

<u>Provision</u>	<u>Section in Area Representative Agreement</u>	<u>Summary</u>
		Confidential Information, non-diversion of business, non-competition, and related covenants.
v. Choice of forum	Section 11.2	Subject to applicable state law, any mediation or litigation must take place in the county in which our headquarters is then located (currently King County, Washington).
w. Choice of law	Section 11.1	Subject to applicable state law, the Area Representative Agreement is to be interpreted and construed under Washington law (without giving effect to any conflict of law) except that any law regulating the offer or sale of franchises, business opportunities or similar interests or governing the relationship between us and you will not apply unless its jurisdictional requirements are met independently.

18. PUBLIC FIGURES

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

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 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 Chief Executive Officer, David Kostroub, at 1133 Lake Washington Blvd N, Ste. 80, Renton, WA 98056, 425-400-2925; the Federal Trade Commission; and the appropriate state regulatory agencies.

20.
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
SYSTEM WIDE AREA REPRESENTATIVE SUMMARY
FOR FISCAL YEARS ENDING
JULY 30, 2023, 2024, AND 2025

Outlet Type	Fiscal Year End	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Area Representative Franchise	July 2023	0	0	0
	July 2024	0	2	+2
	July 2025	2	3	+1
Company-Owned*	July 2023	0	0	0
	July 2024	0	0	0
	July 2025	0	0	0
Total	July 2023	0	0	0
	July 2024	0	2	+2
	July 2025	2	3	+1

* This includes outlets owned by our affiliate(s).

TABLE 2
TRANSFERS FROM AREA REPRESENTATIVE FRANCHISEES
TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
FOR FISCAL YEARS ENDING
JULY 30, 2023, 2024, AND 2025

State	Fiscal Year End	Number of Transfers
Total	July 2023	0
	July 2024	0
	July 2025	0

TABLE 3
STATUS OF FRANCHISED OUTLETS
FOR FISCAL YEARS ENDING
JULY 30, 2023, 2024, AND 2025*

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
California	July 2023	0	0	0	0	0	0	0
	July 2024	0	2	0	0	0	0	2
	July 2025	2	0	0	0	0	0	2
Florida	July 2023	0	0	0	0	0	0	0
	July 2024	0	0	0	0	0	0	0
	July 2025	0	1	0	0	0	0	1
Totals	July 2023	0	0	0	0	0	0	0
	July 2024	0	2	0	0	0	0	2
	July 2025	2	1	0	0	0	0	3

* If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

TABLE 4
STATUS OF COMPANY-OWNED AREA REPRESENTATIVE OPERATIONS*
FOR FISCAL YEARS ENDING
JULY 30, 2023, 2024, AND 2025

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Total	July 2023	0	0	0	0	0	0
	July 2024	0	0	0	0	0	0
	July 2025	0	0	0	0	0	0

*Including Wellness centers owned by our affiliates. At this time, we do not own or operate any wellness centers

TABLE 5
PROJECTED OPENINGS*
As of JULY 31, 2025

State	Area Representative Agreements Signed but Business Not Yet Opened as of July 31, 2025	Projected New Franchised Businesses Through the Next Fiscal Year	Projected New Company-Owned Operations Through the Next Fiscal Year
Colorado	0	1	0
Florida	0	1	0
Nevada	0	1	0
Texas	0	1	0
Utah	0	1	0
TOTALS	0	5	0

* NOTE: These are projections of the number of new franchises we expect will open in the next fiscal year. It is, however, only a projection. The chart shows those states which we consider priority states; however, we do not plan to sell franchises in all those states in the upcoming year. We continue to look for new franchisees throughout the western United States and will open locations in any state in which we find qualified purchasers. Therefore, the actual number of new franchisees in any state that open in the next fiscal year could vary from the number described above.

The following is a complete listing of all our current Area Representative Franchisees and the addresses and telephone numbers of all their operations as of **January 1, 2026**:

<u>Name</u>	<u>Address</u>	<u>Phone</u>	<u>Date Opened</u>
Paul Galushkin, Wellness Source Enterprises LLC	1004 White Rock Rd, El Dorado Hills, CA 95765	916-970-9164	February 24, 2024
Ara Zakarian	3223 Wilshire Blvd, Santa Monica, CA 90403	505-500-4504	March 6, 2024
Yuriy Mayba	496 Riverwalk Cir, Freeport, FL	850-865-0080	November 2, 2024

The following is a complete listing of all the Arctic Area Representative businesses owned and operated by our affiliates and the addresses and telephone numbers of all their operations as of **January 1, 2026** and the date they joined the Arctic System: **NONE**

<u>Name</u>	<u>Address</u>	<u>Phone</u>	<u>Date Opened</u>

The following is a list of the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone numbers) of every Arctic franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system:

VOLUNTARILY LEFT THE SYSTEM: NONE

FRANCHISEE TRANSFERS TO NEW OWNERS (OTHER THAN US): NONE

REACQUIRED BY FRANCHISOR: NONE

<u>Name</u>	<u>Address</u>	<u>Phone</u>

TERMINATED BY FRANCHISOR:

<u>Name</u>	<u>Address</u>	<u>Phone</u>

During the last three fiscal years, in some instances, current and former franchisees may have signed provisions restricting their ability to speak openly about their experience with our franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you. In addition, we sign agreements with current and former franchisees that include confidentiality clauses that protect our intellectual property and our proprietary information. The confidentiality clauses in these agreements may also relate to specific negotiated franchise agreement terms and conditions.

