

## FRANCHISE DISCLOSURE DOCUMENT

EYEMAZY FRANCHISING USA INC.

a Delaware corporation  
Prime Tower, Office 804  
Business Bay  
Dubai, United Arab Emirates  
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<https://eyemazy.com/>  
[franchise@eyemazy.com](mailto:franchise@eyemazy.com)



The franchise offered is for a business that will operate a retail outlet in the form of either a brick and mortar shop or a kiosk that will provide decorative iris photography, offer and sell a line of Eyemazy jewelry, and sell other related programs, products and services.

The total investment necessary to begin operation of a single brick and mortar Eyemazy franchised unit ranges from ~~\$59,600~~\$71,600 to ~~\$220,600~~\$222,600, including between \$21,600 and \$24,600 that must be paid to the franchisor and/or its affiliates. The total investment necessary to begin operation of a single kiosk Eyemazy franchised unit ranges from \$60,600 to \$168,000, including between \$21,600 and \$24,600 that must be paid to the franchisor and/or its affiliates.

The total ~~estimated initial~~ investment necessary to enter into an Area Development Agreement for the development of between 4 and 10 Eyemazy units ranges from \$42,100 to \$111,000, including between \$39,600 and \$99,000 that must be paid to the franchisor and/or its affiliates. The total ~~estimated initial~~ investment under an Area Development Agreement will vary depending on the number of Eyemazy units to be developed thereunder.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Rafaela Meneghetti at [rafaela@eyemazy.com](mailto:rafaela@eyemazy.com), with attention to Tobias Müller.

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

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

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

**Issuance Date: May 10, 2024**

## Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The Franchise Agreement and the Area Development Agreement require you to resolve disputes with the franchisor by litigation only in Dover, Delaware. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in Dover, Delaware than in your own state.
2. **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. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
4. **Mandatory Minimum Payments.** You must make minimum royalty, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
5. **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.

**ITEM 1**  
**THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES**

**The Franchisor**

The franchisor is Eyemazy Franchising USA Inc. (referred to in this Disclosure Document as “we,” “us,” or “our”). We were formed as a Delaware corporation on August 15, 2022. Our principal place of business is Prime Tower, Office 804, Business Bay, Dubai, United Arab Emirates and we do business under our corporate name and the name “Eyemazy”. We began offering franchises as of the issuance date of April 2023. We do not offer other franchises and have not conducted business in any other line of business. We do not own or operate a business of the type being franchised.

In this Disclosure Document, we refer to person or business entity that will be signing the Franchise Agreement and Area Development Agreement (defined below) as “you,” “your,” “franchisee” or “area developer.” While not uniformly imposed, it is our practice to require you to form business entity to serve as the “franchisee” and/or “area developer” under the Franchise Agreement and Area Development Agreement. As such, all references to “you,” “your,” “franchisee” and “area developer” includes all owners and partners of such business entity.

Our agents for service of process are listed in Exhibit E.

**Our Parents, Predecessors and Affiliates**

We do not have a predecessor.

Our direct parent company, Eyesight International Licensing GmbH, a German corporation, was formed in October, 2021 (“**Eyesight International GmbH**”). The principal business address of Eyesight International GmbH is Plauener Str, 163-165, Entrance G, 13053, Berlin, Germany. Eyesight International GmbH licensed us the right to use and sublicense use of the Proprietary Marks in the United States. Our ultimate parent company is Eyesight Verwaltungs GmbH & Co. KG, a limited liability company and limited partnership formed in September, 2021 (“**Eyesight Verwaltungs**”). Eyesight Verwaltungs is owned by our President and Vice President. The principal business address of Eyesight Verwaltungs is Plauener Str, 163-165, Entrance G, 13053, Berlin, Germany. Neither Eyesight International GmbH nor Eyesight Verwaltungs has offered franchises in this or any other lines of business, and is not an approved supplier of any product or service that you must purchase.

Our affiliate company, Eyesight GmbH is a German corporation formed in June 2016. The principal business address of Eyesight GmbH is Plauener Str, 163-165, Entrance G, 13053, Berlin, Germany. Prior to being formed, Eyesight GmbH originally launched as “Eyesight Iris Photography” in 2013 in local trade fairs in Germany and then expanded into fixed and temporary locations in Europe during the following years. Eyesight GmbH previously offered and sold franchises internationally and as of the Issuance Date of this Disclosure Document, has Eyesight franchises in Germany and Eyemazy franchises in Canada, Belgium and Australia. Except for the above, Eyesight GmbH has never offered franchises in this or any other lines of business, and is not an approved supplier of any product or service that you must purchase.

Our affiliate company, Eyemazy International LLC (“**Eyemazy International**”), is a Dubai limited liability company with a principal business address of Prime Tower, Office 804, Business Bay, Dubai, United Arab Emirates. Eyemazy International has offered and sold franchises internationally since 2021. As of the issuance date of this Disclosure Document, Eyemazy International has franchised outlets located in Dubai, France, Netherlands and Iceland. Except for the above, Eyemazy International has

greater. Your purchase of the Eyemazy Jewelry will be deemed fully earned when paid and is not refundable under any circumstances.

We also reserve the right to charge certain franchisees a legal, administrative and accounting fee of \$3,000 (the “**Admin Fee**”). [Factors we consider in determining whether to charge the Admin Fee include whether we incurred legal or administrative costs to register our franchise offering in your state.](#) If charged, the Admin ~~Full~~Fee must be paid in one lump sum when you ~~signed~~sign the Franchise Agreement, will be deemed fully earned when paid, and will not be refundable under any circumstances.

You must pay an unit opening fee of \$9,900 (“**Unit Opening Fee**”) in one lump sum upon delivery of an Operating Certificate (as described in Section 2.5.4 of the Franchise Agreement). The Unit Opening Fee is deemed fully earned when paid and is not refundable under any circumstances. .

### **Area Development Agreement:**

If you sign an Area Development Agreement, you must pay us a development fee (“**Development Fee**”) that is calculated based on the total number of Units you commit to develop under the Area Development Agreement. You must commit to develop a minimum of 4 Units to enter into an Area Development Agreement. The Development Fee will be equal to the Initial Franchise Fee (i.e., \$9,900) multiplied by the number of Units to be developed under the Area Development Agreement. The Development Fee is fully earned by us upon receipt and is not refundable under any circumstances. The Development Fee is calculated uniformly for all area developers.

For each Unit developed under the Area Development Agreement, the Initial Franchise Fee due for each Unit will be credited against the pro rata portion of the Development Fee. In addition, as noted above, the \$9,900 Unit Opening Fee must be paid to us upon delivery of an Operating Certificate. Notwithstanding the foregoing, if your Unit developed under the Area Development Agreement is a PES Unit (See Item 12), the Unit Opening Fee will be between \$0 and \$9,990, as we determine in our sole judgement, taking into consideration (among other factors) if we determine that our standard training is not required for your PES Unit because at least 75% of your PES Unit staff has already been trained by us in connection with an existing Unit.

By way of example only, if you sign an Area Development Agreement and commit to open 5 Units, you will be required to pay us a non-refundable Development Fee equal to \$49,500 (i.e., \$9,900 x 5 Units) due in one lump sum upon execution of the Development Agreement, and then will also be required to pay us a Unit Opening Fee equal to \$9,900 for each Unit to be opened thereunder upon delivery of an Operating Certificate for each such Unit.

If you fail to comply with the Development Schedule, we have the right (but not the obligation) to require you to pay us the Unit Opening Fee in respect of each Unit that you failed to open in time in accordance with Development Schedule (the “**Phantom Unit Opening Fee**”), at which point in time you will be deemed to have cured your breach for a period of six (6) months, during which period you will use your best endeavors to open the relevant number of Units by the relevant deadlines; however, if you fail to do so, you will again be deemed to have failed to comply with the Development Schedule. The Phantom Unit Opening Fee is fully earned by us upon receipt and is not refundable under any circumstances. The Phantom Unit Opening Fee is calculated uniformly for all area developers.

There are no other purchases from or payments to us or any affiliate of ours that you must make before your Unit opens or in connection with the delivery of the Operating Certificate.

**ITEM 6  
OTHER FEES**

Column 1 Type of Fee <sup>(1)</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty Fee	Greater of: \$600 (the “ <b>Monthly Minimum Payment</b> ”) or 9% of Gross Sales (unless area developer, then see Column 4).  See Column 4.	Payable each month by no later than 10 calendar days from our invoice to you.	<p>“<b>Gross Sales</b>” means all revenue and income directly or indirectly derived in connection with the operation of the Franchised Business and/or Unit, except sales taxes. Royalty Fees are payable by automatic debit and funds must be made available in your account for withdrawal.</p> <p>If you sign an Area Development Agreement for at least 4 Units, then the Royalty Fee due for all Units opened under an Area Development Agreement will be reduced to the greater of the Minimum Monthly Payment or 7% of Gross Sales.</p> <p>See Note 1.</p>
Global Marketing Fee	<del>If Global Marketing Fund is Not</del> <u>currently assessed.</u> <u>If established, up to 1% of monthly Gross Sales.</u>	Payable at the same time and in the same manner as the Royalty	See Item 11 for a detailed discussion about the Global Marketing Fund
Local Advertising	1% of Gross Sales, unless Gross Sales in any month falls below \$24,000, then 4% of Gross Sales	Must be spent each year	Payable directly to your local advertising vendors. Any advertising that you propose to use must first be approved by us
Advertising Cooperative	<del>If formed, then current fee, but subject to overall cap on local advertising</del> <u>Not currently assessed.</u> <u>If established, up to 1% of monthly Gross Sales</u>	As determined by co-op	We may form an advertising cooperative. If we do, any amount you contribute to an advertising cooperative will count toward your local advertising requirement, but if the amount you contribute to an advertising cooperative is less than the amount you must spend for local advertising, you must still spend the difference locally.
Photobox Damage	Reimbursement at fair market value, <u>estimated at \$18,000</u>	As incurred	We loan you the Photobox at no charge, however, in the event of damage to the Photobox by your fault or negligence and/or loss or theft of the Photobox, you must reimburse us at the fair market value cost thereof.

Column 1 Type of Fee <sup>(1)</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Site Selection Assistance Fee	Our then-current per diem rate, plus costs  Current daily rate = \$800	As incurred	We may (but are not required to) assist you in the selection for a site for your Unit. If we do, you must pay our site selection assistance fee, and reimburse the costs we incur in connection therewith, including living, lodging and transportation expenses of all our representatives.
Initial Training Program	Expenses only. See Column 4.	As incurred	Training for your Keyperson and General Manager is included in the Unit Opening Fee. However, you must pay your trainees' expenses, including travel, lodging, meals and wages, and must reimburse us for our trainers' expenses, including travel, lodging, and meals. The amounts are unknown and may vary depending upon factors such as the third-party supplier selected.
Additional On-Site Training	Our then-current per diem fee, plus expenses  Current daily fee = \$700	Within 30 calendar days after billing	We will provide you with 1 representative for a period of approximately 2 calendar days around the Opening Date free of charge to provide oversight and assistance in connection with the opening of your Unit to the general public. If you require additional on-site training or if we deem it necessary, you must pay the fee described in Column 2.
Ongoing Training	<del>Expenses</del> <u>Your actual expenses for you and your trainees to attend training.</u>	Before training	We may from time to time develop additional training programs which the personnel we designate must attend and successfully complete. If we do, you are reasonable for all living and transportation expenses of your trainees.
Additional Field Support Services and Assistance	Our then-current per diem or hourly fee, plus expenses  <u>Current hourly rate = \$90</u>	As incurred	We will provide you with certain field support services and consultation services. If we consider it advisable or you request that we provide you with additional support services, subject to the availability of our personnel, we may provide additional field support services, supervision and assistance. If we do, we may require you to pay us a per diem or hourly fee, plus our expenses if such additional support services and assistance are provided to you on-site at your Unit.

