliance with PCI and DSS requirements.
Conference and Seminar Fee ^{1,7}	Currently, \$0 per person	At the time of registering for the conference or seminar	You will also be required to pay all travel, lodging, food, and other expenses for each of your attendees.
GLO Email Address ^{1,7}	Currently \$12 per month per email address	Payable monthly to be received by the 10th of the following month	We provide you with one GLO email address and you can request additional email addresses. All franchise business communications must be through a Glo email address.

² **Indemnification.** You must indemnify us from damages and costs related to your acts, errors or omissions in the operation of your salon or your franchise business generally, and including any allegation that you are our employee, or that we are a joint employer or otherwise responsible for the acts or omissions relating to your employees, and other laws regarding public accommodations for persons with disabilities.

³ **Advertising Fees.** The Marketing Fund fee may be used by us for one or more national or regional marketing and brand development programs, as we choose, and to offset software licensing fees for software you will use in your salon. These fees are uniformly imposed.

⁴ **System Non-Compliance.** If you do not correct the violation within the time required by us, we have the right to put you in default. All fines are to be paid in accordance with our electronic funds transfer or automatic withdrawal program.

⁵ **Post-Termination, De-Identification Non-Compliance Fee.** In the event you fail to comply promptly with any of your post termination de-identification obligations: (a) you must pay us \$1,000 for each day that you are in default, as a reasonable estimate of the damages suffered by us; and (b) to prevent further injury, we may hire a third-party or use our own personnel to de-identify your unit and/or to carry out any other obligations on your behalf, for which costs you will be responsible. Upon termination, we have the right to automatically debit your account up to \$25,000 in anticipation of the costs associated with enforcing your post-termination obligations. Any unused portion will be refunded to you within 30 days of our completing the applicable post-termination obligations. This post-termination fee obligation will not affect our right to obtain appropriate injunctive relief and other remedies to enforce the franchise agreement and your obligations.

⁶ **Liquidated Damages for Breach of Non-Competition.** This fee is applied if you violate the non-compete covenants in the franchise agreement or any related agreements, or if you use our system without our express written permission or approval.

⁷ **Fee Increases.** We may increase these fees by an amount equal to the Consumer Price Index for each year (cumulative) during the term of your franchise agreement to adjust to increased costs. Costs charged by third parties are subject to change at any time and do not have an annual cap.

**ITEM 7
ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial franchise fee ¹	\$45,000	Lump Sum	Upon signing the franchise agreement	Us
Initial training ²	\$2,700 to \$4,000	As incurred	Prior to and during training	Airlines, hotels, and restaurants
<u>Opening training and assistance³</u>	<u>\$2,500 to \$7,500</u>	<u>Lump sum</u>	<u>Upon signing the franchise agreement</u>	<u>Us</u>
Real estate improvements ⁴³	\$258,000 to \$565,000	As incurred <u>negotiated</u>	As negotiated	Suppliers and contractors
Rent ⁵⁴ (3 months of rent, plus deposit)	\$6,000 to \$9 2,000 <u>1,667</u>	As negotiated <u>incurred</u>	As negotiated	Landlord

Architect/Engineering Fee ⁶⁵	\$5,000 to \$15,000	As negotiated incurred	As negotiated	Architect and/or engineer
Equipment, furniture, fixtures, décor, and supplies ⁷⁶	\$315,000 to \$550,000 <u>\$375,500</u>	As negotiated incurred	As negotiated	Suppliers
POS system, computer hardware, and software ⁸⁷	\$16,000 to \$30,000	As negotiated incurred	As negotiated	Suppliers
Music system ⁹⁸	\$500 to \$1,500	As negotiated incurred	As negotiated	Suppliers
Signs ¹⁰⁹	\$6,000 to \$20,000	As negotiated incurred	Before opening	Suppliers
Miscellaneous opening costs ¹¹⁹	\$500 to \$2,500	As negotiated incurred	As incurred	Suppliers, government departments, utilities, etc.
<u>Professional Fees¹²</u>	<u>\$500 to \$5,000</u>	<u>As negotiated</u>	<u>As incurred</u>	<u>Attorneys, accountants, etc.</u>
Insurance premiums ¹³⁴	\$4,000 to \$6,000	Lump sum	As incurred	Insurance suppliers
Opening inventory ¹⁴²	\$7,500 to \$12,500	Lump sum	As negotiated	Suppliers
Grand Opening Advertising ¹⁵³	\$50,000	Lump sum	Upon signing the franchise agreement	Us and affiliates
Additional funds ¹⁶⁴	\$41,000 to \$85,000	As negotiated incurred	As incurred	Suppliers, employees, etc.
TOTAL¹⁶⁵	\$7579,2700 to \$1,478,1671 <u>\$316,500</u>			

NOTES

¹ **Initial Franchise Fee.** The initial franchise fee is non-refundable, and we do not finance any portion of the fee.

² **Initial Training.** You can have up to 25 people attend training. The training fee is per person for the in-person portion for your owners. These costs will vary as a function of the distance traveled and the choice of accommodations, meals, and transportation. We assume there are no costs for the virtual portion of the training.

³ **Real Estate Improvements.** This estimate includes the cost for construction to build out your location according to our specifications. Costs of improvements vary based on location, terms of the lease, the total area of your space, as well as construction and material costs. Your landlord may provide you with a tenant improvement allowance as part of your lease. We provide standard design plans and specifications for construction and improvements. If your site is a newly constructed space, the landlord may require significantly greater additional expenditures to cover leasehold improvements. You are not required to lease newly constructed space.

⁴ **Rent.** Your space will vary depending on your needs, but we estimate you will need 1,500 to 5,000 square feet, and we estimate your lease to be \$12 to \$55 per square foot per annum. Our estimate includes a security deposit and 3 months of rent. You are encouraged to negotiate a rent-free period for the time it takes to build out your business. You may be able to negotiate additional free rent or reduced rent periods after opening as well. We expect that you will rent your location. If you choose to purchase real estate instead of renting, your costs will be significantly different. We have not included an estimate for the cost to purchase and build a location in the table above, but we estimate the cost to purchase real estate to be between \$100 and \$175 per square foot.

⁵ Architectural/Engineering Fees. You must employ and pay our required architect to accomplish and prepare a preliminary floor plan and develop a preliminary set of plans, specifications and related construction documents for your GLO Tanning® salon. If for some reason our required architect is unable to work in your jurisdiction, you must use an approved architect and engineer to complete the preliminary plans, and these estimates include the architect's fees to prepare the full stamped set of floor plans, plans and specifications to include mechanical, plumbing, and electrical engineering as necessary to satisfy city, state, and local building codes and to construct the improvement for your GLO Tanning® salon at the specific site chosen for your GLO Tanning® salon. There is no allowance included in this estimate for site planning, landscape planning, use permitting, gaining of variances or resolution of related planning and zoning conflicts, accomplishment of energy consumption calculations, accomplishment of building elevations, or civil or structural engineering. Additionally, this estimate does not include an allowance for bid or contract administration or client directed revisions which will need to be negotiated on a case-by-case basis prior to commencement of the requested work.

⁶ Equipment, Furniture, Fixtures, Décor, and Supplies. Included in this estimate are the cost of the following items: 15-25 tanning beds including one or more sunless tanning booths, sunless solutions, tanning lotions, tanning lamps, tanning acrylics, wall systems, ceramic tile, counter systems/shelving, and office supplies.

⁷ POS System, Computer Hardware, and Software. Included in this estimate are the cost of a 3-terminal POS system, computer, server fee, and required setup fees and subscriptions.

⁸ Signs. Subject to landlord and government restrictions, 2 signs are required. At least 1 exterior sign(s) displaying the trademark and 1 interior sign(s) are required. These signs may be made locally. All signs must conform to our specifications. You must use the location's monument sign if available.

⁹ Music Systems. You are required to install a music system according to our specifications and subscribe to our preferred in-store music provider and play the music at your salon. This is not required for conversion salons.

⁹¹⁰ Professional Fees. These miscellaneous costs include legal fees, business entity organization and accounting fees. Rates for professionals can vary significantly based on locale, area of expertise, and experience.

¹⁰ Insurance. These costs include monthly premium costs for the required insurances. The cost of insurance may vary depending on the insurer, the location of your franchise business, and your claims history.

¹² Miscellaneous Costs. These miscellaneous costs include utility set up fees, deposits, licenses, and other miscellaneous startup costs.

¹³ Opening Inventory. The range in cost depends upon the size of your salon, as well as estimated initial business volume. This is only an initial supply and will require replenishment on a regular on-going basis based on the volume of sales for your salon.

¹⁴ Grand Opening Advertising. This ~~estimates the fee is paid to us to cover your pre-opening and grand opening advertising~~ cost of advertising for the first 3 months of operations. Outside of the grand opening advertising payment. You are not required to advertise after the grand opening advertising. However, if you institute a marketing program or create any marketing materials we must approve it in writing.

