

Provision	Section in Franchise Agreement	Summary
		money to, or perform services for a competitive business anywhere. You may not interfere with our or our other franchisees' House of Colour Franchise(s), subject to applicable state law.
r. Non-competition covenants after the Franchise is terminated or expires	Section 15.3	Owners cannot have an interest in, own, manage, operate, finance, control, or participate in any competitive business within: (i) a 25-mile radius of your House of Colour Business (and including the premises of the House of Colour Business); and (ii) a 25-mile radius of all other House of Colour Businesses that are operating or under development, for one year, subject to applicable state law.
s. Modification of agreement	Section 6.2, 12.2 and 24.9	No modifications generally unless in writing and signed by both parties, but the Manual is subject to change by us.
t. Integration/merger clause	Section 24.9	Only the terms of the Franchise Agreement and other related written agreements, found in <u>Exhibit G</u> , identified as Contracts for use with the House of Colour Franchise, are binding (subject to applicable state law). The <u>Exhibit G</u> Contracts include the General Release Agreement, System Protection Agreement, Confidentiality Agreement, Automated Clearing House Payment Authorization Form and Approval of Requested Assignment. Any representations or promises outside of this Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 22.3	Except for certain claims, all disputes must be mediated or arbitrated in Virginia, subject to applicable state law.
v. Choice of forum	Section 22.3	All disputes must be mediated, arbitrated, and if applicable, litigated in Virginia, subject to applicable state law.
w. Choice of law	Section 24.1	The laws of the state where the House of Colour Business is located applies, subject to applicable 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, and/or affiliate-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 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 Marcus King, House of Colour USA, Inc., 7 Bell Yard, London, WC2A 2JR, United Kingdom, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

All year end numbers appearing in the tables below are as of April 30 in each year.

Table No. 1
System-wide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	74	139	+65
	2023	139	207	+68
	2024	207	266	+59
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	74	139	+65
	2023	139	207	+68
	2024	207	266	+59

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022 to 2024

State	Year	Number of Transfers
Arizona	2022	1
	2023	0
	2024	0
Florida	2022	0
	2023	0