

Provision	Section in franchise or other agreement	Summary
		system specifications (including remodel, if applicable).
n. Franchisor’s right of first refusal to acquire franchisee’s business	§ 15.5	If you want to transfer your business (other than to your co-owner or to your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor’s option to purchase franchisee’s business	§ 14.6	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your business.
p. Death or disability of franchisee	§§ 2.4, 15.4	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months. We have the right to temporarily operate the business if you die or become incapacitated.
q. Non-competition covenants during the term of the franchise	§ 13.2	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any competitor- <u>(subject to applicable state law).</u>
r. Non-competition covenants after the franchise is terminated or expires	§ 13.2	For two years, neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor located within twenty-five miles of your former territory (or of your site selection area if no territory had been set) or within twenty-five miles of the territory of any other Children’s Art Classes business operating on the date of termination- <u>(subject to applicable state law).</u>
s. Modification of the agreement	§ 18.4 (MUDA § 7)	No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	§ 18.3 (MUDA § 7)	Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document

Item 21
FINANCIAL STATEMENTS

Exhibit E contains our audited financial statements as of December 31, ~~2024~~2025; December 31, ~~2023~~2024; and December 31, ~~2022~~2023. Our fiscal year end is December 31.

Item 22
CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Rider to Lease Agreement
- D. Form of General Release
- I. State Addenda to Agreements
- J. SBA Addendum
- K.. Confidentiality and Noncompete Agreement
- L. Multi-Unit Development Agreement

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.