

Provision	Section in Development Agreement	Summary
q. Non-competition covenants during the term of the franchise	Article 8.2	You may not participate in any business that competes with Roosters Shops (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	Article 8.3	You may not participate in any business that competes with or that is within six miles of any Roosters Business for two years after the termination of your Development Agreement (subject to state law).
s. Modification of the agreement	Article 13.2	Any modification must be in writing and signed by you and Roosters.
t. Integration/merger clause	Article 13.9	Only the terms of the Development Agreement, individual franchise agreements we have previously entered into, and the representations in this disclosure document are binding. Any other representations or promises may not be enforceable. Nothing in this Section, or any related agreement, is intended to disclaim the representations we made in this disclosure document (subject to state law).
u. Dispute resolution by arbitration or mediation	Articles 12 and 13	Except for certain claims, disputes must be arbitrated in Minneapolis, Minnesota (Subject to State Law)
v. Choice of forum	Article 13.6	Arbitration and litigation must be in Hennepin County, Minnesota (Subject to State Law)
w. Choice of law	Article 17.1	Governing law will be the laws of the state where the Geographic Area is located (Subject to State Law)

ITEM 18 **PUBLIC FIGURES**

We do not use any public figures 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.

Fiscal Year 2022-2023							
	Total Salon Count	Average Sales	Median Sales	Max	Min	Number of Salons Exceeding Average	Percentage of Salons Exceeding Avg
Top	24	\$715,725	\$629,226	\$1,468,611	\$501,488	8	33.33%
Mid	24	\$419,863	\$447,774	\$499,718	\$318,591	14	58.33%
Bottom	24	\$208,215	\$216,854	\$310,966	\$63,480	14	58.33%
TOTALS	72	\$447,934⁽¹⁾	\$447,774	\$1,468,611	\$63,480	36	50.00%⁽¹⁾

(1) This is an average of the numbers presented above.

The Average, Median, and High/Low Shop Gross Sales Information for the Fiscal-Year Period from July 1, 2023, through June 30, 2024, for franchised Roosters Shops that were open during that period (“Fiscal Year 2023-2024”) and located throughout the United States with sales in all 12 months as shown in Item 20 of this Disclosure Document. The data includes only those salons that reported sales in each month of the 12-month period July 1, 2023, through June 30, 2024. There were 77 franchised outlets open during the period from July 1, 2023, through June 30, 2024.

The products and services offered by each franchised Shop covered in this financial performance representation are essentially the same, and the franchised Shops whose gross sales numbers appear in this financial performance representation are substantially similar to the franchises that we currently offer in all states. These Shops receive substantially the same services from us. However, we do not provide services to franchisees that a Shop’s owner normally provides, such as financing, accounting, legal, personnel, construction, and management services.

“Gross Sales” includes all revenues derived from all sales of services and/or products of every kind or nature sold from, at or in connection with the operation of the Shop or otherwise arising out of the operation of the Business, including sales made at or away from the Business, whether for cash or credit, less returns for which refunds are made, provided that the refund shall not exceed the sales price. “Gross Sales” does not include the amount of any tax imposed by any federal, state, municipal or other governmental authority. This financial performance representation does not reflect the cost of sales, operating expenses, or other costs or expenses that must be deducted from gross revenue or gross sales figures to obtain your net income or profit. You should independently investigate the costs and expenses you will incur in operating your Roosters Shop. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

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

Written substantiation of the information in this financial performance representation will be made available to you at Roosters’ offices upon reasonable request.

Other than the preceding financial performance representation, 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