Column 1 Type of Fee <sup>(1)</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Transfer Fee	20% of our then-current aggregate initial franchise fee and unit opening fee	With request for our consent to transfer	If you wish to transfer multiple then-effective Franchise Agreements, you must pay this transfer fee for each such Franchise Agreement.
Renewal Fee	20% of our then-current aggregate initial franchise fee and unit opening fee	Before renewal	You will only need to pay this fee if you renew the Franchise Agreement. There is no right to renew the Area Development Agreement.
Relocation Fee	\$2,100	With your request to relocate the Unit	If you wish to relocate your Unit, you must apply to us for our consent to the relocation and pay us the relocation fee.
Interest	Lesser of 18% per annum of balance due or highest commercial contract interest rate law allows, but not less than \$100 per occurrence	With payment of past due amount	Due on all overdue amounts. Interest accrues from the original due date until payment is received in full
Audit	<del>Will vary under circumstances</del> <u>Any understated amount, plus interest; if an audit discloses an understatement of 2% or more, you will also pay the actual costs and expenses of the inspection and audit; for repeated understatements on separate occasions, you will also pay a \$10,000 fee if we elect to not terminate the Franchise Agreement</u>	When billed	See Note 2.

Column 1 Type of Fee <sup>(1)</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Prohibited Product or Service Fine	\$250 per day	As incurred	If you use any unauthorized products or services and/or use products or services from unauthorized suppliers, then we may charge you this fine in addition to other remedies available to us.
Area Developer – Phantom Unit Opening Fee	If applicable, \$9,900	For area developers in breach, upon request.	If you are an area developer and fail to comply with the Development Schedule, we have the right (but not the obligation) to require you to pay us the Phantom Unit Opening Fee, at which point in time you will be deemed to have cured your breach for a period of six (6) months, during which period you will use your best endeavors to open the relevant number of Units by the relevant deadlines. If you fail to do so, you will again be deemed to have failed to comply with the Development Schedule.
Proprietary Products	See Column 4 and Note 3. <u>None currently, but up to \$3,000 of proprietary and/or trademarked products per year.</u>	When you place orders for products.	Currently, our only proprietary products are the Photobox, which we loan to you at no cost, and the Eyemazy Jewelry, which you <del>much</del> <u>must</u> purchase from our affiliate, Eyesight GmbH. We reserve the right to require that you purchase proprietary and/or trademarked products from us, our affiliate or designee. See Item 8.
Software Licensing and Support Services	See Column 4 and Note 4. <u>For custom developments, our then-current per diem or hourly rate.</u>  <u>Current hourly rate = \$90</u>	As incurred	We do not charge for our mandatory proprietary software programs made available through Eyemazy Hub. <del>However, if we develop any optional additional or different programs in the future, we can charge you our then-current price and require you to pay our then-current fees</del> <u>This fee would only apply to optional services or features we may develop or offer.</u> See Note 3.
Additional IT/Software Support Services	If applicable, our then current hourly rate.  Currently, \$90 per hour	As incurred	If you request additional support services, such as individual design assistance or general IT support beyond that which we already provide for our mandatory proprietary software programs, then we may charge your our then current fee and require you to pay our then-current fees. See Note 4.

Column 1 Type of Fee <sup>(1)</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Insurance	Premiums and our costs and expenses plus 10% administrative fee	When billed	Insurance company sets the premiums and you pay the insurance company, except that if you fail to pay premiums for required insurance, we may pay premiums and charge you for them. Premiums may vary depending upon factors such as the insurance company selected and your claims experience. See Note 5.
Management Fee	20% of Gross Sales, plus expenses	If incurred	<p>We may (but are not required to) step in and manage your Unit in certain circumstances, including the death, disability of your last surviving owner, your prolonged absence, your failure to meet the Minimum Monthly Payment or if we determine that the operation of your business is in jeopardy.</p> <p>We will charge a management fee if we manage your Unit, and you must reimburse us for the expenses we incur. The management fee will be in addition to Royalty Fees due us.</p>
Indemnification	<del>Will vary under circumstances</del> <u>Our actual costs</u>	As incurred	You must reimburse us for the costs we incur if we are sued or held liable for claims that arise from your operation of the Franchised Business, or for costs associated with defending claims that you used the Proprietary Marks in an unauthorized manner.
Costs and Attorneys' Fees	<del>Will vary under circumstances</del> <u>Our actual costs and expenses</u>	As incurred	If you default under the Franchise or Area Development Agreement, you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing or terminating the agreement. If a Franchise Agreement is terminated, you must pay the shipping costs for returning the Photobox to us.
Loyalty Program	<p>Currently, none. <u>Actual fees and costs for participation charged by the vendor.</u></p> <p>See Column 4.</p>	As incurred	We have not yet established this program. However, when we do, you will be responsible for all of the then current fees and costs <u>assessed by the third party vendor who administers the loyalty program. We will not charge or collect any additional fees.</u>

Column 1 Type of Fee <sup>(1)</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Gift Card Program	\$0.25 per gift card plus shipping  See Column 4.	As incurred	In addition, you will be responsible for all of the then current fees and costs.
Customer Satisfaction Evaluations (i.e., Mystery Shops)	Currently, none. <u>If we establish such a program, we estimate the fee to be \$300 to \$600 per visit and evaluation, plus our actual costs (including actual costs to replace any products).</u>  See Column 4.	As incurred	We have not yet established this program. However, when we do, you will be responsible for all of the then current fees and costs.
Liquidated Damages	<del>Will vary under the circumstances</del> <u>Equal to the average monthly Royalty Fees paid or owed during the 12 months of operation preceding termination multiplied by the lower of (a) 12; or (b) the number of months remaining in the term of the Franchise Agreement</u>	15 calendar days after termination	See Note 6.
Violation of Non-Competition Covenant	\$1,000 per week	On demand, if incurred	If you violate the covenant not to compete in your agreement with us.
Advances	<del>Varies</del> <u>Actual amounts advanced</u>	When we request	You must pay us all amounts we advance to third parties for you.
Taxes	<del>Varies</del> <u>Actual amounts due</u>	Promptly when due	You must pay us all taxes we pay except for our corporate income taxes due to goods or services we furnish to you, the Initial Franchise Fee, Unit Opening Fee, Development Fee, Royalty Fees and Global Marketing Fees.

Column 1 Type of Fee <sup>(1)</sup>	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Application of Funds			<del>We can apply your payments to the oldest obligation due.</del>

**Notes:**

- (1) Except as otherwise noted in this Item 6, as of the date of this Disclosure Document, all fees that are imposed and collected by and payable to us are non-refundable and are uniformly imposed. However, for any costs set forth above that are required to be paid to our approved suppliers, for the ease of systemwide contract maintenance, we have the right (but not the obligation) to pay those suppliers directly on behalf of amounts owed by franchisees, and then collect those amounts from franchisees.

If at any time the Royalty Fee for your Franchised Business falls below the Minimum Monthly Payment for at least six (6) consecutive months, we have the right, but not the obligation, at our discretion to: (a) require you to submit to us for our approval a recovery plan in such format we prescribe; and/or (b) at our expense, provide access to a manager to assist with running the failing Unit for such period as we deem appropriate provided that we shall be entitled to a management fee equal to the reimbursement of our manager's annual salary (plus benefits), plus his or her travel, lodging, meals and related expenses, plus 20% to compensate us for the temporary loss of our staff member. If we exercise this right, we have no liability for the acts or omissions of any such manager. In the event that these remedies have been implemented, but they have failed improve performance (i.e. the Unit is consistently failing to generate a monthly Gross Sales which produces a Royalty Fee equal to or in excess of the Monthly Minimum Payment) within six (6) months of the implementation, we shall have the right, but not the obligation, at our discretion to terminate the Franchise Agreement with immediate effect on notice.

Prior to opening you must sign and deliver to us the documents required by us, our bank and/or your bank to authorize us to debit your bank account automatically for the Royalty Fee, Global Marketing Fee and other amounts due under the Franchise Agreement or any related agreement between us (or our affiliates) and you.

- a. If you fail to report the Unit's Gross Sales for any month, we may debit your account for 120% of the Royalty Fee and Global Marketing Fee that we debited for the previous month. If the amount we debit from your account is less than the amount you actually owe us (once we have determined the true and correct Gross Sales of the Unit), we will debit your account for the balance due on the day that we specify. If the amount we debit from your account is greater than the amount you actually owe us (once we have determined the true and correct Gross Sales of the Unit), we will credit the excess, without interest, against the amount that we otherwise would debit from your account for the next payment due.
- b. We have the right, at our sole option upon notice to you, to change periodically the timing and terms for payment of Royalty Fees, Global Marketing Fees and other amounts payable to us under the Franchise Agreement.
- c. If any state imposes a sales or other tax on the Royalty Fees, then we have the right to collect this tax from you.

- (2) If an audit discloses an understatement in any report of 2% or more, you shall, in addition, reimburse us for all costs and expenses connected with the inspection (including, without limitation, reasonable accounting, auditors' and attorneys' fees and expenses). If you understated your Gross Sales by (i) 2% or more on 3 separate occasions within any 36 month period or (ii) 5% or more during any month within a reporting period and/or for any entire reporting period, then in addition to paying us the amount due, plus interest and the cost of the audit, your understatement will be considered a material incurable breach which will entitle us to immediately terminate the Franchise Agreement. Notwithstanding the foregoing, if we elect not to terminate the Franchise Agreement, then in addition to paying us the amount due, plus interest and the cost of the audit, we reserve the right to charge you a \$10,000 fine in connection with such understatement. If you understated your Gross Sales by less than 2% for any period, you must immediately pay us the amount due, plus interest, but we will pay the cost of the audit. The percentages described in this footnote are fixed and will not change during the term of the Franchise Agreement.
- (3) After purchasing the initial minimum inventory of Eyemazy Jewelry (see Items 5 and 7), you ~~must~~should purchase a sufficient inventory of Eyemazy Jewelry from us or our affiliates for resale as we determine in our reasonable business judgement to satisfy customer demand at the then-current charge. Under our current System standards, satisfaction of customer demand means maintaining adequate inventory based on your average sales volume. Your failure to purchase the initial minimum inventory of Eyemazy Jewelry will constitute a default under the Franchise Agreement. There are no formal repercussions or consequences we impose on you should you fail to maintain enough inventory of Eyemazy Jewelry to meet customer demand after you purchase the initial minimum inventory of Eyemazy Jewelry required under the Franchise Agreement; however, you may experience customer dissatisfaction and/or lost potential sales if you fail to maintain a sufficient inventory of Eyemazy Jewelry. Currently, we charge franchisees approximately \$25 per piece of Eyemazy Jewelry, plus ~~shopping~~shipping, customs and taxes, but this amount may be increased from time to time in the future. We reserve the right to determine all terms and conditions in connection with which we or our affiliate will sell you the Eyemazy Jewelry in our or our affiliate's sole discretion.
- (4) We do not charge for our mandatory proprietary software programs made available through Eyemazy Hub (such as our Photoshop plug in, our back-end management software, etc.). However, if we develop any optional additional or different programs in the future, we can charge you our then-current price and require you to pay our then-current fees associated therewith (including for help and support services) and sign our then-current standard form software license agreement. You will also be required to pay for any future updates or revisions to any proprietary software we develop. We do not know the cost of any future updates or revisions at this time. You must buy new or upgraded programs and materials from us if we adopt them system-wide, at the prices we set. You will pay for new or updated programs and materials when you order them. If you request and we provide additional software support services beyond the help and support we provide at no charge, such as individual design services or general IT and software support, we can charge you our then-current additional support services fees and require you to pay our then-current fees associated therewith.
- (5) You must maintain the following insurance: (1) comprehensive general liability, including broad form contractual liability, employment practices coverage, broad form property damage, personal injury, facilities, completed operations, products liability, automobile (covering all vehicles used in the delivery of products from the Unit, including owned, hired and non-owned vehicles) and fire legal liability in the amount of \$5,000,000; (2) all risks coverage for full repair and

replacement value of all of the equipment, fixtures and supplies used in your Unit with an agreed amount endorsement equal to 100% of the property's value; (3) employer's liability, workers' compensation, and any other insurance that may be required by statute or rule of the state or locality in which the Unit is located and operated; (4) business interruption insurance of at least 50% of your annual gross sales excluding payroll, including naming us as an additional insured and loss payee for Royalty Fees that would have been paid by you based on the Unit's Gross Sales during the preceding 12 month period; (5) any insurance coverages required by the terms of the lease for the Unit premises; and, (6) any other insurance coverages we may require in the future. In addition to the foregoing, in connection with any construction, renovation, refurbishment or remodeling of the Unit, you shall maintain Builder's Risks/installation insurance in forms and amounts, and written by a responsible, duly licensed carrier or carriers, reasonably satisfactory to us.

