

**ITEM 21**  
**FINANCIAL**  
**STATEMENTS**

Attached to this disclosure document as Exhibit **D A** is our audited financial statements as of December 31, 2024, our audited closing balance sheet as of December 31, 2023, and our audited opening balance sheet as of May 31, 2023. We have also included a Statement of No Business Activity for 2022. Although we were formed in May 2022, we did not begin operating until July 2023, therefore, we have not been in business for three years or more and cannot include all of the financial statements required by the FTC Rule. Our fiscal year ends on December 31.

**ITEM 22**  
**CONTRACTS**

Attached to this Disclosure Document or to the Exhibits attached to and comprising the Franchise Agreement attached to this Disclosure Document are copies of the following franchise and other contracts and agreements in use or proposed for use:

<b>Contract</b>	<b>Location in this Disclosure Document</b>
Franchise Agreement (FA)	Exhibit E
Personal Guaranty	Attachment to the FA
Franchisee Compliance Questionnaire	Attachment to the FA
Form of General Release	Exhibit G
Form of Confidentiality and Noncompete Agreement	Exhibit H
State-Required Franchise Agreement Riders	Exhibit I

Individual state law may supersede the provisions contained in your Franchise Agreement respecting the requirement that you execute a general release as a condition to assignment, sale, or transfer. See the state specific addendums contained in Exhibit I of this Disclosure Document.

**ITEM 23**  
**RECEIPT**  
**S**

The last two pages of this Disclosure Document are detachable duplicate Receipts that serve as an acknowledgement of your receipt of a copy of this Disclosure Document. You should sign both copies of the Receipt and return one copy to us.

## ILLINOIS

Illinois law governs the Disclosure Document, Franchise Agreements, and Development Agreements.

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

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

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

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

The franchisor must defer the collection of any Initial Franchise and Development Fees until franchisor has satisfied its pre-opening obligations to franchisee and the franchisee has commenced business operations. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

## WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

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

**2. Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement **in or related agreements concerning** your relationship with the franchisor including in the areas of termination and renewal of your franchise. There may also be court decisions **which may that** supersede the franchise agreement **in or related agreements concerning** your relationship with the franchisor **including the areas of termination and renewal of your franchise.** Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

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

**4. General Release.** A release or waiver of rights **executed by a in the franchise agreement or related agreements purporting to bind the franchisee may not include rights to waive compliance with any provision** under the Washington Franchise Investment Protection Act or any **rule or order rules or orders** thereunder **is void** except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

**5. Statute of Limitations and Waiver of Jury Trial.** Provisions **such as those which contained in the franchise agreement or related agreements that** unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

**7. Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

**8. Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**9. Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price

is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

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

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

**The Franchise Agreement defines the term "Franchisor's Reasonable Business Judgment". This definition does not modify the franchisor's duty to deal with franchisees in good faith under RCW 19.100.180(1).**

**Pursuant to Section 10.B of the Franchise Agreement, franchisees have no obligation to indemnify or hold harmless an ~~indemnified party for losses~~ to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.**

**Pursuant to Section 14.C(6) of the Franchise Agreement, any release signed by a transferring franchisee does not apply with respect to claims arising under the ~~Washington Franchise Investment Protection Act~~, RCW 19.100, or the rules adopted thereunder.**

**Section 16.C(3) of the Franchise Agreement shall reduce the measurement period to the earlier of 24 months following the date of termination or the scheduled expiration of the term.**

**Section 18.Q of the Franchise Agreement does not apply in Washington.**

**Based upon the franchisor's financial condition, the Washington Department of Financial Institutions has required a financial assurance. Therefore, all initial fees and payments owed by franchisees as described in Item 5 of the ~~Franchise Disclosure Document~~ shall be deferred until the franchisor completes its pre-opening obligations to the franchisee and the franchisee is open for business.**

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

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
Signature of Franchisor Representative

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Signature of Franchisee Representative

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Title of Franchisor Representative

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Title of Franchisee Representative