¹⁵ Additional Funds. This estimates your operating expenses during your first 3 months of operations, not including cash flows. Employee compensation and staffing levels is between you and your employees and may vary. This estimate includes \$5,000 to pay up to 3 part-time employees but we do not control or make recommendations about staffing levels or compensation. You are required to provide us with view-only access

to your operating account, and you cannot have more than one operating account. Additionally, if you elect to finance your investment, you need to account for the additional costs of repaying that financing. We have relied upon the experience of our principals since 2020 and franchisees in opening and operating Glo Tanning Salons to compile these estimates.

¹⁶⁵ Total. These figures are estimates for the development of a single franchise unit. We do not offer direct or indirect financing for any item. All fees and payments payable to us or an affiliate are non-refundable. You should verify with any third-party payee whether such payments, deposits, or fees are refundable or not.

**YOUR ESTIMATED INITIAL INVESTMENT
(4-Unit Area Development)**

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Area Development fee ¹	\$120,000	Lump Sum	Upon signing the area development agreement	Us
Estimated initial investment to open four units ²	\$2,889,858 ,800 to \$5,732,668 <u>\$86,000</u>	Estimated based on the single unit estimates (minus the initial franchise fee) in the above Item 7 chart for a single unit.		
Total ³	\$3,009,800 to \$5,852,668 <u>\$2,978,800 to \$5,206,000</u>			

Notes:

¹ Area Development Fee. This fee is determined based on a 4-unit development, the minimum required to enter into an area development. When you sign an area development agreement, you must also sign the franchise agreement for your first unit to be developed under the area development agreement.

² Estimated Initial Investment. Except for the initial are development fee, all fees in the above area development are based on the single unit estimates, multiplied by four. If you develop more than four units, the fee will be higher.

³ Total. These figures are estimates for the development of four franchise units. We do not offer direct or indirect financing for any item. All fees and payments payable to us or an affiliate are non-refundable. You should verify with any third-party payee whether such payments, deposits, or fees are refundable or not.

**ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

Approved Suppliers, Proprietary Products and Required Purchases

You must operate your salon according to our system, including purchasing, leasing, or subscribing to certain items or services according to our specifications or from approved suppliers. You are prohibited from deviating from these specifications, or from contracting with suppliers that are not approved or designated, or who do not meet our specifications without our prior written consent. You must purchase, lease, or subscribe to the following products and services from us, other sources designated or approved by us, or according to our specifications as set forth in the manuals:

10) Refine and develop products or services that you will offer to your customers [franchise agreement paragraph 6.2.2(iii)].

11) To the degree permitted by law, we may suggest retail prices and specify maximum and minimum pricing above and below which you cannot sell any goods or services [franchise agreement paragraph 6.1.12].

Advertising and Promotion

You are required to participate in all marketing programs as directed by us and to use all materials, mediums, and other information made available to you in doing so.

You may develop advertising and marketing materials for your use, at your cost, but all advertising and marketing material developed or used by you must have our prior written approval. If you do not receive written approval or disapproval within 14 days of the date we received your submission, the materials submitted are deemed approved. We can revoke our approval of any marketing materials at any time in our sole discretion [franchise agreement section 3.10 and paragraph 10.5.1]

Advertising Fund

Although under the terms of the franchise agreement we are not obligated to conduct advertising for the franchise system, or to spend any amount on advertising in your territory, we have the right to and currently do maintain and administer a regional and national advertising, marketing, and development fund (referred to as the marketing and tech fund) for local, regional, national marketing, or public relations program as we, in our sole discretion, may deem necessary or appropriate to advertise and promote the franchise system [franchise agreement section 10.1].

You must contribute to the Marketing and Tech FundFee. Corporate locations/salons owned by us or our affiliates do not contribute to this fund. We have no franchise businesses that do not contribute to the fund. Contributions by our franchisees to the Marketing and Tech Fundee may not be uniform [franchise agreement section 10.1]

We are responsible for administering the Marketing and Tech Fundee but we are not a fiduciary trustee of the fund. We will direct all uses of the ~~advertising~~ Marketing and Tech #Fund, with sole discretion over: 1) the creative concepts, materials, endorsements and media used (that may include television, Internet, social media, radio, print, and other media and marketing formats as developed over time, as funds permit); 2) the source of the marketing or public relation efforts (that may be in-house or through an outside agency located locally, regionally or nationally); 3) the placement and allocation of these programs (that may be local or regional); 4) the composition of all geographic territories and market areas for the development and implementation of these programs; and 5) all other uses of the marketing fund for marketing purposes [franchise agreement paragraph 10.1.1].

We are not required to spend any amount on marketing directly in the area or territory where you are located. We do not guarantee that marketing expenditures from the Marketing and Tech Fee-Fund will benefit you or any other franchisee directly, on a pro rata basis, proportionally, or at all. Funds may be used to solicit additional franchisees, but this will not account for more than 10% of the fund, and we reserve the right to include a notation in any advertisement or website indicating “franchises available” or similar phrasing.

Any unused marketing funds in any calendar year will be applied to the following year’s fund. The ~~m~~ Marketing and Tech fund is unaudited. Once each calendar year, you may send us a written request to receive an unaudited annual report of marketing expenditures from the previous fiscal year, but such written request cannot be made until after 90 days of our fiscal year end [franchise agreement paragraph 10.1.2].

Marketing and Tech Fee Advertising Council

No franchisee advertising council is anticipated at this time.

Advertising Cooperative

You are not required to participate in a local or regional advertising cooperative.

Other Marketing Funds

At this time, you are not required to participate in any other marketing funds.

The Internet

You may not create a website for your franchise business. However, we may allow you to place pre-approved information we develop concerning your franchise business on our website or a subdomain. You cannot engage in marketing on the Internet, including posting for resale, items on third party re-sell or auction-style websites such as eBay, Craigslist or Amazon without our prior written permission. You may not claim any web listing on sites such as Yelp. We have the right, but not the obligation, to manage all online reviews for your franchise.

Social Media

We will own the social media accounts related to the brand, but we may decide to provide you access to the social media account for your location for certain management responsibilities and functions. All social media for our brand must strictly comply with our policies and procedures. We can alter, remove, or require that you alter or remove a post. We reserve the right to restrict your use of social media in the future [franchise agreement section 10.6].

Computer / Point of Sale System

We require the use of a point-of-sale (POS) system designated by us to be purchased or leased. The POS system currently provides, tracks, generates, and/or stores the following:

- Reporting of Sales
- Tracking of Costs and Costs of Goods Sold
- Calendaring
- Gift Card Tracking
- Credit Card Payment
- Employee Time Keeping
- Customer Database
- Inventory Management
- Management and other Purchase Tracking

You must have at least a 3-terminal POS system that meets our specifications. The estimated cost of purchasing or leasing the POS system is between \$15,000 and \$20,000. At this time, we use and require you to use Sunlync POS, but this may change at any time and the cost to change the system is incurred by you alone. We have used Sunlync POS since 2021.

You must also have an office computer estimated to cost \$1,000 for your franchise business. Each of these items must meet our specifications and be capable of interfacing with our computer system and software.

We will have independent access to the information and data collected or generated by the POS and computer system. We can require you to obtain a static IP address from your internet provider. There are no contractual limits on our rights to do so. You must keep these systems available for our access 24 hours a day, 7 days a week. All data collected or provided by you, downloaded from your POS system, or otherwise collected from you by us or provided to us, is and will be owned exclusively by us, and we have the right to use the data in any manner without compensation to you.

We may require updates and upgrades to your computer hardware, software and POS system at your expense during the term of the franchise agreement. There are no contractual limitations on our right to do so. We estimate the annual costs to maintain, upgrade and support your computer and POS system to be included in all licensing and subscription fees. We are not required to maintain, repair, update, and/or upgrade your computer or POS system. There are no contractual limitations to the frequency and cost of the obligation to upgrade and maintain the computer or POS system [franchise agreement paragraph 6.1.13]. For defective equipment, products, software or other items purchased by you, you must deal directly with that manufacturer [franchise agreement paragraph 4.4.1].

Loyalty Programs

You are required to participate in the loyalty, gift card, discount, memberships, subscription, and coupon programs we develop. You are not allowed to implement any sort of loyalty, coupon, membership, gift card or subscription model without our prior written permission. The method of sales and pooling and reconciling the funds for all such programs will be determined by us as set forth in the manuals [franchise agreement paragraph 6.2.2(ii)].

Accounting

We also require you to use QuickBooks Online. There is currently a monthly subscription fee of approximately \$35 to \$235 per month to use this system. We can require that we have independent view-only access to your account. We also reserve the right to require you to follow our accounting procedures and line items, including standardized profit and loss statement templates, balance sheet templates, and charts of account as we may designate [franchise agreement sections 5.5 and 5.7 and paragraph 6.1.13 (i).] We can change the required accounting software at our discretion.

Compliance Monitoring System

You are required to install a compliance monitoring system in your franchise business at reference points designated by us and to use our designated vendor to supply the system. This system is not a security system but is a management tool, and we are not required to monitor your store. Both you and we must have the right to online access to the system. We estimate the cost of such system to be \$10,000 to \$20,000 for installation with an ongoing cost of approximately \$180 per month [franchise agreement paragraph 6.1.13(iv)].