- (6) If we terminate your Franchise Agreement for cause, you must pay us within 15 calendar days after the effective date of termination, liquidated damages equal to the average monthly Royalty Fees you paid or owed to us during the 12 months of operation preceding the effective date of termination multiplied by (a) 12 (being the number of months in 1 full year), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is lower.

**ITEM 7  
ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT  
DEVELOPMENT OF ONE UNIT**

**BRICK AND MORTAR**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be Made</b>
Initial Franchise Fee	\$9,900	Lump Sum	On signing Franchise Agreement	Us
Admin Fee <u>(1)</u>	\$0 - \$3,000	Lump Sum	On signing Franchise Agreement	Us
Unit Opening Fee	\$9,900	Lump Sum	On issuance of Opening Certificate	Us
Leasehold Improvements, Construction Cost <u>(2)</u>	<del>\$3,000</del> <u>\$5,000</u> - \$40,000	As Incurred	As Agreed	Supplier
Licenses and Permits <u>(23)</u>	\$0 - \$3,000	As Incurred	As Agreed	Government Agencies

Column 1	Column 2	Column 3	Column 4	Column 5
Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Rent – 3 months (34)	<del>\$3,000</del> 8,000 - \$30,000	As Incurred	As Agreed	Landlord
Security Deposits (5)	\$0 - \$30,000	As Arranged	As Arranged	Landlord, Utility Companies
Blueprints (46)	<del>\$0</del> 2,000 - \$5,000	As Arranged	As Arranged	Architect, Engineer
Equipment, Furnishings & Fixtures	<del>\$8,000</del> 10,000 - \$18,000	As Arranged	As Incurred	Suppliers
Signage	\$6,000 - \$15,000	As Arranged	As Incurred	Suppliers
Computer System (57)	\$5,000- \$8,000	As Arranged	As Incurred	Suppliers
Travel & Living Expenses While Training	\$5,000 - <del>\$7,000</del> 9,000	Lump Sum	As Incurred	Airline, Hotel, Restaurants, etc.
On-Site Training Meeting Room (6)	\$0 - \$4,000	As Incurred	As Incurred	Landlord
Insurance – 3 Months (79)	\$500 - \$1,000	As Incurred	As Incurred	Insurance Companies
Professional Fees (810)	\$2,000 - \$10,000	As Arranged	As Arranged	Attorney, Accountant
Opening Inventory and Supplies	<del>\$500</del> 1,500 - \$10,000	As Incurred	As Incurred	Suppliers
Initial Inventory of Eyemazy Jewelry (911)	\$1,800	Lump Sum	On signing Franchise Agreement	Us or Eyesight GmbH
Additional Funds – 3 Months (1012)	\$5,000 - \$15,000	As Incurred	As Incurred	Third Parties
<b>TOTAL (1113)</b>	<b><del>\$59,600</del>71,600 to <del>\$220,600</del>222,600</b>			

### KIOSK

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>	<u>Column 5</u>
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
<u>Initial Franchise Fee</u>	<u>\$9,900</u>	<u>Lump Sum</u>	<u>On signing Franchise Agreement</u>	<u>Us</u>
<u>Admin Fee (1)</u>	<u>\$0 - \$3,000</u>	<u>Lump Sum</u>	<u>On signing Franchise Agreement</u>	<u>Us</u>
<u>Unit Opening Fee</u>	<u>\$9,900</u>	<u>Lump Sum</u>	<u>On issuance of Opening Certificate</u>	<u>Us</u>

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>	<u>Column 5</u>
<u>Type of Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is to be Made</u>
<u>Leasehold Improvements, Construction Cost (2)</u>	<u>\$3,000 - \$20,000</u>	<u>As Incurred</u>	<u>As Agreed</u>	<u>Supplier</u>
<u>Licenses and Permits (3)</u>	<u>\$0 - \$3,000</u>	<u>As Incurred</u>	<u>As Agreed</u>	<u>Government Agencies</u>
<u>Rent – 3 months (4)</u>	<u>\$3,000 - \$21,000</u>	<u>As Incurred</u>	<u>As Agreed</u>	<u>Landlord</u>
<u>Security Deposits (5)</u>	<u>\$0 - \$21,000</u>	<u>As Arranged</u>	<u>As Arranged</u>	<u>Landlord, Utility Companies</u>
<u>Blueprints (6)</u>	<u>\$0 - \$5,000</u>	<u>As Arranged</u>	<u>As Arranged</u>	<u>Architect, Engineer</u>
<u>Equipment, Furnishings &amp; Fixtures</u>	<u>\$8,000 - \$12,000</u>	<u>As Arranged</u>	<u>As Incurred</u>	<u>Suppliers</u>
<u>Signage</u>	<u>\$6,000 - \$9,000</u>	<u>As Arranged</u>	<u>As Incurred</u>	<u>Suppliers</u>
<u>Computer System (7)</u>	<u>\$5,000- \$8,000</u>	<u>As Arranged</u>	<u>As Incurred</u>	<u>Suppliers</u>
<u>Travel &amp; Living Expenses While Training</u>	<u>\$5,000 - \$9,000</u>	<u>Lump Sum</u>	<u>As Incurred</u>	<u>Airline, Hotel, Restaurants, etc.</u>
<u>On-Site Training Meeting Room (8)</u>	<u>\$1,000 - \$4,000</u>	<u>As Incurred</u>	<u>As Incurred</u>	<u>Landlord</u>
<u>Insurance – 3 Months (9)</u>	<u>\$500 - \$1,000</u>	<u>As Incurred</u>	<u>As Incurred</u>	<u>Insurance Companies</u>
<u>Professional Fees (10)</u>	<u>\$2,000 - \$10,000</u>	<u>As Arranged</u>	<u>As Arranged</u>	<u>Attorney, Accountant</u>
<u>Opening Inventory and Supplies</u>	<u>\$500 - \$6,000</u>	<u>As Incurred</u>	<u>As Incurred</u>	<u>Suppliers</u>
<u>Initial Inventory of Eyemazy Jewelry (11)</u>	<u>\$1,800</u>	<u>Lump Sum</u>	<u>On signing Franchise Agreement</u>	<u>Us or Eyesight GmbH</u>
<u>Additional Funds – 3 Months (12)</u>	<u>\$5,000 - \$15,000</u>	<u>As Incurred</u>	<u>As Incurred</u>	<u>Third Parties</u>
<b><u>TOTAL (13)</u></b>	<b><u>\$60,600 to \$168,600</u></b>			

In general, none of the expenses listed in the above [chartcharts](#) are refundable, except any security deposits you must pay to third party suppliers may be refundable. We do not finance any portion of your initial investment.

**Notes:**

- 1. Admin Fee.** Factors we consider in determining whether to charge the Admin Fee include whether we incurred legal or administrative costs to register our franchise offering in your state. If charged, the Admin Full Fee must be paid in one lump sum when you signed the Franchise Agreement, will be deemed fully earned when paid, and will not be refundable under any circumstances.

**12.** ***Leasehold Improvements and Construction Costs.*** You may already have an appropriate Unit, or your cost of construction or leasehold improvement for your Unit may be minimal. The cost of construction or leasehold improvements will vary depending on whether you operate a kiosk location or a brick and mortar location, your construction and renovation costs and how many of those costs the landlord will pay (if any). In addition, leasehold improvement and construction costs vary significantly depending on the condition, location, size and configuration of the Unit premises and other factors relating to the geographic location of the business, suppliers, government regulations, labor costs and other considerations. You will contract directly with the construction contractor and possibly other construction suppliers on terms negotiated by you. Generally, the landlord provides the space with demolition complete, exterior walls drywalled; an acoustical drop ceiling; working HVAC; and plumbing and electrical service to the space (i.e., a “white box”), or an equivalent amount of free rent to offset these costs. The contractor will install the leasehold improvements. Leasehold improvements do not include exterior costs. These estimates do not include extraordinary costs such as developing in a historical property or developing from a cold dark shell. Eyemazy Units that operate a kiosk will typically need between 60 and 170 square feet of space and Units that operate as brick and mortar shops will typically need between 200 and 700 square feet of space. Calculations regarding estimates for leasehold improvements, building construction and site work are based upon these square foot estimates. The low end of the range for this estimate assumes a kiosk Unit and the high end of the range assumes a brick and mortar “white box” scenario, where you lease a space in which the landlord provides the “white box” elements described or provides a rent offset associated therewith. We recommend that you do not lease a space unless it is a “conversion” or “white box” scenario; however, if you do, your costs may be significantly higher than estimated here.

**23.** ***Licenses and Permits.*** Our estimate includes the cost of obtaining local business licenses which typically remain in effect for 1 year. The cost of these permits and licenses will vary substantially depending on the location of the Unit and if the permits and licenses are for a kiosk or a brick and mortar shop. [The low end of the range for this estimate will apply if your particular municipality does not charge any license or permit fees, or if you are exempt from obtaining the otherwise required licenses or permits.](#) We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

**34.** ***Rent.*** If you do not own adequate property, you must lease the property for your Unit. Rental costs will vary widely and may be significantly higher than projected in this table depending on factors such as property location, population density, economic climate, prevailing interest rates and other financing costs, conditions of the property and extent of alterations required for the property. You should investigate all of these costs in the area where you wish to establish a Unit. The rent range set forth in the above table reflects the average rental rates in the Philadelphia, Pennsylvania commercial real estate market. As noted, the rental rates in your geographic region may be higher or lower than the estimated range reflected in the table above. Landlords may vary the base rental rate and charge rent based on a percentage of gross sales. In addition to base rent, the lease may require you to pay common area maintenance charges, your pro rata share of the real estate taxes and insurance, and your pro rata share of other charges. The actual amount you pay under the lease will vary depending whether your Unit is a kiosk or brick and mortar, the size of the Unit, the types of charges that are allocated to tenants under the lease, your ability to negotiate with landlords and the prevailing rental rates in the geographic region. If you choose to purchase real property on which to build your Unit, your initial investment will be higher than what we estimate above. If you purchase real property, we cannot estimate how this purchase will affect your total initial investment.

5. ***Security Deposits.*** The cost of a security deposit will vary substantially depending on the location of the Unit and whether you are renting a kiosk or a brick and mortar shop. The low end of the range for this estimate assumes that your landlord or property management company does not charge a security deposit.
- 46.** ***Blueprints.*** We will provide you with one set of our design guidelines for a Unit. If your Unit is a kiosk, you should not incur any costs. If your Unit is a brick and mortar shop, you must employ a qualified, licensed architect and/or engineer, at your expense, to develop the layout, plans and specifications for your Unit and to prepare preliminary plans and specifications for the site improvement and construction of your Unit (which must be based on the design guidelines we furnish to you). You may not use your architect's plans until they have been approved by us. You and your architect and engineer must make sure that the plans comply with all applicable laws, rules, regulations, ordinances and building codes, including any relating to accommodations for disabled persons.
- 57.** ***Computer System.*** You must purchase the required computer hardware, software, internet connections and service, point of sale system, required dedicated telephone and power lines and other computer-related accessories, peripherals and equipment (the "**Computer System**"). You must obtain high-speed communications access for your Computer System. The type and number of computers and other hardware, software, cameras and telecommunications equipment may vary depending on your Unit and may change from time to time. The low end of the range for this estimate assumes the Unit is a kiosk and the high end of the range assumes a brick and mortar shop. We will specify the computer hardware, software and telecommunications equipment in the Manual. These systems may from time to time evolve and change. See Item 11.
- 68.** ***On-Site Training Meeting Room.*** If you do not operate a brick and mortar shop (but instead, a kiosk), you must provide a meeting room or other comparable facility at your sole cost and expense in order to set up the equipment so that we can conduct on-site portion of the Initial Training Program. If you operate a brick and mortar shop instead of a kiosk, you will not incur any cost for an on-site training meeting room, as we will conduct the on-site portion of the Initial Training Program at your brick and mortar shop.
- 79.** ***Insurance.*** This estimate includes the estimated quarterly insurance premium for the insurance policies we require you to maintain. Our insurance requirements are described in Item 8. You should contact your insurance agent and obtain an estimate of your actual insurance costs.
- 810.** ***Professional Fees.*** We strongly recommend that you engage the services of an attorney and/or accountant to assist you in evaluating this franchise offering. You may also wish to use an attorney to assist you in lease negotiations and/or to form an entity to own the franchise. Your costs may vary depending on how much you rely on your chosen advisors and the hourly rates your advisors charge.
- 911.** ***Eyemazy Jewelry.*** You must purchase from us, our affiliate or our designee an initial minimum inventory of Eyemazy Jewelry for resale in your Unit in the amount of approximately \$1,800, payable in one lump sum at the time you sign the Franchise Agreement; however, this is not a maximum and you may purchase a greater quantity of Eyemazy Jewelry than we require if you would like, and/or the costs associated with the Eyemazy Jewelry may increase from time to time, in which case your costs will be greater. In addition, you will be required to purchase additional inventory of Eyemazy Jewelry from time to time in sufficient quantities to satisfy customer demand. See Item 6.

