

Provision	Section in Development Agreement	Summary
m. Conditions for our approval of transfer	Section 7	We have sole discretion in setting conditions for our approval of a transfer.
n. Our right of first refusal to acquire franchisee's business	Section 7	We have the first right of refusal on all transfer, exercisable within 30 days of receiving an executed copy of the contract of transfer.
o. Our option to purchase your business	Not Applicable	Not Applicable
p. Death or disability of franchisee	Not Applicable	We have the right to approve or disapprove any transfer in our sole discretion.
q. Non-competition covenants during the term	Section 8	The non-competition covenants in your Franchise Agreement shall apply to your Development Agreement.
r. Non-competition covenants after the Franchise Agreement is terminated or expires	Section 8	The non-competition covenants in your Franchise Agreement shall apply to your Development Agreement.
s. Modification of the agreement	Section 9	No modifications to the Development Agreement unless you and we agree in writing. We may amend the Manual at any time.
t. Integration/merger clause	Section 9	Only the terms of the Development Agreement and any Franchise Agreements are binding (subject to applicable state law). Any promises outside the Development Agreement, the Franchise Agreements, and this FDD may not be enforceable. However, nothing in the Franchise Agreement will have the effect of disclaiming any of the representations made in this FDD.
u. Dispute resolution by arbitration or mediation	Section 8	The dispute resolution provisions of the Franchise Agreement apply to any disputes under the Development Agreement (subject to applicable state law)
v. Choice of forum	Section 8	The choice of forum provision of the Franchise Agreement applies to the Development Agreement (subject to applicable state law)
w. Choice of law	Section 8	The choice of law provision of the Franchise Agreement applies to the Development Agreement (subject to applicable state law)

Applicable state law may require additional disclosures related to the information in this Disclosure Document. These additional disclosures appear in Exhibit I: State Specific Addenda to this Disclosure Document.

The provision in the franchise agreement, which provides for termination upon your bankruptcy, may not be enforceable under federal bankruptcy law (11 U.S.C., et seq.).

## **ITEM 18** **PUBLIC FIGURES**

Pearce Bespoke currently does not use any public figure to promote its franchise, although Pearce Bespoke reserves the right to engage a public figure for endorsements in the future. No public figure is involved in the management or control of Pearce Bespoke.

## **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 financial performance representations. 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 our management by contacting Nathan Pearce, 107 Parr Drive, Huntersville, NC 28078; (205) 919-2949, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE 1**  
**Systemwide Outlet**  
**Summary For Years 2022 to**  
**2024**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised Outlets</b>	2022	0	1	+1
	2023	1	38	+37
	2024	38	49	+11
<b>Company-Owned Outlets</b>	2022	0	2	+2
	2023	2	2	0
	2024	2	2	0
<b>Total Outlets</b>	<b>2022</b>	<b>0</b>	<b>3</b>	<b>+3</b>
	<b>2023</b>	<b>3</b>	<b>40</b>	<b>+37</b>
	<b>2024</b>	<b>40</b>	<b>51</b>	<b>+11</b>

**TABLE 2**  
**Transfers of Outlets From Franchisee to New Owner**  
**(Other than Company-Owned Locations)**  
**For Years 2022 to 2024**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
None	2022	0
	2023	0
	2024	0
<b>TOTAL</b>	<b>2022</b>	<b>0</b>
	<b>2023</b>	<b>0</b>
	<b>2024</b>	<b>0</b>

**TABLE 3**  
**Status of Franchised Outlets**  
**For Years 2022 to 2024**

<b>State</b>	<b>Year</b>	<b>Franchises at the Start of the Year</b>	<b>Franchises Opened</b>	<b>Terminations</b>	<b>Non-Renewals</b>	<b>Reacquired by Franchisor</b>	<b>Ceased Operations/Other Reasons</b>	<b>Franchises at the End of the Year</b>
	2022	0	0	0	0	0	0	0