Area Development Agreement

Your rights under the area development agreement are territorial only and do not give or imply a right to use our trademarks or system. Our only obligation is to provide a geographical area to develop the set number of GLO Tanning® franchise businesses as provided in the area development agreement. We must approve the potential site for each franchise business location. Our approval will be based on our then-current standards for that franchise business pursuant to your franchise agreement [area development agreement section 2.1 and franchise agreement section 1.1].

Initial Training

We provide an initial online training for up to 25 individuals. Your operating principal and managers (referred to as ‘Leaders’ in the Glo Tanning system) must participate in and successfully complete initial training. The length of training depends on the prior experience of your attendees but should last approximately 6 to 8 total days. 2 to 3 days of training will be held virtually and then your owners, including your operating principal will be required to attend 5 to 6 days of in-person training in Dallas, Texas or at our then-current headquarters [franchise agreement paragraph 6.1.4]. Training is held as needed.

Your “operating principal” is: a) if the franchisee is an individual, that individual; or b) if the franchisee is an entity, an individual that owns at least 20% of the ownership and voting interests in the franchisee entity (unless you obtain our written approval of a lower percentage), has authority over all business decisions related to the

franchise territory is usually 2 miles from the franchise location in all directions. If your franchise business is located within a shopping mall or similar facility with a captive market, your territory may be limited to the physical boundaries of the mall or facility. The written boundaries of your territory will be included in your franchise agreement.

Relocation

You do not have the automatic right to relocate your business, and we have the right to deny any relocation request. You must obtain our prior written permission if you want to relocate your franchise, and you must also be able to demonstrate to us that you have the financial ability to relocate. Approval to relocate is determined on a case-by-case basis and is based on factors such as your operational history, our then-current criteria used in approving a new franchisee's proposed site, and other factors that are relevant to us at the time of the relocation request and paying us a \$5,000 relocation fee.

Minimum Sales Requirement

Your territory is not dependent upon achievement of a minimum sales volume, market penetration, or other contingency.

Advertising Within and Outside the Territory

Other franchisees may advertise within your territory, and you may advertise within other territories.

Servicing Customers Within and Outside the Territory

You may only service customers at your business premises.

Options to Acquire Additional Franchises

You do not receive the right or option to acquire additional franchises.

Our Rights and Your Rights to Use Channels of Distribution in Your Territory

We and our affiliates reserve the right to market both within and outside your territory and sell and distribute products and services under the GLO Tanning® marks and under other brands or trademarks, both within and outside your territory using distribution channels such as through the Internet, websites, apps, television, radio, social media, direct marketing, national accounts, retail outlets, wholesale outlets, co-branding with other outlets and/or brands, etc. We do not pay you for soliciting or accepting orders for any products or services under the GLO Tanning® brand through these channels inside your territory.

You do not have the right to use these channels of distribution to sell products or services without our prior written permission.

Our Previous Activities in Your Territory

In the past, we or an affiliate have used one or more of the following distribution channels to sell and distribute products and services in your territory under the GLO Tanning® brand: websites, television, radio, apps, social media, direct marketing, national accounts, co-branding with other outlets, digital media, print media.

National Accounts.

[We reserve the right to sell, market and distribute the GLO Tanning® products services to national accounts in your territory. A "national account" is defined as a company with multiple units or outlets located in more than one geographical area or market. It also includes professional sports teams as well as collegiate organizations. We will designate if and how franchisees will sell or service national accounts.](#)

Competition by Us Under Different Trademarks

Registered Trademarks

The following trademarks, service marks, trade names, logotypes or other commercial symbols listed below are registered or have been filed for registration with the United States Patent and Trademark Office on the Principal Register and Supplemental Register, or the mark has not been filed for registration, but we claim common rights in the mark. All required affidavits and renewals have been filed.

Registration/ Serial Number	Word or Design Mark	Registry	Registration/ Filing Date	Status
Reg. No. 6,139,201	GLO TANNING (word mark)	Principal	Sep. 01, 2020	Active
Reg. No. 6,139,202	 (composite mark)	Principal	Sep. 01, 2020	Active
Reg. No. 6,230,386	PERFECT TAN IN ONE DAY (word mark)	Supplemental	Dec. 22, 2020	Active

Use of the Trademark

You must promptly modify or discontinue the use of a trademark at your cost if we modify or discontinue it. You have no rights to compensation or otherwise under the franchise agreement if we require you to modify or discontinue using a trademark, or we require you to use a different trademark.

Government Determinations Regarding the Trademarks

There are presently no effective determinations by the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court or pending interference, opposition or cancellation proceeding, or pending material litigation involving the trademarks. ~~There are no agreements currently in effect that significantly limit our rights to use or license the use of the trademarks.~~

Superior Prior Rights

We are unaware of any superior rights that could materially affect your use of the trademarks in your territory.

Infringing Uses

We are unaware of any infringing uses of the trademarks that could materially affect your use of the trademarks in your territory.

Protection Against Infringement

You are obligated to immediately notify us when you learn about an infringement of or challenge to your use of our trademarks. We will have the discretion to take the action we deem appropriate. We have the right to control any administrative proceedings or litigation involving the trademarks, and you must proceed in strict coordination and oversight by us. We will have the discretion to take the action we deem appropriate. The franchise agreement does not require us to take any affirmative action when we are notified of such uses or claims.

If you use our trademarks in accordance with the franchise agreement, we will indemnify you against and to reimburse you for all direct damages, but not consequential damages (consequential damages include but are not limited to, loss of revenue and/or loss of profits) for which you are held liable in any proceedings arising out of the use of any trademark pursuant to and in compliance with the franchise agreement, and for all costs reasonably incurred by you in the defense of any claim brought against it or in any proceeding in which it is named as a party, provided that you have timely notified us of any claim or proceeding and have otherwise complied with the franchise agreement.

We reserve the right to add, modify, or delete products and/or services that you may offer. There are no limits on our right to do so. You must strictly follow our policies, procedures, specifications, methods, and techniques concerning all our products and services.

With our prior written approval, you may be able to offer additional services and products that are unique to your area in an effort to blend in with your community.

**ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION**

THE FRANCHISE RELATIONSHIP

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

	Provision	Section in Franchise or other Agreement	Summary
a.	Length of the franchise term	Section 2.1	The term is 10 years. The franchise term will begin upon signing the franchise agreement.
b.	Renewal or extension of the term	Section 2.2	You do not have the right to renew. If you are in good standing at the end of the franchise term, you can enter into a new successor franchise agreement for an additional term of 10 years. Your successor agreement may also provide an option to enter into a subsequent successor franchise agreement.
c.	Requirements for franchisee to renew or extend	Section 2.2	In order to renew, you must, among other things, not be in default, modernize your franchise business to our then-current standards, sign our then-current successor franchise agreement, and sign a release (subject to state law). When renewing, you may be asked to sign a contract with materially different terms and conditions than your original contract. You are required to give us notice of whether or not you intend to renew between 6 and 12 months prior to the expiration of your franchise agreement. (Subject to state law).
d.	Termination by franchisee	Section 11.4	There are no provisions in the franchise agreement that permit you to terminate the franchise agreement. However, some states may allow you to terminate as permitted by state law.
e.	Termination by franchisor without cause	Section 11.1	We must have cause to terminate the franchise agreement.
f.	Termination by franchisor with cause	Section 11.1	We can terminate if you materially breach and fail to cure. There are certain breaches for which we can terminate without giving you an opportunity to cure. (See (h) below).
g.	“Cause” defined – curable defaults	Paragraphs 11.1 N-W	You have between 24 hours and 30 days to cure certain material defaults of the franchise agreement.
h.	“Cause” defined - non-curable defaults	Paragraphs 11.1 A-M	Non-curable defaults include conviction of a felony, fraud, repeated defaults even if cured, harm or threat

r.	Non-competition covenants after the franchise is terminated, transferred or expires	Sections 16.3 – 16.4	No competing business for 2 years within your former territory, or within 5 miles of your territory, or within 5 miles of any other GLO Tanning® franchise, company or affiliate owned GLO Tanning® business (including after assignment). If you compete within the restrictive period, then this non-compete period will be tolled for the period of your competition. Non-competition provisions are subject to state law. For a period of 3 years from termination, transfer, or expiration of your franchise agreement, you cannot divert or attempt to divert any business or customer from us, an affiliate, or our franchisees, or injure our goodwill.
s.	Modification of the agreement	Section 20.11	Modifications must be made in writing and signed by both parties, but policies and procedures are subject to change by us.
t.	Integration/merger clause	Section 20.10	Only the terms of the franchise agreement are binding (subject to state law). Notwithstanding the foregoing, nothing in this or any related provision in the franchise agreement is intended to disclaim the express representations made in this the Franchise Disclosure Document, its exhibits and amendments. Any representations or promises made outside of the franchise disclosure document and other agreements may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 17.2	Except for certain claims, for all disputes, there must be a face-to-face meeting, mediation, and arbitration. (See state specific addenda).
v.	Choice of forum	Sections 17.2 and 19.2	All dispute resolution must be held in Oklahoma City, Oklahoma or the county where our then-current headquarters is located. (Subject to applicable state law).
w.	Choice of Law	Sections 19.1 and 19.5	Oklahoma law, the Federal Arbitration Act, and the United States Trademark Act apply. (Subject to applicable state law).

