

t. Integration/merger clause	Section 17(B)	Only the terms of the franchise agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution	Sections 14(A)	You and we agree to submit any disputes to the state court located in Salt Lake County, Utah, or the federal court of the United States District Court for the Central District of Utah
v. Choice of forum	Section 17(H)	Venue for any litigation is Salt Lake County, Utah (subject to state law)
w. Choice of law	Section 17(H)	The state of Utah (subject to state law)
x. Change of control in lieu of terminations	Section 16(C)	In the event of an Incurable Default we, at our option and with 30 days' notice may elect to assume day-to-day management of your Clinic until such time as you are no longer in default. If we do that we will charge you a management fee of up to 20% of the Gross Sales of the Clinic.

## **ITEM 18 PUBLIC FIGURES**

We do not use a 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.

We allow our franchisees to open more than one location in their territories. The first location is called a Clinic, and any subsequent locations are called Satellites. All outlets listed in this Item 19 reflect just one outlet per franchised territory, regardless of whether they are operating multiple treatment locations as Clinics or Satellites within that territory.

Although all new and renewing franchisees must now pay us royalties based on their gross sales, prior to 2021 we charged all of our franchisees a usage fee based on the number of treatments they performed, instead of royalties. As such, we historically have required our franchisees to submit treatment numbers to us but had not required them to provide us with their sales numbers. Beginning in 2021 we began moving some of our franchisees to a sales-based royalty model; but a majority of our outlets are still paying usage fees of between \$30-\$35 per treatment. Also, prior to our 2023 version of the franchise agreement, we never required our franchisees to provide us with their expenses. As such, we are not able to provide you with the profitability of our outlets system wide. However, we do know treatment numbers of all our franchisees, as well as sales numbers for 40 percent of our outlets. The financial performance representations made in this Item 19 are based on the past performance of existing outlets. None of the outlets had characteristics that are materially different from the ones your Clinic will have.

We had 105 outlets open between January 1, 2023, and December 31, 2023. Of those, 100 (95%) were also open between January 1, 2022, and December 31, 2022. The chart below shows the average monthly treatments performed, as reported to us by our franchisees, during 2023 for those 100 outlets, broken into four quartiles. The chart also shows the median, high and low treatments within that quartile, and the percentage increase of same-unit treatments compared to those same outlets for 2022.

	# of units	Average Treatments	Increase over 2022	Median	High	Low
1st Quartile	25	127	25%	118	274	96
2nd Quartile	25	73	30%	73	90	62
3rd Quartile	25	50	19%	52	60	36
4th Quartile	25	25	-8%	27	36	7

In 2018 we began offering a POS System called Meevo to our franchisees. Our franchisees have been gradually converting their POS systems to Meevo, which is now a requirement for all new franchisees to use. Because we have access to each of our franchisees' Meevo systems, we know what their monthly sales are in those outlets. Although we still do not know profitability of the outlets, and not all of our franchisees are using Meevo yet, we are able to provide you with sales from a representative sample of our franchisees.

Of the 100 outlets shown in the chart above, 39 (39%) had been using Meevo for all of 2022 and 2023, so we have their sales numbers.

The chart below shows the average gross monthly sales of those 39 outlets (which includes our corporate outlet), by quartile, from January 1, 2023, to December 31, 2023. The chart also shows the median, high and low average monthly sales within that quartile, and the percentage increase of same-outlet sales compared to the same months of 2022. Gross sales is defined as the total revenues and receipts from all Treatments performed and products, services, plans and merchandise sold in or from your Clinic or Satellite, including any mobile operations or sales, cover charges or fees, as well as all license and use fees; however, Gross Sales excludes sales taxes and tips paid to technicians by customers.

	# of units	Average Sales	Increase over 2022	Median	High	Low

1st Quartile	10	\$27,883	34%	\$26,847	\$36,740	\$23,378
2nd Quartile	10	\$19,216	54%	\$19,543	\$22,017	\$16,205
3rd Quartile	10	\$13,395	27%	\$12,724	\$15,856	\$11,657
4th Quartile	9	\$8,197	8%	\$8,349	\$11,328	\$2,816

Written substantiation for the financial performance representation will be made available to prospective franchisees on reasonable request.

**Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.**

Other than as described 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 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 Adam Ward, Vice President of Legal and Compliance, at 4873 South State Street, Murray, Utah 84107, telephone (801) 533-5423, the Federal Trade Commission, and the appropriate state regulatory agencies.

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

**TABLE NUMBER 1**  
**Systemwide Outlet Summary (1)**  
**For Years 2021-2023**

<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</b>	2021	173	133	-40
	2022	133	114	-19
	2023	114	104	-10
<b>Company-Owned</b>	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
<b>Total Clinics</b>	2021	174	134	-40
	2022	134	115	-19
	2023	115	105	-10

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