- 1012. *Additional Funds.*** The amount of ~~working capital~~additional funds needed will depend on the time necessary to achieve cash flow to cover operating expenses. This category includes estimated payroll, utilities, vendor, advertising, promotion, Royalty Fees, Global Marketing Fees and similar costs during the initial phase of a new Unit, which we estimate will be 3 months, but we have not included or factored in any sales revenue your Unit may have generated during this period. The amount of funds in this estimate attributable to payroll expenses assumes you have three staff members working across various positions during this period. Shortfalls of capital may arise from independent factors such as labor shortages, delays in construction or delivery and installation of leasehold improvements and equipment; or possible recession. Your costs may depend on the local market for purchasing inventory, supplies and services from vendors and the prevailing wage rate and whether your Unit is a kiosk or a brick and mortar shop.
- 11. *Total***— We relied on our affiliates’ experience in operating and franchising Eyemazy outlets in foreign countries and our own research into the United States market when preparing ~~these estimates~~the estimate for additional funds.
- 13. *Total.*** Your actual costs may vary ~~greatly~~ and will depend on factors such as the size and condition of the space and cost to convert to an Eyemazy Unit, your management skill, experience, and business acumen; local economic conditions; the local market for products; the prevailing wage rate; competition; and the sales level reached during the start-up phase. These are only estimates and your costs may vary based on actual rental prices in your area, and other site-specific requirements or regulations. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We strongly recommend that you use these categories and estimates as a guide to develop your own business plan and budget and investigate specific costs in your market area. We do not provide financing to franchisees either directly or indirectly in connection with their initial investment requirements. The availability and terms of financing obtained from third parties will depend upon such factors as the availability of financing, your creditworthiness, collateral that you may make available, and the policies of local lending institutions.

**YOUR ESTIMATED INITIAL INVESTMENT – AREA DEVELOPER**

<b>YOUR ESTIMATED INITIAL INVESTMENT AREA DEVELOPMENT AGREEMENT FOR BETWEEN 4-10 UNITS</b>				
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be Made</b>
Development Fee (for 4-10 Units) (1)	\$39,600 to \$99,000	Lump Sum	When Area Development Agreement is Signed	Us
Professional Fees – Legal (2)	\$2,500 to \$12,000	As Arranged	As Arranged	Attorney, Accountant
<b>Total (3)</b>	<b>\$42,100 to \$111,000</b>			

- 1. *Development Fee.*** The Development Fee is based on the number of total Units you commit to develop, and will be equal to \$9,900 multiplied by the total number of Units to be developed

product or service of any supplier you propose, whether or not the supplier is then approved by us. We will give you notice of our approval or disapproval within 30 calendar days, and such approval or disapproval will be in our sole discretion. If we test the product or service, you and/or any supplier must reimburse us for all costs and expenses we incur in connection with any testing, plus travel and lodging expenses. If we revoke approval of any supplier, we will give you written notice (in our Manual or otherwise).

### **Proprietary Products**

Prior to commencing operations of your Franchised Business, we will loan you one single proprietary Photobox at no additional charge for use solely and exclusively in connection with the Franchised Business and Unit, which you must use. You shall be solely and exclusively responsible for obtaining and maintaining any and all equipment, licenses and ancillary services needed to connect to, access or otherwise use the Photobox, including, without limitation, modems, hardware, servers, software, operating systems, networking, web servers. The right to use the Photobox lasts only for the duration of the Term of the Franchise Agreement. In addition, at the time of signing the Franchise Agreement, you must purchase from us, our affiliate or our designee an initial minimum inventory of Eyemazy Jewelry in the amount of approximately \$1,800 for resale in your Unit; however, this is not a maximum and you may purchase a greater quantity of Eyemazy Jewelry than we require if you would like. In addition, at all times during the Term of the Franchise Agreement, you must purchase and maintain an amount of inventory of Eyemazy Jewelry in sufficient quantities, as we determine in our reasonable business judgement, in order to satisfy customer demand. In addition to the Photobox and the Eyemazy Jewelry, we reserve the right to require you to purchase any other proprietary programs, products, supplies, equipment, materials and services (collectively, the “**Proprietary Products**”) used, offered or sold at your Unit which now comprise, or in the future may comprise, a part of the System and which were developed by or on behalf of, are proprietary to or are kept secret by us or our affiliates, only from us, our affiliate or designated suppliers. Neither we nor our affiliates are currently designated suppliers or the only suppliers of any Proprietary Products, (except for the Photobox and the Eyemazy Jewelry) but we may be in the future.

### **Relationships with Third-Party Approved Suppliers**

We do not currently, however we reserve the right in the future to, negotiate purchase arrangements with suppliers for the benefit of franchisees and the System at large. We do not currently have a purchasing or distribution cooperative of our own. We provide you with no material benefits (such as granting additional franchises) based on your purchase of particular products or services or use of designated or approved suppliers. We do not provide or withhold material benefits to you (such as the right to renew or to open additional Units) based on whether or not you purchase products through the suppliers we designate or approve; however, purchases of unapproved products or from unapproved suppliers in violation of the Franchise Agreement will be subject to a \$250 per calendar day fee, as well as other remedies available to us under the Franchise Agreement (including termination thereof) and applicable law. None of our officers currently own an interest in any approved supplier, but may in the future.

We estimate that your purchases from us or approved suppliers, or that must conform to our specifications, will represent approximately 70% to 80% of your total purchases in establishing and operating the Unit.

[In the year ending December 31, 2023, we derived no revenue from the sale of Eyemazy Jewelry to our franchisees, as Eyemazy Jewelry had not yet been made available for purchase. We derived no other revenues from our franchisees’ required purchases or leases. In the year ending December 31, 2023, our affiliates derived no revenues from our franchisees’ required purchases or leases.](#)

## ITEM 10 FINANCING

We do not offer, either directly or indirectly, any financing arrangements to you. We do not guarantee your notes, leases or other obligations.

## ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

### **Pre-Opening Obligations**

**Area Development Agreement:** Under the Area Development Agreement we will provide you with the following assistance:

1. We will grant to you development rights to a Development Territory within which you will assume the responsibility to establish and operate an agreed-upon number of Units under separate Franchise Agreements (Area Development Agreement, Sections 3.01 and 6.01). You and we will decide on your Development Territory together, considering factors such as the general locations and neighborhoods and proximity to customers in the Development Territory we are considering; level of tourism, traffic patterns in the Development Territory; co-tenant attractiveness in the sites available in the Development Territory; size of the available spaces in the Development Territory; age and condition of the buildings in which the ~~Unit Locations~~Units might be situated in the Development Territory being considered; the availability of locations and necessary zoning in the Development Territory; and, the location of competitors in the Development Territory. In deciding on the number of Units and the development schedule for opening them, you and we will consider factors such as the potential total number of Units in the Development Territory; how aggressive the opening schedule should be; your experience, if any, in the industry; your experience in franchising; and, the capital commitment you are able and willing to make. If you and we do not agree on the Development Territory, the number of Units to be opened and the development schedule, then you and we will not sign an Area Development Agreement.

2. Under the Franchise Agreements, perform the training, instruction, assistance and other activities and services for which the Franchise Agreements provide. (Area Development Agreement, Section 8.01).

**Franchise Agreement:** Before the opening of a Unit, we will provide the following assistance and services:

1. Our written site selection guidelines ~~and the site selection assistance we deem advisable.~~ (Franchise Agreement, Section 2.2.) The criteria we use when evaluating a site you propose includes: general location and neighborhood, level of tourism, traffic patterns, parking, size, physical characteristics of existing buildings, ease of access to the location, level of foot traffic, visibility to the site, co-tenants within the building, lease terms, level of competition in the area, and demographic characteristics such as income levels, household size, population density and ethnic mix. Once we have approved the location for your Unit, we will determine the boundaries of your Designated Territory, if applicable.

2. We will loan you the design guidelines for a Unit. (Franchise Agreement, Section 2.4.1)
3. We will loan you the Manual, ~~which we may revise~~ during the term of your Franchise Agreement. (Franchise Agreement, Section 5.2)
4. We will loan you one Photobox for your Unit and sell you an initial inventory of Eyemazy Jewelry. (Franchise Agreement, Sections 5.9 and 5.10)
5. Our Initial Training Program. (Franchise Agreement, Section 5.3)
6. Review of your proposed annual advertising budget and plan. (Franchise Agreement, Section 8.6.)
7. Our On-Site Opening Assistance. (Franchise Agreement, Section 5.4).

### Continuing Obligations

Franchise Agreement: During the operation of a Unit, we will provide the following assistance and services:

1. Review of your annual advertising plan, which must be submitted to us by not later than December 1st of each year for the next year. (Franchise Agreement, Section 8.6.)
2. Advice and written materials (including updates to the Manual) concerning techniques of managing and operating the Unit. (Franchise Agreement, Section 5.2.)
3. Administration of the Global Marketing Fund, if and when established. (Franchise Agreement, Section 8.4.)
4. Provide continuing technical and operational support to ensure that the Photobox and editing hardware and software are functioning correctly and, if the Eyemazy Jewelry remains a part of our System, continue to sell you the Eyemazy Jewelry for resale. (Franchise Agreement, Sections 5.9 and 5.10.)

### Other Assistance

Franchise Agreement: During the term of the Franchise Agreement, we may provide the following assistance and services:

1. Site selection assistance. (Franchise Agreement, Section 2.2)
2. Revise the Manual. (Franchise Agreement, Section 5.2)

83. We have no obligation to assist you in establishing prices for products and services. However, if we determine to do so, we may exercise rights concerning franchisee pricing of products and services to the fullest extent permitted by then-applicable law. These rights may include, for example prescribing the maximum and/or minimum retail prices which you may charge customers; recommending the prices you charge customers; advertising specific retail prices for some or all products or services sold by your Unit, which prices you will be compelled to observe; engaging in marketing, promotional and related campaigns which you must participate in and which may directly or indirectly impact your retail prices; and, otherwise mandating, directly or indirectly, the maximum and/or minimum

retail prices which your Unit may charge the public. We may do so only in certain geographic areas (cities, states, regions) and not others, or with regard to certain groups of franchisees and not others. Any maximum, minimum or other prices we prescribe or suggest may or may not optimize the revenues or profitability of your Unit.. (Franchise Agreement, Section 5.8)-

### **Continuing Obligations**

~~Franchise Agreement: During the operation of a Unit, we will provide the following assistance and services:~~

~~14.~~ As we reasonably determine necessary, visits to and evaluations of the Unit and the products and services provided to make sure that our high standards of quality, appearance and service of the System are maintained. (Franchise Agreement, Sections 5.4, 5.6 and 7.18.)