THE FRANCHISE RELATIONSHIP

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

Area Development Agreement

	Provision	Area Development Agreement	Summary
a.	Length of the area development agreement	Section 2.1 & Exhibit B	The term depends on the number of units you will develop.

for example, by providing information about possible performance at a particular location or under particular circumstances.

The table below represents an historical financial performance of the average gross sales for 51 franchise GLO Tanning salons in operation for the entire 2024 calendar year. The figures are broken down into quartiles from highest (Quartile 1) to lowest (Quartile 4), and the medians for the same outlets and time period.

Franchise Salon Averages for the 2024 Calendar Year				
	Quartile 1 (12 salons)	Quartile 2 (13 salons)	Quartile 3 (13 salons)	Quartile 4 (13 salons)
Gross Sales	\$1,103,495.60	\$754,429.41	\$623,481.26	\$542,050.76
High used for average	\$1,492,850.00	\$814,509.22	\$680,664.32	\$590,975.99
Low used for average	\$901,234.00	\$687,535.00	\$594,712.34	\$465,927.70
<u>Salons that met or exceeded averages</u>	<u>6, or 50% of the salons in this quartile</u>	<u>8, or 62% of the salons in this quartile</u>	<u>6, or 46% of the salons in this quartile</u>	<u>6, or 46% of the salons in this quartile</u>
Franchise Salon Medians for the 2024 Calendar Year				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
Gross Sales	\$969,943	\$ 752,200	\$616,490	\$558,745

The table below represents an historical financial performance representation of the average gross sales for 12 company/affiliate owned GLO Tanning salons in operation for the entire 2024 calendar year. The figures are broken down into quartiles from highest (Quartile 1) to lowest (Quartile 4), and the medians for the same outlets and time period. Company salons are similar in operation to the franchised salons offered under this disclosure document, pay royalties and contribute to the marketing fund on the same basis as franchisees. ~~Due to their long operational history these outlets traditionally experience higher revenues than start-up and newer salons.~~

Company/Affiliate-Owned Salon Averages for the 2024 Calendar Year				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
Gross Sales	\$1,0483,385	\$795,791	\$735,760	\$629,250
Profit	\$573,862	\$405,853	\$338,450	\$251,700
High used for average	\$1,257,269	\$809,318	\$768,426	\$653,008
Low used for average	\$854,854.52	\$785,538	\$706,773	\$593,734
<u>Salons that met or exceeded averages</u>	<u>2 of 12 company salons, or 17% of the salons</u>	<u>3 of 12 company salons, or 25% of the salons</u>	<u>1 of 12 company salons, or 0.08% of the salons</u>	<u>1 of 12 company salons, or 0.08% of the salons</u>
Company/Affiliate-Owned Salon Medians for the 2024 Calendar Year				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
Gross Sales	\$1,056,061.76	\$797,428	\$737,599	623,371
Profit	\$530,825	\$375,414	\$313,571	\$232,825

Notes

1. “Gross sales” means the total of all sales of all goods and services sold, traded, bartered, or rendered by you and income of every kind and nature, including the value of a trade or other bartering, arising from your franchise business and tangible property of every kind sold by you during the term of this agreement. Gross sales also includes insurance proceeds and/or condemnation awards for loss of sales, profits, or business. “Gross sales” excludes bona fide credits or returns and excludes amounts paid by you for sales or use taxes on the sale of any products or services.

Total	12	21	0
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List of Franchisees

Exhibit “C” contains a list of our current franchisees. Exhibit “C” also contains a list of franchisees who have had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date.

Exhibit “C” contains a list of our current franchisees. This is a new franchise offer, and no franchises were sold, transferred, terminated, not renewed, reacquired or left the system at time of preparation of this disclosure document.

Disclosure of Franchisee Information

If you invest in this franchise, your contact information and financial information may be disclosed in our disclosure document.

Sale of Previously Owned Outlet

We are not selling a previously owned franchised outlet now under our control.

Confidentiality Agreements

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

Franchisee Organizations

We do not know of any trademark specific franchisee organization associated with our system that is required to be disclosed in this Item.

**ITEM 21
FINANCIAL STATEMENTS**

Our fiscal year ends on December 31st of each year. Attached as Exhibit “B” are our audited financial statements dated December 2024, December 2023, and December 2022, together with our unaudited interim financials dated June 17, 2025, for the period of January 1, 2025, through ~~May~~July 31, 2025.

**ITEM 22
CONTRACTS**

We have attached the following contracts: as Exhibit “A,” the Franchise Agreement and its Exhibits; including Exhibit “A-11” as the Franchisee’s Report; as Exhibit “G,” the Area Development Agreement; and as Exhibit “H,” the Form Release Agreement. All other contracts and agreements are to be entered into with persons of your choice and therefore cannot be attached.

**ITEM 23
RECEIPT**

The last 2 pages of this disclosure document contain a receipt, in duplicate. The receipt is a detachable acknowledgement that you have received this franchise disclosure document. Both receipts should be signed and dated by you. One copy should be returned to us, and you should keep the other for your records. If you do not sign this receipt via our electronic signature platform, then you need to send us a signed and dated copy. You may return the signed and dated receipt either by mailing it to us at 12335 N Rockwell Ave, Oklahoma City, Oklahoma 73142 or by emailing it to us at franchising@glotanning.com.

5. The disclosure document and franchise agreements are hereby amended to exclude from any release requirements the release of claims under Minnesota Franchise Law.
6. Any limitation of claims must comply with Minn. Stat. ' 80C.17, subdivision 5.
7. Any fee regarding insufficient funds for a dishonored check must comply with Minn. Stat. § 604.113, subdiv. 2(a), which puts a cap of \$30 on service charges.
8. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.
- 8.9. Items 5 and 7 of the Disclosure Document is amended to add the following: “The franchisor has agreed to post a surety bond equal to the sum of initial fees times the number of franchises to be sold in Minnesota. This surety bond requirement is imposed based on the franchisor’s financial statements.”

Franchisee (Signature)

**EXHIBIT “B”
TO THE FDD**

**FINANCIAL STATEMENTS
(Attached)**

December 31, 2024
December 31, 2023
December 31, 2022

***UNAUDITED INTERIM FINANCIALS
(Attached)**

Dated June 17, 2025, for the period of January 1, 2025, through ~~May~~ July 31, 2025

***THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.**

<u>Georgia</u>	<u>Paradise Cove Tanning</u>	<u>80 Seven Hills Blvd Suite 103</u> <u>Dallas, GA 30132</u>	<u>(678) 403-1491</u>
Georgia	Paradise Cove Tanning	5739 Wendy Bagwell Pkwy Suite 111, Hiram, GA 30141	(770) 439-9625
Georgia	Paradise Cove Tanning	1600 Kennesaw Due West Road Ste 304, Kennesaw, GA 30152	(678) 788-8025
Georgia	Paradise Cove Tanning	80 Seven Hills Blvd Suite 103, Dallas, GA 30132	(678) 403-1491
Indiana	KAR Sun Spas Inc.	402 W 8th St. Bloomington, IN 47404	(479) 966-4977
Kansas	Bosler Enterprises Inc	11814 Quivira Rd Overland Park KS 66210	(913) 498-1115
Maryland	HTBELAIR LLC	534 Baltimore Pike Bel Air, MD 21014	(443) 640-4792
Maryland	HT DENTON, LLC	601 N. 6 th St Suite D Denton, MD 21629	(443) 448-4061
Maryland	HT EDGEWATER, LLC	183 Mitchells Chance Rd Edgewater, MD 21037	(410) 956-8826
Maryland	HTHVMD, LLC	11341 York Rd Hunt Valley, MD 21030	(443) 689-2193
Maryland	HOLLYWOOD BURN, LLC	1408 Martin Blvd Middle River, MD 21046	(443) 231-6323
Maryland	HTSPMD, LLC	362 Ritchie Highway Severna Park, MD 21046	(410) 315-7602
Maryland	HT WESTMINSTER, LLC	200 Clifton Blvd, Suite A Westminster, MD 21157	(410) 857-1043
Missouri	Wagoner Tanning Inc	11 Walters Place House Springs, MO 63051	(636) 375-3993
Missouri	Wagoner Tanning Inc	5666 Telegraph Rd. St. Louis, MO 63129	(314) 846-7474
Missouri	Wagoner Tanning Inc	1083 Regency Pkwy. Saint Charles, MO 63303	(636) 410-8282
Missouri	Wagoner Tanning Inc	1106 Washington Square Center Washington, MO 36090	(636) 239-1560
Mississippi	Let's Glo LLC	1301 Merchants Dr. Oxford, MS 38655	(662) 380-5313
Ohio	Glo Tanning of Ohio LLC	7405 Old Troy Pike Huber Heights, OH 45424	(937) 999-5228
Ohio	Glo Tanning of Ohio LLC	1240 E. Stroop Rd. Kettering, OH 45429	(937) 949-3005
Ohio	Glo Tanning of Ohio LLC	23 S Alex Rd Miamisburg, OH 45323	(937) 388-8055
Ohio	Glo Tanning of Ohio LLC	2200 N Limestone St Ste 112 Springfield, OH 45503	(937) 505-3522
Oklahoma	Moore Investments	2015 West Broadway St Ste 48 Ardmore, OK 73401	(580)223-8634
Oklahoma	Pierce Family Tan & Spa	1724 N. 9th St. Broken Arrow, OK 74012	(539) 367-3586
Oklahoma	OLUVD LLC	1625 S 4th St Chickasha, OK 73018	(405) 825-9558

