

Provision	Section in franchise or other agreement	Summary
		Arizona) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	FA: § 18.8 MUDA: § 7	Arizona (subject to applicable 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.

The following financial results are derived from our One Company Owned Outlet which operates in the Glendale, Arizona Market. This location is owned and operated by our Affiliate, Turquoise Wine Bar, LLC. These financial results are derived from 1.01.2025 through 12.31.2025.

ACCOUNTS	Jan 01, 2025 to Dec 31, 2025
<b>Income</b>	
Sales	\$961,705.55
Total Income	\$961,705.55
<b>Cost of Goods Sold</b>	
Food	\$63,748.66
Liquor	\$169,548.39
<b>Total Cost of Goods Sold</b>	\$233,297.05
Gross Profit	\$728,408.50
<b>Operating Expenses</b>	
AZ Taxes	\$71,146.23
Accounting Fees	\$5,570.00
Advertising & Promotion	\$40,706.11
Bank Service Charges	\$9,461.36
Business Licenses & Permits	\$3,234.15
Equipment rental	\$2,497.02
Office Supplies	\$4,542.36
Payroll Employer Taxes	\$9,779.50
Payroll – Wages & Tips	\$217,199.63
Professional Fees	\$3,523.61
Rent Expense	\$37,884.06
Repairs & Maintenance	\$3,782.80
Subscriptions	\$2,586.77
Supplies	\$4,287.37
Utilities	\$15,027.32
Insurance Expense	\$19,835.55
<b>Total Operating Expenses</b>	\$451,063.84
<b>Net Profit</b>	\$277,344.66
Estimated Royalty Fees	\$ 57,702.33
Estimated Brand Fund Fees	\$ 9,617.06

Notes:

1. The foregoing data are historic financial performance representations. They are not projections of future performance. The Company Owned Outlet included in this Item 19 is the same model as what future franchise Outlets would open. There are no other material and/or operational characteristics of the company-owned outlets that are reasonably anticipated to differ materially from future operational franchise outlets.
2. “Total Income” means the total revenue derived from the sale of goods or services less sales tax, discounts, and returns.
3. “Total Cost of Goods Sold” means the cost of the food product, alcohol, beverages and products which were sold from our Company Owned Outlet during this time period.
4. “Gross Profit” means the Total Income minus the Total Cost of Goods Sold.
5. “Total Operating Expenses” is the sum of each operating expense disclosed as a total of these line items. These are essentially all of the costs associated with operating the Company Owned Outlet during this time period.
6. “Net Profit” means the Gross Profit minus the Total Operating Expenses.
7. Our Affiliates do not pay royalties or marketing fees to us; however, we have shown the estimated expenditures (6% Royalty, 1% Marketing Fund) for each Affiliate had they incurred those expenses.
- 8. Some outlets have sold and earned this amount. Your individual results may differ. There is no assurance that you’ll sell or earn as much.**
9. Written substantiation of the information contained in this Item 19 will be made available to prospective franchisees upon reasonable request.

Except for what is included in this Item 19, 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 employee/team members, team members 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, Laura Hernandez and Jennifer Sinconis, 8160 W Union Hills Suite B200, Glendale, AZ 85308, and (602) 418-0063, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20  
OUTLETS AND FRANCHISEE INFORMATION**

**Table 1  
Systemwide Outlet Summary  
For Years 2023 to 2025**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	0	1	+1
	2024	1	1	0
	2025	1	1	0
Total Outlets	2023	0	1	+1
	2024	1	1	0
	2025	1	1	0

**Table 2  
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)  
For Years 2023 to 2025**

<b>Column 1 State</b>	<b>Column 2 Year</b>	<b>Column 3 Number of Transfers</b>
All States	2023	0
	2024	0
	2025	0
Total	2023	0
	2024	0
	2025	0