

## Special Risks to Consider About *This Franchise*

1. **Out-of-State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with the franchise by mediation, arbitration, and/or litigation only in Arizona. Out-of-state mediation, arbitration, and/or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, and/or litigate with the franchise in Arizona than in your own state.
2. **Short Operating History.** This 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 with a longer operating history.
3. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
4. **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.
5. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

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.

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 Jon Jones, Director of Clinic Operations, at 14000 N. Hayden Rd. Ste. 101, Scottsdale, AZ 85260 and (402) 937-2500, the Federal Trade Commission, and the appropriate state regulatory agencies.

~~————We strongly urge you to consult with your financial advisor or personal accountant concerning the financial analysis that you should make in determining whether or not to purchase a Franchised Business.~~

**ITEM 20**

**OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1  
Systemwide Outlet Summary  
For Years 2021 to 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	1	7	+6
	2022	7	26	+19
	2023	26	33	+7
Company Owned	2021	1	1	0
	2022	1	0	-1
	2023	0	0	0
Total Outlets	2021	2	8	+6
	2022	8	26	+18
	2023	26	33	+7

**Table No. 2  
Transfers of Outlets From Franchises to New Owners  
(Other than the Franchisor)  
For Years 2021 to 2023**

State(s)	Year	Number of Transfers
Arizona	2021	0
	2022	0
	2023	1
Nebraska	2021	0
	2022	1