Oklahoma	T&D Capital Ventures	5301 Main St. Suite 109 Del City, OK 73115	(405) 208-8326
Oklahoma	Durant Glo Tanning	903 W Main St Ste B Durant, OK 74701	(580) 634-7505
Oklahoma	Glo Tanning of Oklahoma	4404 NW Cache Rd Suite 6 Lawton, OK 73505	(580) 304-7113
Oklahoma	P&B LLC	510 S. Telephone Rd Moore, OK 73160	(405) 676-8499
Oklahoma	Gift Glo LLC	1200 12th Ave SE Ste 118 Norman, OK 73071	(405) 857-7129
Oklahoma	Gift Glo LLC	1305 36th Ave NW Norman, OK 73072	(405) 310-4346
<u>Oklahoma</u>	<u>T&D Capital Ventures</u>	<u>1140 SW 104th St.</u> <u>Oklahoma City, OK 73139</u>	<u>(405) 778-3003</u>
Oklahoma	Pierce Family Tan & Spa	9500 N 129th East Ave Suite 126 Owasso, OK 74055	(539) 208-5022
Oklahoma	Touch of Bronze	2414 N 14th St Ponca City, OK 74604	(580) 749-5408
Oklahoma	T&D Capital Ventures	3929 N Kickapoo Ave Shawnee, OK 74804	(405) 273-9600
Oklahoma	T&D Capital Ventures	1140 SW 104th St. Oklahoma City, OK 73139	(405) 778-3003
Oklahoma	Pierce Family Tan & Spa	10125 E 81st St Suite C, Tulsa, OK 74133	(918) 994-7970
Oklahoma	Touch of Bronze	514 W 6th Ave Stillwater, OK 74074	(405) 338-9041
<u>Oklahoma</u>	<u>Pierce Family Tan & Spa</u>	<u>10125 E 81st St Suite C</u> <u>Tulsa, OK 74133</u>	<u>(918) 994-7970</u>
Oklahoma	Pierce Family Tan & Spa	6056 S Yale Ave Tulsa, OK 74135	(918) 574-8865
Pennsylvania	HT GLENOLDEN, LLC	500 S MacDade Blvd Glenolden PA 19036	(610) 583-2006
Pennsylvania	HT PORT RICHMOND, LLC	2601 Aramingo Ave Philadelphia PA 19125	(215) 425-8995
Pennsylvania	Bronzed Tanning LLC	292 Frantz Rd Stroudsburg, PA 18360	(484) 214-1278
Pennsylvania	HT THORNDALE, LLC	3437 E Lincoln Highway Thorndale PA, 19372	(484) 784-5363
Tennessee	Tennessee Tan Co.	1414 Jenkins Rd Suite 146c Chattanooga, TN 37353	(423) 206-4137
Tennessee	Tennessee Tan Co.	5450 Highway 153 Suite 174 Hixson TN 37343	(423) 287-6424
<u>Texas</u>	<u>100K Ventures Bedford</u>	<u>2101 Bedford Rd G</u> <u>Bedford, TX 76021</u>	<u>(682) 503-4551</u>
Texas	Glo Tanning of North Texas	2741 E Belt Line Rd Apt 113 Carrollton, TX 75006	(469) 892-6100
<u>Texas</u>	<u>Glo Tanning of North Texas</u>	<u>817 S MacArthur Blvd Ste 140</u> <u>Coppell, TX 75019</u>	<u>(469) 240-0013</u>
<u>Texas</u>	<u>FT Culture LLC</u>	<u>4411 Lemmon Ave 105</u>	<u>(214) 468-4134</u>

		<u>Dallas TX 75129</u>	
<u>Texas</u>	<u>Glo Tanning of North Texas</u>	<u>9440 Garland Rd Ste 186 Dallas, TX 75218</u>	<u>(214) 238-7633</u>
<u>Texas</u>	<u>FT Culture LLC</u>	<u>2633 McKinney Ave #150, Dallas, TX 75204</u>	<u>(214) 272-3091</u>
Texas	Glo Tanning Centers	3529 Heritage Trace Pkwy Ste 143, Forth Worth TX 76244	(817) 741-5888
<u>Texas</u>	<u>Glo Tanning of North Texas</u>	<u>4666 SW Loop 820 Fort Worth, TX 76109</u>	<u>(682) 499-6199</u>
<u>Texas</u>	<u>Glo Tanning of North Texas</u>	<u>694 Alta Mere Dr Ste Fort Worth, TX 76116</u>	<u>(682) 250-5831</u>
<u>Texas</u>	<u>100K Ventures Bedford</u>	<u>2101 Bedford Rd G, Bedford, TX 76021</u>	<u>(682) 503-4551</u>
<u>Texas</u>	<u>Glo Tanning of North Texas</u>	<u>817 S MacArthur Blvd Ste 140, Coppell, TX 75019</u>	<u>(469) 240-0013</u>
<u>Texas</u>	<u>FT Culture LLC</u>	<u>4411 Lemmon Ave 105 Dallas TX 75129</u>	<u>(214) 468-4134</u>
<u>Texas</u>	<u>Glo Tanning of North Texas</u>	<u>9440 Garland Rd Ste 186, Dallas, TX 75218</u>	<u>(214) 238-7633</u>
Texas	Glo Tanning of North Texas	3170 Fm 407 Ste 404 Highland Village, TX 75077	(469) 240-0944
Texas	Glo Tanning of North Texas	940 Keller Pkwy Suite 240 Keller, TX 76248	(817) 482-6614
Texas	Glo Tanning of North Texas	2587 FM 423 Ste 130 Little Elm, TX 75068	(972) 987-0995
Texas	Glo Tanning of North Texas	4900 Eldorado Pkwy Ste 160 McKinney TX 75072	(214) 548-5330
Texas	Glo Tanning of North Texas	6141 Windhaven Pkwy Ste 100 Plano, TX 75093	(214) 501-3094
Texas	Glo Tanning of North Texas	900 S Preston Rd Ste 20 Prosper, TX 75078	(469) 296-8911
Texas	Glo Tanning of North Texas	1224 N US Hwy 377 Roanoke, TX 76262	(682) 237-7404
Texas	100K Ventures Saginaw	900 N Blue Mound Rd #124 Saginaw, TX 76131	(682) 499-6035
<u>Texas</u>		<u>2633 McKinney Ave #150, Dallas, TX 75204</u>	<u>(214) 272-3091</u>
Texas	DDHT Investments (Herb/Tech)	509 N Hwy 77 B Waxahachie, TX 75165	(469) 550-2024
<u>Texas</u>	<u>Glo Tanning of North Texas</u>	<u>694 Alta Mere Dr Ste, Fort Worth, TX 76116</u>	<u>(682) 250-5831</u>

FRANCHISEES THAT TRANSFERRED THEIR FRANCHISE IN 2024: None

Location	Owner	Current Business Phone or Last Known Home Phone Number
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FRANCHISES THAT CEASED OPERATIONS IN 2024 OR HAVE NOT CONTACTED US

Balance Sheet

Glo Tanning Franchising LLC

As of July 31, 2025

DISTRIBUTION ACCOUNT	TOTAL
Assets	
Current Assets	
Bank Accounts	
City National Checking 8417	145,885.23
First Fidelity Checking 1285	0.00
Total for Bank Accounts	\$145,885.23
Accounts Receivable	
Accounts Receivable (A/R)	466,948.41
Total for Accounts Receivable	\$466,948.41
Other Current Assets	
Investments	
IST Magazine LLC (Jeff)	202,194.54
Total for Investments	\$202,194.54
Notes Receivable	
100K Ventures	0.00
AC3 Legacy Ventures	0.00
Bennett Maxwell	0.00
Born Tan Tampa/Palm Harbor	0.00
Capital One Fraud	0.00
CWH Enterprises	0.00
Durant Glo Tanning	0.00
FT Culture LLC	0.00
Fully Promoted	15,310.95
Gift Glo Spas LLC	0.00
Glo Tanning Centers	0.00
Glo Tanning Chickasha	0.00
Glo Tanning Fayetteville	0.00
GTCA Investments	0.00
IST Magazine LLC (Jeff)	20,000.00
JK America	0.00
Odunukwe Ventures	0.00
Pierce Family Tan & Spa	0.00
Tennessee Tan Co.	0.00
The Lynn United Corp	0.00
Touch of Bronze	0.00
Wagoner Tanning Inc	1,500.00