~~2. Review of your annual advertising plan, which must be submitted to us by not later than December 1st of each year for the next year. (Franchise Agreement, Section 8.6.)~~

~~3. Advice and written materials (including updates to the Manual) concerning techniques of managing and operating the Unit. (Franchise Agreement, Section 5.2.)~~

~~45.~~ Training programs and seminars and other related activities regarding the operation of the Unit as we may conduct for you or Unit personnel generally, which may be mandatory for you, your Keyperson, your General Manager, and other designated personnel. (Franchise Agreement, Section 5.4.)

~~56.~~ At your request or if we determine it is necessary, additional on-site training at your Unit. You must pay our daily fee for each trainer, as well as reimburse each trainer's expenses. (Franchise Agreement, Sections 5.4 and 5.6.)

~~6. Administration of the Global Marketing Fund, if and when established. (Franchise Agreement, Section 8.4.)~~

7. Continue, if we determine to do so, to engage in the pricing activities described above in this Item 11. (Franchise Agreement, Section 5.8.)

~~8. Provide continuing technical and operational support to ensure that the Photobox and editing hardware and software and functioning correctly and, if the Eyemazy Jewelry remains a part of our System, continue to sell you the Eyemazy Jewelry for resale. (Franchise Agreement, Sections 5.9 and 5.10.)~~ We have no obligation to provide assistance with providing equipment, signs, fixtures, opening inventory, and supplies.

9. We have no obligation to provide assistance with conforming the premises to local ordinances and building codes and obtaining any required permits, and/or constructing, remodeling, or decorating the premises, and/or hiring and training employees.

**Global Marketing Fund:** We reserve the right to establish a Global Marketing Fund for the purpose of advertising the System on a regional, national or international basis. When established, you must contribute 1% of your Unit's Gross Sales to the Global Marketing Fund (the "Fund"). Eyemazy Units that we and our affiliates own may (but need not) contribute to the Fund on the same basis as franchisees. In addition, we may (but are not required to) contribute money that we receive from certain approved suppliers to the Fund, but this does not reduce the Global Marketing Fee that you must pay. As of the issuance date of this Disclosure Document, we have not yet established a Fund, therefore we have not collected or spent any Global Marketing Fees. If established, we will not use any portion of the Fund contributions to solicit new franchise sales.

of these meetings. We have the right to designate that attendance at any franchisee meeting is mandatory for you, your Keyperson, General Manager, and/or other Unit personnel.

***Field Support Services***

After you open your Unit, we may from time to time offer you field support services, supervision and/or assistance that we consider advisable through on-site visits, telephonic, electronic or other communication modes. You may also at any time communicate with our headquarters for consultation and guidance with respect to the operation and management of your Unit. The timing of our field support and headquarter consultation services will be subject to the availability of our personnel. We are not obligated to provide additional field support services, supervision and/or assistance, but if we consider it advisable and we elect to do so, you may be required to pay our then-current additional per diem or hourly fee for such additional support services and assistance, plus our costs if provided through an on-site visit.

**Confidential Operations Manual:** The following is the Table of Contents for our Manual as of the date of this Disclosure Document:

<b>Topic</b>	<b>Pages</b>
Introduction	26
Establishing the Franchise	42
Managing the Franchise	23
Marketing & Advertising	31
Code of Conduct	19
HR Policies & Procedures	83
Standard Operating Procedures	59
Shop / Kiosk Design Manual	41
<b>Total</b>	<b>324</b>

**Site Selection and Opening:** You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Unit and for constructing and equipping the Unit at the accepted site. We generally do not own the premises and lease it to you. You will select the site for the Unit subject to our approval and using our site submittal forms and/or criteria. The Unit may not be relocated without first obtaining our written consent and payment of our relocation fee. The Unit site you select must satisfy our site selection guidelines. If you request that we conduct an on-site evaluation, then before we conduct the on-site evaluation, you must submit to us in the form we specify a description of the site, including evidence that the site satisfies our site selection guidelines, together with other information and materials that we may reasonably require, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site. For any on-site evaluation or other location assistance, you must pay our then-current per diem fee and reimburse our costs related to the evaluation, such as travel and living expenses while conducting the evaluation of the site.

You must submit information and materials for the proposed site to us for approval no later than 180 calendar days after you have signed the Franchise Agreement. Once you have submitted all information and materials for the proposed site that we require in order for us to evaluate the proposed site, we will endeavor to approve or disapprove of the proposed site within seven days. If we do not provide our specific approval of a proposed site, the site is deemed not approved. Our approval of your Unit site only means that the site has met our minimum requirements for an Eyemazy Unit and does not mean or imply anything else. If you are unable to locate a site for your Unit within 180 calendar days after you sign the Franchise Agreement, we have the right to terminate your Franchise Agreement and keep the entire Initial Franchise Fee. If we cannot agree on a proposed site within 180 calendar days

after you sign the Franchise Agreement, we may elect to terminate the Franchise Agreement and keep the entire Initial Franchise Fee.

We estimate that the time from when the Franchise Agreement is signed to the opening of the Unit will be approximately between 2 and 5 months. This time may be shorter or longer depending on the time necessary to obtain an accepted site, to obtain financing, to obtain the permits and licenses for the construction and operation of the Unit, to complete construction or remodeling as it may be affected by weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the Unit, including decorating, purchasing and installing fixtures, equipment and signs, and to complete preparation for operating the Unit, including purchasing inventory and supplies. You must open the Unit and begin business within 12 months after: (i) the effective date of the Franchise Agreement, or (ii) the date that we approved the site for the Unit, whichever occurs first. If the Unit is not open within this timeframe, then (in addition to other remedies available to us under applicable law) we may immediately terminate the Franchise Agreement with no opportunity to cure.

If you are an area developer, you must sign your first Franchise Agreement at the same time you sign the Area Development Agreement and must open each franchised Unit by the deadline set forth in the Development Schedule you and we mutually upon. If the Unit is not open within the deadlines set forth in such Development Schedule, then (in addition to other remedies available to us under applicable law), we will have the right (but not the obligation) to: (i) reduce, in whole or in part, the size of the Development Territory within which you will have rights; and/or (ii) reduce, in whole or in part, the total number of Units that you will have the right to develop; and/or (iii) require you to pay us the Unit Opening Fee in respect of each Unit that you failed to open in time in accordance with Development Schedule (the “**Phantom Unit Opening Fee**”), at which point in time you will be deemed to have cured your breach for a period of six (6) months, during which period you will use your best endeavors to open the relevant number of Units by the relevant deadlines; however, if you fail to do so, you will again be deemed to have failed to comply with the Development Schedule and we reserve all of our rights under this Section; or, (iv) terminate the Area Development Agreement.

**Computer, Software and Point of Sale System:** Before commencing the operation of your Unit, you must purchase any back office and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at the Unit that we may designate, including Point of Sale Systems; Webshop; physical, electronic, and other security systems; printers and other peripheral devices; archival back-up systems; and internet access mode and speed (collectively, the “**Computer System**”). You shall record all sales on computer-based point of sale systems approved by us or on such other types of systems as may be designated by us in the Manual or otherwise in writing (“**Point of Sale Systems**”), which shall be deemed part of your Computer System. We will have independent access to Computer System and we may retrieve from Computer System all information that we consider necessary, desirable or appropriate.

You must obtain and maintain high-speed communications access, such as broadband, DSL or other high-speed capacity that we require for your Computer System. You must provide all assistance we require to bring your Computer System online with our computers at the earliest possible time and to maintain these connections as we require. You must input and maintain in your Computer System all data and information which we prescribe in our Manual and otherwise. Your Computer System will contain all data pertaining to your Unit, and all data created or collected by you in connection with the System, or in connection with your operation of the Unit, including data pertaining to the Unit’s customers. We may retrieve from your Computer System all information that we consider necessary, desirable or appropriate. We will bear the costs of this information retrieval. You must accurately, consistently and completely record, structure, capture and provide through the Computer System all information concerning the operation of the Unit that we require, in the form and at the intervals that we require. You also must

maintain at all times a functioning e-mail address for your Franchised Business, which we may provide to you.

The following is a general description of our Computer System that you must purchase and maintain for each Unit: 1 desktop computer of a make and model that we designate; 1-2 computer screen of a make and model that we designate; 2 printers of a make and model that we designate; 1 label + 1 receipt printer of a make and model that we designate; 1 Microsoft Office current; 1 tablet of a make and model that we designate to capture customer order details; and, 1 Point of Sale System. We expect that the Computer System will cost approximately between \$5,000 and \$8,000 and may require additional annual software licensing fees of approximately \$220 to \$380. Our specific requirements for the hardware and software components of the Computer System (which we may, in our sole discretion, update from time to time) will be included in our Manual. We do not anticipate that you will have to purchase a maintenance contract for your Computer System.

We shall have the right, but not the obligation, to develop or have developed for us, or to designate computer software programs, proprietary photoshop and other computer software scripts, and accounting system software that you must use in connection with the Computer System, including the Photobox and those software programs and systems made available through Eyemazy Hub (“**Required Software**”), which you shall install; updates, supplements, modifications, or enhancements to the Required Software, which you shall install; the tangible media upon which you shall record data; and the database file structure of your Computer System.

You must, at your expense, keep your Computer System in good maintenance and repair. You shall make, from time to time, such upgrades and other changes to the Computer System and Required Software as we may require in writing (collectively, “**Computer Upgrades**”). We may also mandate that you add memory, ports, accessories, peripheral equipment and additional, new or substitute software. Following our testing and determination that it will prove economically or systemically beneficial to you and to us, you agree to install at your own expense the additions, modifications, substitutions and/or replacements to your Computer System hardware, software, telephone and power lines and other Computer System facilities as we direct, on the dates and within the times we specify in our Manual or otherwise. You shall comply with all specifications issued by us with respect to the Computer System and the Required Software, and with respect to Computer Upgrades. You shall also afford us unimpeded access to your Computer System and Required Software as we may request, in the manner, form, and at the times requested by us. The Franchise Agreement does not limit our ability to require you to update and/or upgrade your Computer System and Required Software or the cost of any update and/or upgrade. [We estimate that you will not have to spend any money on optional or required maintenance, updating, Computer Upgrades, or support contracts for your Computer System on an annual basis.](#)

## ITEM 12 TERRITORY

**Franchise Agreement:** Under the Franchise Agreement we grant you the right to operate a Unit at a specific location that we have approved. You will select the site for the Unit subject to our approval and using our site submittal forms and/or criteria. The Franchise Agreement does not grant you any territorial rights beyond whatever geographic radius is listed in the Franchise Agreement. The designated geographical territory (“**Designated Territory**”) will depend on whether your Unit will be located in a rural, urban or a suburban setting. If your Unit is located in a rural setting, you will be granted a radius of 20 miles; if your Unit is in a urban setting, you will be granted a radius of 1 mile; and, if your Unit is in a suburban setting, you will be granted a radius of 3 miles, as we determine in our sole judgment. The actual boundaries of your Designated Territory will not be determined until the location for your Unit has been determined. There is no limitation on your right to solicit customers outside of your Designated

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 3.1	Five (5) years, unless terminated earlier.
b. Renewal or extension of the term	Section 3.2	If you meet our conditions for renewal, you may renew your franchise for one (1) additional five (5) year term.
c. Requirements for franchisee to renew or extend	Section 3.2	<p>You must: enter into our then-current renewal franchise agreement; be current with all obligation and have fully complied with the Franchise Agreement; renovate, remodel, and/or upgrade your Unit to conform with our then-current standards; comply with our then-current training requirements; pay the then-current renewal fee; have the right to renew the lease for your Unit or lease an acceptable substitute location; sign our then-current general release; and any other conditions that we require of renewing franchisees.</p> <p>You may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous Franchise Agreement, except that the boundaries of your Designated Territory will remain the same; you will have no addition right to renew; and, the Royalty Fee on renewal will not be greater than the Royalty Fee that we then impose on similarly situated renewing franchisees</p>
d. Termination by franchisee	Not applicable	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with “cause”	17.1, 17.2 and 17.3	We <del>can</del> may terminate your Franchise Agreement <del>and Multi-Unit</del> <u>if you fail to cure a curable default or for a non-curable default. The Franchise Agreement contains a cross-default provision, by which we may terminate the Area Development Agreement if you default under the Franchise Agreement.</u>
g. “Cause” defined – curable defaults	17.3	Curable defaults include, without limitation: non-payment of fees; failure to timely submit requisite financial and non-financial reports or other information; offer or sale of unauthorized