The following is a list, to the extent known by us, of the names, addresses, telephone numbers, email address and Web address of each trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored or endorsed: **NONE**.

The following is a list of any independent franchisee organizations that have asked to be included in this disclosure document: **NONE**.

21. FINANCIAL STATEMENTS

Attached as Exhibit B are our audited financial statements as of July 31, 2025. Our fiscal year end is July 31.

We have not been in business for three years or more and therefore cannot include all the historical financial statements otherwise required.

22. CONTRACTS

Attached are copies of the following franchise agreement and all other related agreements you may have to sign when you purchase your franchise:

- | | |
|-----------|--|
| Exhibit C | - Sample Area Representative Agreement and Exhibits |
| Exhibit D | - Conditional Assignment of Phone Number |
| Exhibit E | - Abandonment Relinquishment Termination of Assumed Business Name |
| Exhibit F | - State Law Addendum |
| Exhibit H | - Sample Transfer, Termination, Renewal, or Incorporation Agreements |
| Exhibit L | - Sample Administrative Services Agreement |
| | Sample Business Associate Agreement |

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 (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.

23. RECEIPT

Attached to this disclosure document are three Acknowledgments of Receipt. The first evidences your receipt of the franchise agreement in final form ready for execution. The last two are duplicates that evidence your receipt of this Franchise Disclosure Document - one is to be retained by you, the other by us.

EXHIBIT A

**NAMES AND ADDRESSES OF STATE REGULATORY AUTHORITIES
AND REGISTERED AGENTS IN STATES**

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
CALIFORNIA	California Commissioner of Financial Protection and Innovation: Los Angeles: 300 S. Spring Street, Suite 15513 Los Angeles, CA 90013-1259 (213) 897-2085 Sacramento: 651 Bannon Street, Suite 300 Sacramento, CA 95811 (916) 327-7585 San Diego: 1455 Frazee Road, Suite 315 San Diego, CA 92108 (619) 610-2093 San Francisco: One Sansome Street, Suite 600 San Francisco, CA 94104-4428 (415) 972-8565	Commissioner Department of Financial Protection and Innovation 300 S. Spring Street, Suite 15513 Los Angeles, CA 90013-1259 (213) 897-2085
CONNECTICUT	Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 (860) 240-8233 or (860) 240-8232	Banking Commissioner 260 Constitution Plaza Hartford, CT 06103 (860) 240-8233 or (860) 240-8232
FLORIDA	[Not Applicable]	Senior Consumer Complaint Analyst Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, Florida 32399-0800 (850) 922-2770
HAWAII	Hawaii Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722	Hawaii Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Chief, Franchise Bureau Illinois Attorney General 100 W. Randolph Street Chicago, IL 60601 (312) 814-3892
INDIANA	Secretary of State Administrative Offices of the Secretary of State 201 State House Indianapolis, IN 46204 (317) 232-6681	Securities Commissioner Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
IOWA	[Not Applicable]	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, Iowa 50319-0066 (515) 281-4441
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottawa Street G. Mennen Williams Building 1 st Floor Lansing, MI 48913 (517) 373-7117	Franchise Administrator Consumer Protection Division Franchise Section Michigan Dept. Attorney General PO Box 30213 Lansing, MI 48909 (517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 296-6328	Deputy Commissioner Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 296-6328
NEBRASKA	[Not Applicable]	Staff Attorney Department of Banking and Finance 1200 N Street Suite 311 P.O. Box 95006 Lincoln, Nebraska 68509 (402) 471-3445
NEW YORK	Secretary of State 99 Washington Avenue Albany, NY 12231	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st FL New York, NY 10005

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
		212-416-8222
NORTH DAKOTA	North Dakota Securities Department Fifth Floor 600 East Boulevard Bismarck, ND 58505	Franchise Examiner North Dakota Securities Department 600 East Boulevard, 5th Floor Bismarck, ND 58505 (701) 328-4712
OREGON	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director of Rhode Island Department of Business Regulation Division of Securities Suite 232 Providence, RI 02903 (401) 222-3048	Associate Director and Superintendent of Securities Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 222-3048
SOUTH DAKOTA	Director of South Dakota Division of Insurance/Securities Regulation 124 S Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Franchise Administrator Division of Insurance/Securities Regulation 124 S Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563
TEXAS	[Not Applicable]	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769
UTAH	[Not Applicable]	Division of Consumer Protection Utah Department of Commerce 160 East Three Hundred South P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street Richmond, VA 23219 (804) 371-9672	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051
WASHINGTON	Director of Department of Financial Institutions	Administrator Dept. of Financial Institutions

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
	Securities Division 150 Israel Rd. SW Tumwater, WA 98501 360) 902-8760	Securities Division P.O. Box 41200 Olympia, WA 98507-9033 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities P.O. Box 1768 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555
FEDERAL TRADE COMMISSION		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6th Street, NW Washington, D.C. 20580 (202) 326-3128