Balance Sheet

Glo Tanning Franchising LLC

As of July 31, 2025

DISTRIBUTION ACCOUNT	TOTAL
Total for Notes Receivable	\$36,810.95
Payments to deposit	0.00
Prepaid expenses	\$1,503.00
Broker Commissions	
Current	7,000.00
Non-current	48,583.00
Total for Broker Commissions	\$55,583.00
Total for Prepaid expenses	\$57,086.00
Total for Other Current Assets	\$296,091.49
Total for Current Assets	\$908,925.13
Fixed Assets	
Accumulated Amortization	-21,500.00
Accumulated Depreciation	-9,000.00
Intangible Assets	0.00
Vehicles	65,364.50
Total for Fixed Assets	\$34,864.50
Other Assets	
Total for Assets	\$943,789.63
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	21,125.00
Total for Accounts Payable	\$21,125.00
Credit Cards	
Capital One 9808	80,251.31
Ramp Card	2,913.11
Total for Credit Cards	\$83,164.42
Other Current Liabilities	
Accrued Payroll	0.00
Deferred Revenue	\$160,000.00
Current	19,554.00
Long Term	167,750.00
Total for Deferred Revenue	\$347,304.00
Total for Other Current Liabilities	\$347,304.00
Total for Current Liabilities	\$451,593.42

Balance Sheet

Glo Tanning Franchising LLC

As of July 31, 2025

DISTRIBUTION ACCOUNT	TOTAL
Long-term Liabilities	
Notes Payable	
AOS Investments	0.00
Glo Tanning Centers	0.00
Glo Tanning Coppell	0.00
GNOT	0.00
Masera Turkson	0.00
Pierce Family Tan & Spa	0.00
Total for Notes Payable	\$0.00
Total for Long-term Liabilities	\$0.00
Total for Liabilities	\$451,593.42
Equity	
Partner Distributions	
Glo Tanning Centers	-983,148.84
Total for Partner Distributions	-\$983,148.84
Retained Earnings	301,700.84
Net Income	1,173,644.21
Total for Equity	\$492,196.21
Total for Liabilities and Equity	\$943,789.63

Profit and Loss

Glo Tanning Franchising LLC

January 1-July 31, 2025

DISTRIBUTION ACCOUNT	TOTAL
Income	
*Franchise Fee Revenue	2,302,395.98
Marketing/Tech Revenue	539,613.85
Reimbursed Expense Income	795,936.94
*Royalties Revenue	1,470,671.59
Total for Income	\$5,108,618.36
Cost of Goods Sold	
Marketing/Tech Expenses	949,772.53
Reimbursed Expenses	898,555.00
Total for Cost of Goods Sold	\$1,848,327.53
Gross Profit	\$3,260,290.83
Expenses	
Advertising & Promotion	\$1,422.05
Glovention	51,422.97
Total for Advertising & Promotion	\$52,845.02
Business Meals	10,888.13
Insurance	107.68
Melio services fee	0.00
Office/Admin	93,253.28
Payroll Expenses	
Corporate	636,035.58
Guest Services	312,894.19
Total for Payroll Expenses	\$948,929.77
Professional Services	\$172,070.60
Franchise Commissions	665,000.00
Total for Professional Services	\$837,070.60
Rent	49,800.00
Software	4,154.54
Travel	\$77,790.12
Airlines	36.96
Fuel	12.98
Total for Travel	\$77,840.06
Utilities	11,757.54
Total for Expenses	\$2,086,646.62
Net Operating Income	\$1,173,644.21
Other Income	
Other Expenses	
Net Other Income	
Net Income	\$1,173,644.21

2.2.3 Successor Franchise Agreement. If approved as a Successor Franchise, You must execute Our then-current form successor franchise agreement (“Successor Franchise Agreement”). The Successor Franchise Agreement Includes personal guarantees and a general release of all claims against Us (existing at that time) arising from this Agreement, the relationship created herein, and Your Franchise Business. If You fail to execute such a release, the signing of the Successor Franchise Agreement will be the equivalent of the granting of such a release. The Successor Franchise Agreement will supersede in all respects the terms and conditions of this Agreement. You must sign and return to Us the Successor Franchise Agreement at least 90 days prior to the expiration of this Agreement, or You will, at Our election, be deemed to have withdrawn Your request to enter into a Successor Franchise Agreement. **You acknowledge that You will be bound by the form of the Successor Franchise Agreement in effect at the time which may contain Fees and charges, territorial, and other changes in material provisions different from those contained in this Agreement, Including terms affecting payments to Us or Our affiliates.** If You fail to sign a Successor Franchise Agreement for any reason but continue to operate Your Franchise Business, at Our election, You will be deemed to have renewed on a month-to-month basis, requiring You to abide by Our then-current Fees. Including any increased royalties and/or ~~Marketing Fund~~Marketing and Tech Fund fees. In addition to Our rights to terminate as set forth in Article XI, Your month-to-month Franchise Business may be terminated by Us upon 30 days’ prior written notice to You for any reason whatsoever.

2.2.4 Successor Franchise Fee. If approved for a Successor Franchise, You shall pay to Us a non-refundable Successor Franchise Fee set forth in Exhibit “A-3,” payable in full at the time of execution of the Successor Franchise Agreement.

2.2.5 Upgrading Your Franchise Business. As a condition to Us approving You entering into a Successor Franchise Agreement, at Your expense, You are required to Update Your Franchise Business and Premises to the extent and in the manner specified by Us to conform with and bring it up to the standards, image, and capabilities of new GLO Tanning® outlets/restaurants/businesses being opened at the time the Successor Franchise takes effect. Unless otherwise waived by Us, such Updates must be made within six months of signing the Successor Franchise Agreement. You shall make all necessary arrangements to continue the occupancy of Your existing Premises through the Successor Franchise term(s) unless We give written permission to relocate Your Premises.

2.2.6 Successor Franchise Training. As a condition to Us approving You entering into a Successor Franchise Agreement, Your Operating Principal, and/or other key Personnel may also be required to attend and successfully complete trainings, certifications, and other programs at such times and locations as We specify. You may be required to cover the expense of travel, meals, lodging, and other related costs for such training and certifications.

ARTICLE III INTELLECTUAL PROPERTY

3.1 Intellectual Property and Confidential Information. You acknowledge that: 1) as between You and Us, We have the sole rights in and to the Intellectual Property and Confidential Information; 2) Your right to use the System is granted by Us solely pursuant to the terms of this Agreement; and 3) as between You and Us, We have the sole right to license and control Confidential Information and Intellectual Property. Our Intellectual Property and Confidential Information provided to You by or through Us will remain Our sole property. You acknowledge that Our Confidential Information and Intellectual Property are unique and/or confidential and contain trade secrets and other material proprietary to Us.

modification of the term “Gross Sales” or the calculation of other Fees due to Us result in Your payment in excess of the Fees listed in Exhibit “A-3.”

5.3 Marketing Fees.

5.3.1 ~~Marketing Fund~~Marketing and Tech Fund. You shall pay Us the weekly/monthly/daily ~~Marketing Fund~~Marketing and Tech Fund fee listed in Exhibit “A-3” for Our Marketing programs as further described in Section 10.1 below. This fee is payable on the same terms as the royalty.

5.3.2 Grand Opening Marketing. You are required to pay Us or Our affiliate a grand opening Marketing fee of \$50,000, due in one lump sum upon signing this Agreement.

5.4 Calculation and Reporting. The calculation, reporting and payment of the Fees specified in Sections 5.2 and 5.3 above will be made as follows:

5.4.1 Gross Sales Report and Other Reports. See Section 5.5 below.

5.4.2 Payments; Due Date. Royalties and ~~Marketing Fund~~Marketing and Tech Fund Fees are due on the 10th of each month. All Fees and payments to Us must be paid in accordance with Our then-current electronic funds transfer, ACH or other automatic withdrawal program or as specifically directed by Us. Currently, the Fees as shown and calculated on the Gross Sales Report are due and payable and must be received by Us or credited to Our account by pre-authorized bank debit and automatically withdrawn from Your Operating Account. Our current ACH agreement is attached hereto as Exhibit “A-7” and may be modified by Us at any time at Our sole discretion. You must have an active ACH agreement with Us at all times. Before terminating or canceling any active ACH agreement, You must provide a new ACH agreement to Us so that there is no time in which We do not have the ability to automatically withdraw or debit all payments and Fees due and owing to Us. You shall pay all service charges and fees charged to You by Your bank so that We may electronically debit Your bank account. We reserve the right to change the payment due date or require an alternative payment frequency payment for any or all Fees in the future. You agree that Your obligation to pay all Fees due under this Agreement are absolute and unconditional. You understand and acknowledge that Our Legacy Franchisees may pay different royalties, Marketing and Tech Fund fees, and other fees than You.