Provision	Section in Franchise Agreement	Summary
		<p>programs, products or services; failure to maintain trade accounts; engage in business under a confusingly similar trademark; fail to pay taxes when due; unauthorized use of Proprietary Marks; violation of advertising restrictions; failure to indemnify us as required; violation of laws in connection with the operation of your Unit; failure to maintain required permits or approvals; hire employee not eligible to work in the U.S.; failure to operate Unit during designated hours of operations; failure to maintain Unit in good and clean condition; Guarantor’s failure to comply with Guaranty; failure to devote time and best efforts to the operation of the Franchised Business; failure to comply with new or changed System requirements; failure to satisfy or appeal a judgment against you within 30 calendar days; unauthorized disclosure of Confidential Information and failure to obtain executed Confidentiality/Non-Competition Agreements as required; failure to propose qualified replacement for your General Manager; failure to procure and maintain requisite insurance policies; failure to obtain our consent when required; failure to maintain or observe our prescribed standards, specifications or procedures; failure to meet our standards, specifications or procedures; or failure to meet any other requirements of the Franchise Agreement not listed in Sections 17.1 and 17.2; with the exception of non-payment defaults, you typically have 30 calendar days to cure a default. <a href="#"><u>If we terminate your Franchise Agreement for a curable default, we may exercise the cross-default provision to terminate your Area Development Agreement.</u></a></p>
h. “Cause” defined – non-curable defaults	17.1 and 17.2	<p>Non-curable defaults include, but are not limited to: general assignment for benefit of creditors; bankruptcy; appointment of a receiver; dissolution; or levy/execution on assets; sale of unauthorized products or services; failure to acquire Accepted Location within the required time; failure to construct Unit in accordance with approved plans; failure</p>

Provision	Section in Franchise Agreement	Summary
		<p>to remodel Unit as we specify; failure to open Unit within the required time; abandonment or loss of right to possess premises of Unit; plea to or conviction of a felony; threat or danger to public health or safety; unauthorized transfer; failure to comply with in-term covenants; failure to transfer upon death or disability; willfully maintaining false book or records; material breach of Article 6 of the Franchise Agreement; misuse or unauthorized use of the Proprietary Marks; three (3) or more repeated defaults within a 12 month period; failure for General Manager to complete training; failure to comply with applicable laws and ordinances relating to Unit; omission or misrepresentation of a material fact; mutually agreement to terminate in writing; failure to maintain financial records required under Section 11.1; understatement of (i) 2% or more on 3 separate occasions within any 36 month period or (ii) 5% or more for any month within a reporting period and/or any entire reporting period; refusal to permit us to conduct an inspection, operational or financial audit; misappropriation of employee withholdings; repeat same default within six (6) months from curing it; willfully misrepresent or failure to make material disclosure required by any governmental or quasi-governmental authority; interfere with (or attempt to interfere with) our relationship with other franchisees and/or suppliers; engage in conduct that subjects you and/or us to ridicule or derision; breach of our advertising standards and failure to cure in three (3) calendar days; unauthorized use of Confidential Information for another party's benefit; breach lease or sublease for Unit and failure to cure such breach within the time frame designated in said lease or sublease; fail to satisfy the Minimum Monthly Payment target; or engage in any other conduct that permits us to immediately terminate you upon notice.</p> <p><del>If we terminate In addition, if your Multi Unit Development Franchise Agreement is terminated for a reason other than your failure to satisfy your Development Schedule for a</del></p>

Provision	Section in Franchise Agreement	Summary
		<p><u>curable default</u>, we may exercise the cross-default provision to terminate your <u>Franchise Area Development</u> Agreement.</p>
<p>i. Franchisee’s obligations on termination/non-renewal</p>	<p>18.1 and 18.3</p>	<p>You must: immediately pay all amounts due to us or our affiliates; cease operation of Unit and use of all Proprietary Marks and System; cancel any assumed name that contains any Proprietary Marks; de-identify Unit; execute all agreements necessary to effectuate termination; transfer or redirect phone number; return the Manual and all other proprietary materials; comply with confidentiality requirements; comply with all post-term covenants not to compete; furnish an itemized list of all advertising and sales promotion materials bearing any Priority Marks; and pay liquidated damages (if applicable). We have an option to acquire your assets.</p>
<p>j. Assignment of contract by franchisor</p>	<p>14.1</p>	<p>No restrictions on our right to assign.</p>
<p>k. “Transfer” by franchisee – defined</p>	<p>14.2</p>	<p>Includes sale, assignment, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Unit or you (if you are not a natural person)</p>
<p>l. Franchisor approval of transfer by franchisee</p>	<p>14.2</p>	<p>We have the absolute right to approve all transfers but will not unreasonably without our consent.</p>
<p>m. Conditions for franchisor approval of transfer</p>	<p>14.4.1</p>	<p>You must pay all amounts due us or our affiliates, cure any existing defaults, sign a general release, pay a transfer fee, furnish us with a copy of the assignment/transfer agreement and execute documents evidencing liabilities prior to transfer. Transferee must meet our established qualifications as listed, satisfactorily complete training, sign current Franchise Agreement, sign a guaranty, obtain all permits, licenses and consents to operate the Unit, and remodel the Unit, if we require. Each owner and guarantor of transferee must interview with us and comply with our noncompetition restrictions. The Total Sales Price for the assignment/transfer must, in our business judgment, be acceptable to us. The</p>

Provision	Section in Franchise Agreement	Summary
		representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	24.11.4	Litigation to be brought in the state, county and judicial district in which our principal place of business is located, <a href="#">which is currently Dover, Delaware</a> (subject to state law).
v. Choice of forum	24.11.4	The state, county and judicial district in which our principal place of business is located, <a href="#">which is currently Dover, Delaware</a> (subject to <a href="#">applicable</a> state law).
w. Choice of law	24.11.3	Delaware law applies (subject to <a href="#">applicable</a> state law)

#### THE AREA DEVELOPMENT RELATIONSHIP

Provision	Section in Area Development Agreement	Summary
a. Length of the Area Development Agreement term	4.01	Until the execution of the last Franchise Agreement pursuant to the Development Schedule.
b. Renewal or extension of the term	4.01	No right to renew.
c. Requirements for area developer to renew or extend	Not applicable	Not applicable.
d. Termination area developer	Not applicable	The Agreement does not provide for this. But you may seek to terminate on any grounds available to you at law.
e. Termination by franchisor without cause	Not applicable	Not applicable.

Provision	Section in Area Development Agreement	Summary
f. Termination by franchisor with cause	15.01, 15.02 and 15.03	We <del>can terminate</del> <u>may terminate your Area Development Agreement if you fail to cure a curable default or for a non-curable default. The Area Development Agreement contains a cross-default provision, by which we may terminate the Franchise Agreement if you default under the Area Development Agreement</u> <del>and (for a breach other than failure to satisfy the Development Schedule) your Franchise Agreement(s) if you default.</del>
g. “Cause” defined – curable defaults	15.03	Except for defaults described in h. below, you have 15 calendar days to cure any default under the Area Development Agreement. <u>If we terminate your Area Development Agreement for a curable default, we may exercise the cross-default provision to terminate your Franchise Agreement.</u>
h. “Cause” defined – non-curable defaults	15.01 and 15.02	Non-curable defaults include, but are not limited to: general assignment for benefit of creditors, bankruptcy, appointment of a receiver, dissolution, levy/execution on assets; omission or misrepresentation of material fact; upon mutual agreement by the parties; plea to or conviction of a felony; unauthorized transfer; any involvement with a competitive business; unauthorized use of confidential information; failure to obtain executed confidentiality/noncompetition agreement; unauthorized duplication of Confidential Information; willfully misrepresent or failure to make material disclosure required by any governmental or quasi-governmental authority; use or duplicate any aspect of the System without authorization; engage in business under marks confusingly similar to Proprietary Marks; engage in conduct that reflects materially and unfavorably upon our reputation, the System or the Units; or failure to meet Development Schedule. <del>In addition, if</del> <u>If we terminate your Franchise Area Development Agreement for a non-curable default,</u> we may exercise the cross-default provision to terminate your <del>Area Development</del> <u>Franchise</u> Agreement.

Provision	Section in Area Development Agreement	Summary
p. Death or disability of area developer	12.04	On the death or disability of a Key Equity Holder, the rights of such deceased or disabled person shall pass to his or her "Estate". The Estate may continue to operate the Area Development Business if the Estate provides a qualified individual to serve as Area Development Manager and the individual assume full-time supervision of Area Development Business within one (1) month of the Key Equity Holder's death or disability. Failure to designate a new Area Development Manager within one (1) month shall a material breach of Area Development Agreement.
q. Non-competition covenants during the term of the franchise	11.01	No diversion of any business to any competitor and no interest in any competing business anywhere (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	11.01	No involvement in competing business for two (2) years within your Development Territory, within a 10-mile radius of the perimeter of your Development Territory or within a 10-mile radius of the perimeter of (or within) any then-existing Eyemazy Unit (whether company-owned, franchised or otherwise established and operated). No diversion of business to any competitor (subject to state law).
s. Modification of the agreement	18.05	No modifications except, in writing, by mutual agreement of the parties.
t. Integration/merger clause	18.05	Only the terms of the Area Development Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	18.13	Litigation to be brought in the state, county and judicial district in which our principal place of business is located, <a href="#">which is currently Dover, Delaware</a> (subject to state law).
v. Choice of forum	18.13	The state, county and judicial district in which our principal place of business is located, <a href="#">which is currently Dover, Delaware</a> (subject to <a href="#">applicable</a> state law).

Provision	Section in Area Development Agreement	Summary
w. Choice of law	18.12	Delaware law applies (subject to <a href="#">applicable</a> state law)

**ITEM 18  
PUBLIC FIGURES**

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

**ITEM 19  
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

We do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Rafaela Meneghetti at [rafaela@eyemazy.com](mailto:rafaela@eyemazy.com), with attention to Tobias Müller, and at Prime Tower, Office 804, Business Bay, Dubai, United Arab Emirates, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1  
Systemwide Outlet Summary  
For years 2021 - 2023**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	2	+2
Company-Owned *	2021	0	0	0
	2022	0	0	0

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
	2023	0	0	0
<b>Total Outlets</b>	2021	0	0	0
	2022	0	0	0
	2023	0	2	+2

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2021 – 2023**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
All States	2021	0
	2022	0
	2023	0
<b>Total</b>	2021	0
	2022	0
	2023	0

**Table No. 3**  
**Status of Franchised Outlets**  
**For years 2021 – 2023**

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Terminations	Col 6 Non-Rene wals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations – Other Reasons	Col 9 Outlets at End of the Year
Pennsylvania	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
New Jersey	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
All Other States	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	20	0	0	0	0	20
<b>Total</b>	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2

**Table No. 4**  
**Status of Company-Owned Outlets\***  
**For years 2021 – 2023**

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Outlets Reacquired from Franchisee	Col 6 Outlets Closed	Col 7 Outlets Sold to Franchisee	Col 8 Outlets at End of the Year
All States	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
<b>Total</b>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

**Table No. 5**  
**Projected Openings as of December 31, 2023**

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Open	Column 3 Projected New Franchised Outlets In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlets In The Next Fiscal Year
South Carolina	1	1	0
Texas	1	1	0
All States	0	0	0
Total	2	2	0

Exhibit I sets forth a list of all of our current franchisees as of the Issuance Date of this Disclosure Document. As of the issuance date of this Disclosure Document, we have no franchisees who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the a franchise agreement with us during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document; and no franchisees have signed confidentiality clauses during the past three fiscal years that would restrict their ability to speak openly about their experiences with the System.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are currently no trademark-specific organizations formed by our franchisees that are associated with Eyemazy System.

franchise or license those other businesses and/or facilities under any names or marks, including the Proprietary Marks, regardless of the location of these businesses and/or facilities, which may be within the Designated Territory or immediately proximate to the Designated Territory.

1.7.4 You waive and release any claims, demands or damages arising from or related to any of the above activities and promise never to begin or join in any legal action or proceeding, ~~or register a complaint with any governmental entity,~~ directly or indirectly contending otherwise.

**1.8 Forms of Agreement.** You acknowledge that, over time, we have entered, and will continue to enter, into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that we and other franchisees may have different rights and obligations does not affect our or your duties to comply with the terms of this Agreement.

## **ARTICLE II**

### **SITE SELECTION, PLANS AND CONSTRUCTION**

**2.1 Your Responsibility to Locate a Site.** You assume all cost, liability, expense and responsibility for locating, obtaining and developing a site for the Unit within the Designated Territory, and for constructing and equipping the Unit at such site. You shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Unit unless the site is accepted by us as set forth below. You acknowledge that the location, selection, procurement and development of a site for the Unit is your responsibility; that in discharging such responsibility you shall consult with real estate and other professionals of your choosing; and, that our acceptance of a prospective site and the rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by us that the Unit operated at that site will be profitable or otherwise successful.

#### **2.2 Site Selection.**

2.2.1 If you have suggested a site which we have approved before the execution of this Agreement, then the address of that site will be set forth on Exhibit A to this Agreement as the Accepted Location. If not, then the following provisions will apply:

2.2.2 Prior to acquiring by lease or purchase a site for the Unit, but within one hundred eighty (180) calendar days of the Effective Date this Agreement, you shall locate a site for the Unit that satisfies the site selection guidelines we provide to you and you shall submit to us in the form specified by us a description of the site, including evidence reasonably satisfactory to us demonstrating that the site satisfies our then-current site selection guidelines, together with such other information and materials as we may reasonably require, including, but not limited to, maps, completed checklists, photographs, diagrams of the premises with measurements, a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. You agree to use your best efforts to find an acceptable site. If you are unable to locate a site for your Unit within the time limits and following the procedures specified in this Section 2.2, then this failure will be a material and incurable breach of this Agreement.

**EXHIBIT F TO THE FRANCHISE AGREEMENT**  
**FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT**

**IF YOU ARE A CALIFORNIA FRANCHISEE, YOU SHOULD NOT COMPLETE OR SIGN ~~THE~~ THIS DOCUMENT.**

**IF YOU ARE A WASHINGTON FRANCHISEE, YOU SHOULD NOT COMPLETE OR SIGN THIS DOCUMENT.**

As you know, EYEMAZY FRANCHISING USA INC. (the “Franchisor”) and you are preparing to enter into a franchise agreement (the “Franchise Agreement”) for the establishment and operation of an Eyemazy franchised business (the “Franchised Business”). The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor. If you are a California franchisee, please do not answer Questions 9-15; if you do, Franchisor will destroy and disregard it.

In the event that you are intending to purchase an existing Franchised Business from an existing franchisee, you may have received information from the transferring franchisee, who is not an employee or representative of Franchisor. The questions below do not apply to any communications that you had with the transferring franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes/No \_\_\_\_\_

2. I had my first face-to-face meeting with a Franchisor representative on \_\_\_\_\_.

3. Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes/No \_\_\_\_\_

4. Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes/No \_\_\_\_\_

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary.)

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## FRANCHISE AGREEMENT ADDENDUM FOR CALIFORNIA

This Addendum to the Franchise Agreement dated as of \_\_\_\_\_ between Eyemazy Franchising USA Inc. (“Franchisor,” “we” or “us”) and \_\_\_\_\_ (“Franchisee,” “you” or “your”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (a) the offer or sale of the franchise to Franchisee was made in the State of California; (b) Franchisee is a resident of the State of California; and/or (c) the Unit will be located or operated in the State of California.

2. The California Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business.

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

34. Any capitalized terms that are not defined in this Addendum will have the meaning given them in the Franchise Agreement.

45. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the California Franchise Investment Law are met independently of this Addendum.

56. The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

67. The following sentence is hereby stricken from Article XXV of the Franchise Agreement for, and does not apply to, California franchisees: “YOU ACKNOWLEDGE THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO YOU OTHER THAN THOSE SET FORTH IN OUR FRANCHISE DISCLOSURE DOCUMENT OR IN THIS AGREEMENT, AND THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO YOU, YOU HAVE NOT RELIED AND ARE NOT RELYING ON THEM.”

78. California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

89. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**FRANCHISEE:**

**FRANCHISOR:**

**EYEMAZY FRANCHISING USA INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## FRANCHISE AGREEMENT ADDENDUM FOR MINNESOTA

This Addendum to the Franchise Agreement dated as of \_\_\_\_\_ (“Franchise Agreement”) between Eyemazy Franchising USA Inc. (“Franchisor,” “you” or “us”) and \_\_\_\_\_ (“Franchisee,” “you” or “your”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (a) the offer or sale of the franchise to Franchisee was made in the State of Minnesota; (b) Franchisee is a resident of the State of Minnesota; and/or (c) the Unit will be located or operated in the State of Minnesota.

2. The following sentence is added to the end of Section 3.2.1 and Section 14.4:

Notwithstanding the foregoing, you will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

3. The following sentence is added to the end of Section 4.1 of the Franchise Agreement:

“We will defer all initial franchise fees owed to us by you until such time as all initial obligations owed to you have been fulfilled by us and you have commenced business operations. This deferral is imposed by the Minnesota Securities Registration Division due to our financial condition.”

4. The following sentence is added to the end of Article III and Article XVII:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of franchise agreements.

45. The following sentences are added to the end of Section 24.11.4:

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 agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

56. The following sentence is added to the end of Section 24.11.7:

Minnesota Statute § 80C.17, Subdivision 5, provides that no action may be commenced pursuant to that Section more than three years after the cause of action accrues.

67. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will have the effect of: (a) waiving any claims under any applicable state franchise law, including fraud in the inducement; or (b) disclaiming reliance on any statement made by any franchisor, franchise seller or other

person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**78.** The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Act and the Rules and Regulation promulgated thereunder are met independently of this Addendum.

**89.** Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

**910.** Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**FRANCHISEE:**

**FRANCHISOR:  
EYEMAZY FRANCHISING USA INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## FRANCHISE AGREEMENT ADDENDUM FOR WASHINGTON

This Addendum to the Franchise Agreement dated as of \_\_\_\_\_ between Eyemazy Franchising USA Inc. (“Franchisor,” “we” or “us”) and \_\_\_\_\_ (“Franchisee,” “you” or “your”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The following sentence is added to the end of Section 4.1 of the Franchise Agreement:

“We will defer all initial franchise fees owed to us by you until such time as all initial obligations owed to you have been fulfilled by us and you have commenced business operations. This deferral is imposed by the Washington Securities Division due to our financial condition.”

2. The following sentence is removed from Section 10.23 of the Franchise Agreement:

“The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect our goodwill or other business interests.”

3. The following sentence is added to the end of Article XV of the Franchise Agreement:

“Franchisees have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party’s negligence, willful misconduct, strict liability, or fraud.”

4. Section 22.1 of the Franchise Agreement does not apply in Washington.

5. The following phrase is removed from Section 24.2 of the Franchise Agreement:

“that, if they nevertheless do, you have not relied on any such financial performance information given to you by any such individual;”

6. The following phrase is removed from Section 24.3 of the Franchise Agreement:

“(or, if they were, that you are not relying and will not rely on any such oral promise)”

7. The following sentence is removed from Section 24.3 of the Franchise Agreement:

“You understand and assume the business risks inherent in this enterprise.

8. The following sentence is added to the end of Section 24.13 of the Franchise Agreement:

“For the avoidance of doubt, this Section 24.13 of the Franchise Agreement does not modify our duty to deal with franchisees in good faith under RCW 19.100.180(1).”

9. The following sentence is hereby stricken from Article XXV of the Franchise Agreement for, and does not apply to, Washington franchisees: “YOU ACKNOWLEDGE THAT NO

REPRESENTATIONS OR PROMISES WERE MADE TO YOU OTHER THAN THOSE SET FORTH IN OUR FRANCHISE DISCLOSURE DOCUMENT OR IN THIS AGREEMENT, AND THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO YOU, YOU HAVE NOT RELIED AND ARE NOT RELYING ON THEM.”

10. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

211. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

312. 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.

413. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

514. Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

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

716. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from: (a) soliciting or hiring any employee of a franchisee of the same franchisor; or (b) 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.

reservations; casinos; or any similar captive market or any other location to which access to the general public is restricted. You understand and acknowledge that if any Non-Traditional Site is located within the physical boundaries of your Development Territory, then the premises of this Non-Traditional Site will not be included in your Development Territory and you will have no rights to this Non-Traditional Site.

(b) Offer and sell within and outside your Development Territory, and under the Proprietary Marks, any and all programs, products or services and/or their components (including those used or sold by your Unit), whether or not a part of the System, through any alternative method of distribution including, without limitation, such alternative channels of distribution as the internet/worldwide web; any other form of electronic commerce; "800" or similar toll-free telephone numbers; mail order; catalogs; television sales (including "infomercials"); or, any other channel of distribution whatsoever except for a Unit in your Development Territory.

In addition, you understand, acknowledge and agree that we may purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and that following such activity we may operate, franchise or license those other businesses and/or facilities under any names or marks, including the Proprietary Marks, regardless of the location of these businesses and/or facilities, which may be within the Development Territory or immediately proximate to the Development Territory.

You waive and release any claims, demands or damages arising from or related to any of the above activities and promise never to begin or join in any legal action or proceeding, ~~or register a complaint with any governmental entity,~~ directly or indirectly contending otherwise.

## 4. TERM

### 4.01 Term

The term ("**Term**") of this Agreement will be for a period beginning on the date we sign this Agreement and extending until the earlier of either the actual or scheduled Date of Execution of the last Franchise Agreement executed pursuant to this Agreement and specified in Section 6.01 of this Agreement, unless sooner terminated in accordance with the provisions of this Agreement. This Agreement shall not be subject to renewal. Upon the termination or expiration of this Agreement, we and our Affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, Units within the Development Territory subject only to the territorial rights granted to you with respect to Units operated by you pursuant to the Franchise Agreements.

## 5. DEVELOPMENT FEE

### 5.01 Development Fee

In consideration of our execution of this Agreement, you agree to pay us simultaneously with the execution of this Agreement us an development fee ("**Development Fee**") that is calculated based on the total number of Units you commit to develop hereunder. The Development Fee will be equal to the Initial Franchise Fee (i.e., \$9,900) multiplied by the number of Units to be developed hereunder.

The Development Fee is payable in full when you sign this Agreement and will be fully earned when paid. You recognize that we have incurred administrative and other expenses in relation to this Agreement, and that our development opportunities have been lost or curtailed as a result of the territorial rights granted to you in this Agreement. Therefore, we will not refund the Development Fee in whole or in part, under any circumstance.

For each Unit developed under the Area Development Agreement, the Initial Franchise Fee due for each Unit will be credited against the pro rata portion of the Development Fee. In addition, you will be required to pay us the \$9,900 Unit Opening Fee upon delivery of an Operating Certificate for each Unit under a Franchise Agreement.

By way of example only, if you commit to open 5 Units hereunder, you will be required to pay us a non-refundable Development Fee equal to \$49,500 (i.e., \$9,900 x 5 Units) due in one lump sum upon execution

## **AREA DEVELOPMENT AGREEMENT ADDENDUM FOR CALIFORNIA**

This Addendum to the Area Development Agreement dated as of \_\_\_\_\_ between Eyemazy Franchising USA Inc. (“Franchisor” “we” or “us”) and \_\_\_\_\_ (“Area Developer,” “you” or “your”) is entered into simultaneously with the execution of the Area Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Area Development Agreement. This Addendum is being executed because: (a) the offer or sale of a franchise to Area Developer was made in the State of California; (b) Area Developer is a resident of the State of California; and/or (c) part or all of the Development Territory is located in the State of California.

2. The California Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of the development and initial fees attributable to a specific unit in your development schedule until that unit is open.

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

34. Any capitalized terms that are not defined in this Addendum will have the meaning given them in the Area Development Agreement.

45. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the California Franchise Investment Law are met independently of this Addendum.