5.4.3 Operating Account. You may not have more than one Operating Account associated with the Franchise Business, and You may not switch Your Operating Account without Our prior written permission. If You fail to timely report Gross Sales, We may automatically sweep or debit an estimated amount of Fees due to Us. You shall pay Us any amount owing if We underestimate Your payment to Us, and We will credit You with any overage that We charge. You are required to provide Us with view-only access to Your Operating Account.

5.4.4 Late Fees; Insufficient Funds Fee. You will be charged a late Fee if a required Fee, payment to Us or an affiliate, or report is not timely received by Us or an affiliate, and You will be charged per bounced check or insufficient funds transfer. See Exhibit “A-3.” These Fees are due with the next royalty payment or upon Our billing You.

5.4.5 Interest. In addition, all Fees not paid when due will be assessed and accrue interest from the due date to the date of payment, both before and after judgment at the rate of 18% per annum or the maximum rate allowed by law, whichever is less. In no event will any amount be charged as interest or late fees that otherwise exceeds or violates any applicable legal restrictions. Unpaid interest charges will compound annually.

may, as determined in Our sole discretion, become an approved supplier (or good). We may make changes in the standards and specifications for approved suppliers and/or goods. At Our discretion, We may revoke Our approval of an approved supplier and/or good upon 30 days' prior written notice.

8.4 Maintenance. You shall maintain all inventory, furniture, and equipment of Your Franchise Business in good working order. If You fail to replace equipment, inventory, signs, furniture, etc., that We reasonably feel is outdated, damaged, in need of repair, obsolete, etc., then at Our sole discretion, We may replace those items for You, and You would be required to reimburse Us Our costs, plus a fee for Our time, within 15 days of invoicing (see Exhibit "A-3").

8.5 Warranties; Support. You must look to the respective manufacturers or suppliers for issues related to warranties, defective products, training, and support for any third-party goods purchased for Your Franchise Business.

ARTICLE IX MANUALS

9.1 Manuals. Upon development of Manuals, We shall loan You a copy or provide electronic access to Our Manuals. Our Manuals may consist of a series of online videos, webpages, online drives, or other forms designated by Us. You may not copy any part of the Manuals either physically or electronically. The Manuals are confidential and remain Our property. The Manuals may be used by You only in association with Your Franchise Business and only during the term of this Agreement. We have the right to revise the Manuals at Our sole discretion. You must promptly and continuously comply, at Your expense, with all provisions of, and modifications to the Manuals. The master or most updated copy of the Manuals maintained by Us will control in the event Dispute relative to the contents of the Manuals. You are responsible for frequently checking the Manuals and updates to ensure that You are aware of and compliant with the most up-to-date information and System requirements. There is no promise or guarantee that We will provide any Manuals during the term of this Agreement.

9.2 Standards and Procedures. We may establish performance procedures, standards, and specifications for products, services and Marketing ("Standards") for the operation of Your Franchise Business. We may change these Standards at Our discretion, and You must strictly follow and implement all such Standards within the periods required by Us.

ARTICLE X MARKETING

10.1 Marketing FundMarketing and Tech Fund. You shall contribute to Our national Marketing and brand development fund ("~~Marketing FundMarketing and Tech Fund~~") for Marketing activities as We, in Our sole discretion, may deem necessary or appropriate to Market the System. The Fees for the ~~Marketing FundMarketing and Tech Fund~~ are listed in Exhibit "A-3." We can terminate, suspend, or postpone the ~~Marketing FundMarketing and Tech Fund~~ at any time. Upon termination of the ~~Marketing FundMarketing and Tech Fund~~, the unused funds will either be returned to those that contributed the funds, or We will cease to collect new funds while We spend the remainder of funds.

10.1.1 Marketing FundMarketing and Tech Fund Administration. We will direct all such programs, with sole discretion over: 1) the creative concepts, materials, endorsements and media used in connection with such programs; 2) the source of the Marketing or public relation efforts; 3) the placement, timing, and allocation of such programs; 4) the composition of all geographic territories and market areas for the development and implementation of such programs; and 5) all other uses of the fund. The ~~Marketing~~

~~Fund~~Marketing and Tech Fund can be operated through an entity separate from Us that has all Our rights and duties relating to the ~~Marketing Fund~~Marketing and Tech Fund. We are not liable for any act or omission with respect to the ~~Marketing Fund~~Marketing and Tech Fund or otherwise that is consistent with this Agreement, or which is done in subjective good faith. The ~~Marketing Fund~~Marketing and Tech Fund may be used, in Our reasonable discretion, to reimburse Us for costs related to the administration of the ~~Marketing Fund~~Marketing and Tech Fund and Marketing efforts intended to benefit the System. We have the right to loan money to the ~~Marketing Fund~~Marketing and Tech Fund to cover any deficits. The ~~Marketing Fund~~Marketing and Tech Fund is not in the nature of a trust, fiduciary relationship or similar special arrangement, and We disclaim any such relationship.

10.1.2 Use of ~~Marketing Fund~~Marketing and Tech Fund Fees. We may use the ~~Marketing Fund~~Marketing and Tech Fund to offset a portion of direct costs to manage and maintain the ~~Marketing Fund~~Marketing and Tech Fund, including the payment of staff salaries and other expenses for those groups who may be involved in ~~Marketing Fund~~Marketing and Tech Fund activities. We may receive payment for providing goods or services to the ~~Marketing Fund~~Marketing and Tech Fund. We reserve the right to use fees from the ~~Marketing Fund~~Marketing and Tech Fund to place Marketing in national or regional media. We are not required to spend any amount on Marketing directly in Your area or Territory, and We do not have any obligation to ensure that expenditures are or will be used equally in each region or that they will be equivalent or proportionate to contributions to the fund by other franchisees operating in any geographic area. We make no representations that Marketing expenditures will benefit You or any other franchisee directly, on a pro-rata basis, proportionally, or at all. We reserve the right to use ~~Marketing Fund~~Marketing and Tech Fund fees to solicit additional franchisees not to exceed 10% of the total contributions to the fund. Additionally, We reserve the right to include a notation in any Marketing or website indicating “franchises available” or similar phrasing. Any unused ~~Marketing fund~~Marketing and Tech Funds in any calendar year will be applied to the following year’s fund. You may request (in writing) an unaudited annual report of the previous year’s Marketing expenditures once each calendar year. We will provide the report within 90 days of request, so long as the request is made at least 90 days after the end of the calendar year.

10.2 Marketing Cooperative. You are not required to participate in a local or regional advertising cooperative.

10.3 Marketing Materials. We may provide You with physical copies of Marketing materials developed by Us from time to time. Additional physical copies will be made available at cost, plus 10%, plus shipping and handling.

10.4 Your Obligations to Market. You shall participate in all Marketing programs as directed by Us and to use all materials, mediums, and other information made available to You in doing so. Neither We nor You are restricted from Marketing in the Territory.

10.4.1 Approval of Marketing. You may develop Marketing materials and digital Marketing programs for Your use at Your cost, but You must submit to Us, prior to publication, copies of all Marketing materials, proposed to be used by You, including any use of the Internet, or other digital, electronic or Social Media along with a description of how it will be used, by what media published, and such other information as may be reasonably requested by Us. All such materials must be approved by Us in advance and in writing in accordance with Our Manuals. Submitted Marketing materials will be deemed approved if You do not receive Our written approval or disapproval within 14 days of the date We receive the submission. We have the right to disapprove previously approved Marketing materials at any time. In addition to the above, We must approve all Your daily deal offers (i.e., Groupon and the like whether now or later developed), prior to Your putting them into publication or other offering.

10.4.2 Marketing Compliance. All Your Marketing activities must be done in strict compliance with Our Manuals and in good taste and must reflect favorably upon the brand and System. You shall participate in all Marketing, email, texting, and other programs as developed by Us, Including the collection of Customer Data and participation in using and promoting apps, as developed by Us.

10.5 Internet and Social Media. You may not create a website, apps, or Social Media, or similar electronic media whether now or later developed, or use or obtain a domain name consisting of all or any part of the Marks, or that would be confusingly similar to all or any part of the Marks without Our prior written permission. You may not engage in Marketing on the Internet, Including posting items/services on third-party resale or auction style websites, Including eBay, Craigslist, Amazon, or use of apps, without Our prior written permission. You may be allowed to place pre-approved information concerning Your Franchise Business on Our website or a subdomain, and Social Media, as developed by Us. We will own the Social Media accounts related to the brand, but We may decide to provide You access to the Social Media account for Your Franchise Business for certain management responsibilities and functions. You must sign the Digital and Social Media Authorization for Assignment attached as Exhibit "A-9." You may not claim, link, or frame, any web listing on sites such as Yelp, etc. To the extent that You have any web listings using Our Marks, You hereby assign such accounts to Us, and You must facilitate any transition and assignment with the online directory or Social Media platform within 30 days of signing this Agreement or of creating such listing. You must strictly comply with the policies and procedures established by Us regarding websites, Social Media and Internet Marketing. We can prohibit or condition any use by You of the Internet, or other digital, electronic or Social Media at Our discretion.