56. The following sentence is hereby stricken from Article 19.01 of the Development Agreement for, and does not apply to, California developers: “YOU ACKNOWLEDGE THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO YOU OTHER THAN THOSE SET FORTH IN OUR FRANCHISE DISCLOSURE DOCUMENT OR IN THIS AGREEMENT, AND THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO YOU, YOU HAVE NOT RELIED AND ARE NOT RELYING ON THEM.”

67. California’s Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

58. Except as expressly modified by this Addendum, the Area Development Agreement remains unmodified and in full force and effect.

**AREA DEVELOPER:**

**FRANCHISOR:**

**EYEMAZY FRANCHISING USA INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **AREA DEVELOPMENT AGREEMENT ADDENDUM FOR MINNESOTA**

This Addendum to the Area Development Agreement dated as of \_\_\_\_ (“Area Development Agreement”) between Eyemazy Franchising USA Inc. (“Franchisor,” “you” or “us”) and \_\_\_\_\_ (“Area Developer,” “you” or “your”) is entered into simultaneously with the execution of the Area Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into, the Area Development Agreement. This Addendum is being executed because: (a) the offer or sale of a franchise to Area Developer was made in the State of Minnesota; (b) Area Developer is a resident of the State of Minnesota; and/or (c) part or all of the Development Territory is located in the State of Minnesota.

2. The following sentence is added to the end of Section 5.01

“We will defer all initial development fees owed to us by you until such time as all initial obligations owed to you have been fulfilled by us and you have commenced business operations. This deferral is imposed by the Minnesota Securities Registration Division due to our financial condition.”

3. \_\_\_\_\_ The following sentence is added to the end of Article 15:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5, which require, except in certain cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreements.

34. The following sentences are added to the end of Section 18.13:

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 agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

45. The following sentence is added to the end of Section 18.02:

Minnesota Statute § 80C.17, Subdivision 5, provides that no action may be commenced pursuant to that Section more than three years after the cause of action accrues.

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

67. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Act and the Rules and Regulation promulgated

thereunder are met independently of this Addendum.

**78.** Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Area Development Agreement.

**89.** Except as expressly modified by this Addendum, the Area Development Agreement remains unmodified and in full force and effect.

**AREA DEVELOPER:**

**FRANCHISOR:  
EYEMAZY FRANCHISING USA INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## AREA DEVELOPMENT AGREEMENT ADDENDUM FOR WASHINGTON

This Addendum to the Area Development Agreement dated as of \_\_\_\_\_ between Eyemazy Franchising USA Inc. (“Franchisor,” “we” or “us”) and \_\_\_\_\_ (“Area Developer,” “you” or “your”) is entered into simultaneously with the execution of the Area Development Agreement.

1. The following sentence is added to the end of Section 5.01 of the Area Development Agreement:

“We will defer and prorate all initial development fees owed to us by you and collect such development fees on a prorated basis as each Franchised Business under the Development Schedule commences business operations. This deferral requirement is imposed by the Washington Securities Division due to our financial condition.”

2. The following sentence is added to the end of Section 9.03 of the Area Development Agreement:

“Franchisees have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party’s negligence, willful misconduct, strict liability, or fraud.”

3. The following phrase is removed from Section 18.05 of the Area Development Agreement:

“and that no reliance is being or will be placed on any such written or oral communications.”

4. The following sentence is added to the end of Section 18.08 of the Area Development Agreement:

“For the avoidance of doubt, this Section 18.08 of the Area Development Agreement does not modify our duty to deal with franchisees in good faith under RCW 19.100.180(1).”

5. Section 18.17 of the Area Development Agreement does not apply in Washington.

6. The following sentence is hereby stricken from Section 19.01 of the Area Development Agreement for, and does not apply to, Washington developers: “YOU ACKNOWLEDGE THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO YOU OTHER THAN THOSE SET FORTH IN OUR FRANCHISE DISCLOSURE DOCUMENT OR IN THIS AGREEMENT, AND THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO YOU, YOU HAVE NOT RELIED AND ARE NOT RELYING ON THEM.”

7. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW (the “Act”) will prevail.

28. RCW 19.100.180 may supersede the Area Development Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may

also be court decisions which may supersede the Area Development Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

39. 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 Area Development Agreement, a ~~Area D~~ developer 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. Provisions which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.~~

~~510. A release or waiver of rights executed by a developer may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act, such as a right to a jury trial, may not be enforceable.~~

~~11. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.~~

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

613. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting an Area Developer from: (a) soliciting or hiring any employee of any area developer of the same franchisor; or (b) 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.

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

915. Except as expressly modified by this Addendum, the Area Development Agreement remains unmodified and in full force and effect.

[Signature Page Follows]

**EXHIBIT D TO THE DISCLOSURE DOCUMENT**  
**FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT**

**IF YOU ARE A CALIFORNIA FRANCHISEE, PLEASE DO NOT ANSWER QUESTIONS 9-15; IF YOU DO, FRANCHISOR WILL DESTROY AND DISREGARD IT.**

**IF YOU ARE A WASHINGTON FRANCHISEE, YOU SHOULD NOT COMPLETE OR SIGN THIS DOCUMENT.**

As you know, Eyemazy Franchising USA Inc. (the “**Franchisor**”) and you are preparing to enter into a franchise agreement (the “**Franchise Agreement**”) for the establishment and operation of an Eyemazy franchised business (the “**Franchised Business**”). The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of you, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor.

In the event that you are intending to purchase an existing Franchised Business from an existing franchisee, you may have received information from the transferring franchisee, who is not an employee or representative of Franchisor. The questions below do not apply to any communications that you had with the transferring franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes \_\_\_\_\_ No \_\_\_\_\_

2. I had my first face-to-face meeting with a Franchisor representative on \_\_\_\_\_, 20\_\_.

3. Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes \_\_\_\_\_ No \_\_\_\_\_

4. Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes \_\_\_\_\_ No \_\_\_\_\_

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary.)

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<p><b><u>NEW YORK</u></b>  Administrator:   <del>Office of the New York State Attorney General</del>  <u>NYS Department of Law</u>  Investor Protection Bureau  <del>Franchise Section</del>  28 Liberty Street, 21<sup>st</sup> Floor  New York, NY 10005  (212) 416-8236</p> <p>Agent for Service:   <del>New York Department</del><u>Secretary</u> of State  <del>One Commerce Plaza,</del>  99 Washington Avenue, <del>6<sup>th</sup> Floor</del>  Albany, NY 12231  (518) 473-2492</p>	<p><b><u>NORTH DAKOTA</u></b>   North Dakota Securities Department  State Capitol, Fifth Floor, Dept. 414  600 East Boulevard Avenue  Bismarck, North Dakota 58505  (701) 328-4712</p>
<p><b><u>OREGON</u></b>   Department of Insurance and Finance  Corporate Securities Section  Labor and Industries Building  Salem, Oregon 97310  (503) 378-4387</p>	<p><b><u>RHODE ISLAND</u></b>   Securities Division  Department of Business Regulation,  Bldg 69, First Floor  John O. Pastore Center  1511 Pontiac Avenue  Cranston, Rhode Island 02920  (401) 462-9582</p>
<p><b><u>SOUTH DAKOTA</u></b>   Department of Labor &amp; Regulation  Division of Insurance, Securities regulation  124 S. Euclid, Suite 104  Pierre, South Dakota 57501  (605) 773-3563</p>	<p><b><u>VIRGINIA</u></b>   State Corporation Commission  Division of Securities and Retail Franchising  1300 East Main Street, 9th Floor  Richmond, Virginia 23219  (804) 371-9051</p> <p>(for service of process)  Clerk of the State Corporation Commission  1300 East Main Street, 1<sup>st</sup> Floor  Richmond, Virginia 23219  (804) 371-9733</p>

## **ADDITIONAL DISCLOSURES FOR CALIFORNIA**

1. The California Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

2. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement or the Area Development Agreement contain provisions that are inconsistent with the law, the law will control.

23. The Franchise Agreement and the Area Development Agreement provide for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).

34. The Franchise Agreement and the Area Development Agreement contain covenants not to compete which extend beyond the termination of the agreements. These provisions may not be enforceable under California law.

45. Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

56. Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 79a et seq., suspending or expelling such persons from membership in such association or exchange.

67. The Franchise Agreement and the Area Development Agreement require any litigation concerning the agreement to be brought in a court in Dover, Delaware and be governed by the laws of Delaware. The litigation will occur in Delaware with the costs being borne by the franchisee and franchisor. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 Code of Civil Procedure Section 1281) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

78. The Franchise Agreement and the Area Development Agreement require application of the laws of Delaware. This provision may not be enforceable under California law.

89. You must sign a general release if you renew or transfer your franchise. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010

voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

**910. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.**

~~1011.~~ The Franchise Agreement and the Area Development Agreement contain a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

~~112.~~ Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

~~1213.~~ California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law

**14. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at [www.dfpi.ca.gov](http://www.dfpi.ca.gov).**

~~1315.~~ No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

~~1416.~~ The highest interest rate allowed by law in California is 10% annually.

~~1517.~~ The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

## **ADDITIONAL DISCLOSURES FOR MINNESOTA**

1. **Item 5, Initial Fees.** Item 5 of the disclosure document is modified to include the following:

“We will defer all initial franchise fees owed to us by you until such time as all initial obligations owed to you have been fulfilled by us and you have commenced business operations. This deferral requirement is imposed by the Minnesota Securities Registration Division due to our financial condition.”

2. **Notice of Termination.** The following statement is added to Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5, which 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 agreements.

23. **Choice of Forum and Law.** The following statement is added to the State Cover page and Item 17:

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 agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

34. **General Release.** The following statement is added to Item 17:

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

45. **Waiver of Right to Jury Trial.** The following statement is added to Item 17:

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial.

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

7. Each provision of these Additional Disclosures will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to these Additional Disclosures.

## ADDITIONAL DISCLOSURES FOR NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

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

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is

subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; ~~it being the intent of this~~ proviso intends that the non-waiver provisions of General Business Law Sections 687~~(.4)~~ and 687~~(.5)~~ be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum”, and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or ~~upon~~ the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements – No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will have the effect of: (a) waiving any claims under any applicable state franchise law, including fraud in the inducement; or (b) disclaiming reliance on any statement made by any franchisor, franchise seller or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts – Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

## ADDITIONAL DISCLOSURES FOR WASHINGTON

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

2. Item 5, Initial Fees. Item 5 of the disclosure document is modified to include the following:

“We will defer all initial franchise fees owed to us by you until such time as all initial obligations owed to you have been fulfilled by us and you have commenced business operations. We will defer and prorate all initial development fees owed to us by you and collect such development fees on a prorated basis as each Franchised Business under the Development Schedule commences business operations. These deferral requirements are imposed by the Washington Securities Division due to our financial condition.”

3. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

4. 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.

5. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

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

8. 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.

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

210. Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to these Additional Disclosures.

## **Current Operating Franchisees as of December 31, 2023**

### **New Jersey**

#### **Kiosk**

Ishak Aydin (+16093288146) & Muratsan Gunes (+16095157484)  
Garden State Plaza Mall, Level 2  
Paramus 07652, New Jersey USA

### **Pennsylvania**

#### **Kiosk**

Ishak Aydin (+16093288146) & Muratsan Gunes (+16095157484)  
160 N Gulph Rd First Floor  
King of Prussia, PA 19406, United States

### **Texas**

~~Ishak Aydin (+16093288146) & Muratsan Gunes (+16095157484)~~  
~~Garden State Plaza Mall, Level 2~~  
~~Paramus 07652, New Jersey USA~~

## **Current Franchisees that Signed Franchise Agreements as of December 31, 2023 but No Outlet Open**

### **South Carolina**

#### **Brick and Mortar**

Andy (610-331-9991) & Danyelle Sharp (717-304-0292)  
SC 1 N. Forest Beach Dr., Suite M-2  
Hilton Head Island, SC 29928

### **Texas**

#### **Kiosk**

James Walsh (+353830840490) & Hugo Jimenez (713-834-5324)  
500 Baybrook Mall  
Friendswood, TX 77546, United States

## **Former Franchisees as of December 31, 2023**

None.