10.6 Marketing FundMarketing and Tech Fund Council. At Our discretion, We may create a Marketing FundMarketing and Tech Fund council that provides input for how the Marketing FundMarketing and Tech Fund is used. We may appoint franchisees to this council. This council serves only in an advisory capacity and has no operational or decision-making authority. We have the ability to make changes to this council or dissolve it at any time.

ARTICLE XI BREACH AND TERMINATION

11.1 Default and Termination. We may terminate this Agreement before the expiration of its term if You breach this Agreement and fail to cure, if curable. If curable, You must cure all defaults within the times set forth below after receiving notice of default. If the default is one which is incapable of cure, Termination is effective as of the date of the notice of default and Termination.

No Cure Period:

A. Insolvency; Receivership; Levy or Foreclosure. You become insolvent or commit an act of bankruptcy or make a general assignment for the benefit of creditors or to an agent authorized to liquidate Your property or assets, or become or are adjudicated bankrupt, or voluntarily file a petition in bankruptcy or for reorganization, or a bill in equity or other proceeding for the appointment of a receiver of: (1) You; (2) Your Franchise Business; or (3) another custodian for Your Franchise Business or Operating Assets, is filed or consented to by You, or if a receiver or other custodian (permanent or temporary) of Your Operating Assets or property, or any part of them, is appointed by any court of competent jurisdiction, or the real or personal property of Your Franchise Business is sold after levy by any sheriff, marshal, or constable, or a suit is filed to foreclose a lien or mortgage against any of Your Operating Assets and it is not dismissed within 30 days.

B. Repeated Breaches. You repeatedly breach (defined as three or more times during the term of this Agreement) the same or different conditions of this Agreement or the Manuals.

system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use our trademarks; internet phone services; cellular or similar messaging; mobile applications; social networks or Social Media; or wikis, podcasts, online content sharing communities, or blogging.

“Lease” means a commercial lease or other document of occupancy of the Premises.

“Legacy Franchisee” means those franchisees who signed agreements with Us prior to September 2025.

“Manuals” means one or more guides or manuals, including an operations manual, brand standards manual, training manuals, and/or policies and procedures manual, technical bulletins, online drives or portals, or other written materials as may be developed, modified and supplemented by Us periodically. The Manuals may be printed or in an electronic format.

“Marketing” or “Market” includes advertising, brand development, promotion, public relations campaigns, content creation, influencer incentives or compensation, market research, and other related processes.

“Marks” means the federally registered and common law names, trade names, trademarks, slogans, catchphrases, service marks, colors, font schemes, logos and/or other commercial property or symbols owned by Us or licensed to Us, whether now or later developed, used in connection with the System.

“Operating Account” means that account into which all receipts of Your Franchise Business must be deposited.

“Operating Assets” means Your assets, contracts, inventory, supplies, furniture, equipment, signs, service vehicles, accessories, and other personal property relating to Your Franchise Business.

“Operating Principal” is: a) You if You as the franchisee are an individual; or b) if You are an entity, an individual that owns at least 5% of the ownership and voting interests in the franchisee entity (unless You obtain Our written approval of a lower percentage), has authority over all business decisions related to the Franchise Business, and has the power to bind You in all dealings with Us.

“Owner” means a shareholder, member, partner, general partner, limited partner, and the like.

“Participant” means an Owner, operator, director, manager, consultant, agent, employee (management-level or higher), contractor, advisor, officer, lessor, lessee, licensor, or licensee.

“Personnel” means employees, independent contractors, temporary workers, consultants, agents, subcontractors, interns, volunteers, and other similar positions, whether compensated or uncompensated.

“Prepaid Services” means gift cards, gift certificates, event deposits, prepaid services, etc., sold at or through Your Franchise Business for which We allow You to manage the accounting and pooling on such gift cards, gift certificates, prepaid services, etc., if applicable.

“Principal” means Owners, directors, managers, officers, and principal Personnel

**EXHIBIT “A-3”
TO THE FRANCHISE AGREEMENT**

FEE CHART

The following Fees are more fully described in the Franchise Agreement.

Type of Fee	Amount	Section Reference
Initial Franchise Fee	\$45,000	See Section 5.1
Royalty	6.5% of Gross Sales	See Section 5.2
Marketing Fund <u>Marketing and Tech Fund</u> Fee	3% of Gross Sales	See Paragraph 5.3.1
Successor Franchise Fee	\$10,000	See Paragraph 2.2.4
Relocation Fee	\$5,000	See Section 4.6
Additional Franchise Purchase	Greater of \$30,000 or \$15,000 off Our then-current initial franchise fee	See Paragraph 5.1.1
Interest ¹	18% interest, or the maximum interest allowed by state law	See Paragraphs 5.4.3 and 5.4.4
Late Fees ¹	\$25 per day up to \$500 per instance	See Paragraph 5.4.4
NSF Fee ¹	\$50 per bounced check or draft, or the maximum allowed by state law	See Paragraph 5.4.3
Sales or Use Tax	Sum equal to tax imposed	See Paragraph 5.4.5
Audit Charge	Cost of audit	See Paragraph 5.5.2
System Non-Compliance Fines and Charges ¹	\$2,500 for the first violation; \$5,000 for the second violation; and \$10,000 for the third and subsequent violations	See Section 5.9
Software License and Support Fee ¹	Currently, \$250 per month	See Section 5.10
Outbound Calls and Surveys ¹	Currently, \$0	See Section 5.10
Email/Text Blasts ¹	Currently, \$75 per month	See Section 5.10
Technology Fee ¹	Currently, \$0 up to \$150 per month	See Section 5.10
New Operating Principal or Management Training ¹	\$300 per person/per day	See Paragraph 6.1.4(i)
In-Person Operational Assistance ¹	\$300 per person/per day	See Paragraph 6.1.4(ii)
Opening Assistance Fee ¹	Between \$2,500 and \$7,500	See Paragraphs 6.1.5 and 7.1.
Insurance Reimbursement Fee	Varies	See Paragraph 6.1.11
Administrative Fee ¹	\$50 per person, per hour	See Paragraph 6.1.11
PCI and DSS Audit Reimbursement Fee	Reasonable costs of the audit	See Paragraph 6.1.13(iii)
Conference and Seminar Fee ¹	Currently, \$0	See Paragraph 6.1.14
GLO Email Address ¹	Currently, \$12 per email address	See Paragraph 6.2.2(i)
Mystery Shopper Service ¹	Currently \$0, up to 15% above Our costs	See Paragraph 6.2.4
Interim Management Fee ¹	\$500 per representative/per day	See Paragraph 6.2.3 and Section 14.10
Supplier Evaluation Fee ¹	Reasonable expenses	See Section 8.3

**ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA**

The disclosure document, franchise agreement, and other related agreements are amended to conform to the following:

1. Governing law, choice of forum, and jurisdiction and venue provisions of the disclosure document and franchise agreements are amended to include the following:

Minnesota statute 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or 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 or the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. 80C.14, subdivisions 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

3. As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), franchisor will reimburse the franchisee for any costs incurred by the franchisee in the defense of the franchisee's right to use the Marks, so long as the franchisee was using the Marks in the manner authorized by franchisor, and so long as franchisor is timely notified of the claim and is given 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.

4. Minnesota Rule Part 2860.4400J prohibits requiring a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of Minnesota, or consenting to liquidated damages, termination penalties or judgment notes.

5. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

6. Any limitation of claims must comply with Minn. Stat. 80C.17, subdivision 5.

7. Any fee regarding insufficient funds for a dishonored check must comply with Minn. Stat. § 604.113, subdiv. 2(a), which puts a cap of \$30 on service charges.

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

8.9. The franchisor has agreed to post a surety bond equal to the sum of initial fees times the number of franchises to be sold in Minnesota. This surety bond requirement is imposed based on the franchisor's financial statements.

Franchisee (Signature)

**ADDENDUM TO THE AREA DEVELOPER AGREEMENT
FOR THE STATE OF MINNESOTA**

The disclosure document, franchise agreement, area developer agreement and other related agreements are amended to conform to the following:

1. Governing law, choice of forum, and jurisdiction and venue provisions of the disclosure document, franchise agreement and area developer agreement are amended to include the following:

Minnesota statute ‘ 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or 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 or the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. ‘ 80C.14, subdivisions 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

3. As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), franchisor will reimburse the franchisee for any costs incurred by the franchisee in the defense of the franchisee’s right to use the Marks, so long as the franchisee was using the Marks in the manner authorized by franchisor, and so long as franchisor is timely notified of the claim and is given 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.

4. Minnesota Rule Part 2860.4400J prohibits requiring a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of Minnesota, or consenting to liquidated damages, termination penalties or judgment notes.

5. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

6. Any limitation of claims must comply with Minn. Stat. 80C.17, subdivision 5.

7. Any fee regarding insufficient funds for a dishonored check must comply with Minn. Stat. § 604.113, subdiv. 2(a), which puts a cap of \$30 on service charges.

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

8-9. The franchisor has agreed to post a surety bond equal to the sum of initial fees times the number of franchises to be sold in Minnesota. This surety bond requirement is imposed based on the franchisor’s financial statements.

Franchisee (Signature)