
ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents & Copyrights. At this time, we do not hold any patents. We claim a copyright to our Operations Manual, marketing material such as our website text, and other printed material, although we have not presently filed a registration of those copyrights. We consider all of these items confidential and proprietary. Upon termination of your franchise agreement, you must return to us our Operations Manuals and any confidential information.

Confidential Information. You will not directly or indirectly disclose, publish, disseminate or use our “Confidential Information” except as authorized in the Franchise Agreement. You may use our Confidential Information to perform your obligations under the Franchise Agreement, but in doing so you will only allow dissemination of our Confidential Information on a need-to-know basis and only to those individuals that have been informed of the proprietary and confidential nature of such Confidential Information and who are bound by confidentiality obligations. We may share performance data of your Franchised Businesses and studios between us, our employees and affiliates, our franchisees and their employees. You agree to keep such performance data confidential. Additionally, you agree that we may share performance data of your Franchised Businesses in Item 19 (Financial Performance Representations) of our future Franchise Disclosure Documents.

“Confidential Information” means information or data (oral, written, electronic, or otherwise), including, without limitation, a trade secret, of or about us that is valuable and not generally known or readily available to third parties, obtained by you from us during the term of the Franchise Agreement, regardless of whether marked “confidential”. The Confidential Information of ours includes all intellectual property associated with our Franchise system, all other materials relating to our Franchise system that are not a matter of public record, and all information generated by the parties in the course of the performance of the Franchise Agreement.

Customer Data. “Customer Data” is considered Confidential Information and includes any and all information about Customers that may be collected in connection with their use of your services, including, but not limited to, name, telephone number, address, and email address. We retain all right, title, and interest in and to the Customer Data, including all intellectual property rights.

Personal and Performance Data. You agree that we may share performance data of Franchised Businesses between us, our employees, franchisees, franchisee’s employees, affiliates, consultants, distributors, vendors, and agents. You agree to keep such performance data confidential. You consent to the disclosure by us of certain personal information concerning you and the Franchise and the Franchise Premises, namely your identity, including your name, address and telephone number, in our franchise disclosure documents, whether or not such disclosure is required by law, and in our other documents relating to the sale of franchises. Further, you consent to provide us with, and the additional disclosure by us of certain personal information concerning you, the Franchise and the Franchised Premises, including historical performance of the Franchise, sales, revenues, expenses, costs, results of operations, and similar financial information and operating information, and any information regarding the expiration or termination of your Franchise Agreement in our franchise disclosure documents (whether or not such disclosure is required by law), or to a prospective transferee of your Franchise or of the Franchise Premises or to any other prospective purchaser of us or any other franchise from us.

Studio Design, Furniture, Fixtures, and Equipment. Your studio's design, layout, color patterns, signage, supplies, furniture, fixtures, and equipment are considered intellectual property and proprietary to us and as such, we retain all rights and control associated therewith. As such, upon termination or expiration of your Franchise Agreement, at our option, you will offer to us the right to purchase from you any or all of the furniture, equipment, signage, fixtures, and supplies within 30 days of the date of termination for the adjusted book value, which is the undepreciated book value of the assets on your most recently filed federal tax return prior to the date of the termination or expiration. If we elect not to purchase any or part of the furniture, equipment, signage, fixtures, and supplies, you agree to either sell such furniture, equipment, signage, fixtures, and supplies to a current franchisee of ours, or destroy the furniture, equipment, signage, fixtures, and supplies such that they cannot be re-used.

Upon termination of your franchise agreement, you must return to us our Operations Manuals and any Confidential Information, including Customer Data. You may never - during the initial term, any renewal term, or after the Franchise Agreement expires or is terminated - reveal any of our Confidential Information to any other person or entity or use it for the benefit of any other person or business.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

You must provide franchise services under your direct supervision and control or under the direct supervision and control of a full-time studio manager who has attended and passed our initial training. You and your spouse must be able to pass a criminal background check. Your studio manager (if applicable) and all employees that have access to client accounts or as required by local law, must be able to pass a criminal background check.

You must ensure that your studio managers comply fully with all applicable terms of the franchise agreement including maintaining all confidential information, not competing with us, and safeguarding all relevant documents, manuals, etc.

Principal Owner. You must designate one, and only one, owner with at least 10% ownership as the "Principal Owner." The Principal Owner is the primary owner responsible for your business and communication with us. The Principal Owner must have authority over all transactions and dealings related to your studio and must have the power to create binding agreements with us.

If the franchisee is a business entity, the studio manager does not have to have an equity interest in the franchisee's business.

All holders of an ownership interest must assume and agree to discharge all of your obligations under your franchise agreement. You are expected to participate actively in franchisee meetings, seminars, conferences, and supplemental training we sponsor. The Franchise Agreement requires you, including all holders of an ownership interest in a franchisee that is an entity, to execute a personal guaranty, confidentiality agreement, and a covenant not to compete acceptable to us. Furthermore, your employees must sign a confidentiality agreement and, to the extent permitted by law, a covenant not to compete.

We require your spouse to guarantee the obligations under the franchise agreement.

Non-Employed Participants. All participants that (a) operate in the business, (b) are not listed owners on the franchise agreement, and (c) not formally recognized as employees, including, but not limited to, family members, close friends, significant others, spouses, and children (hereinafter “Non-Employed Participants”), must execute an approved confidentiality, non-disclosure, and non-competition agreement. Additionally, Non-Employed Participants must comply with any and all system policies, and Franchisor shall retain the right to terminate and/or limit any access or privileges.

Access to Franchisee Only Information. Your Employees and Non-Employed Participants are not allowed access to privileged franchisee-only information such franchisee-only meetings, and franchisee-only information, including the confidential information as contained in the Operations Manual, unless authorized by express written consent by us. This written consent can be terminated at any time, for any reason, by us.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer for sale in your studio only the products and services we have approved in writing. We may designate products or services as optional or mandatory. You must maintain an inventory supply sufficient to meet the inventory standards of our Manual. You may not sell any goods or services that we have not authorized or approved.

You are required to sell all goods or services that we authorize unless prohibited by your applicable local law or approved by us. We may change the types of authorized goods and services in response to legal, technological, or competitive changes, or attempts to improve in the marketplace. There are no limits on our right to make changes to the authorized goods and services sold by franchisees. We may, at our sole discretion, revoke approval of previously approved goods or services, in which case you must immediately stop performing or selling the revoked services or products.

If your Franchise Agreement is terminated (whether for your failure to commence operations, or for any other reason), we or our affiliates have no obligation to refund any portion of the purchase price for products, equipment, and inventory or other amounts paid by you.

We have complete and exclusive control over all Deka Lash logos, designs, and products. You may not approach any manufacturers, vendors, or third parties regarding the design or production of any Deka Lash memorabilia or products.

For the duration of your Franchise Agreement and for two years thereafter, you may not offer competitive services in the states and territories of the United States unless you receive our prior written consent.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

A. THE FRANCHISE AGREEMENT

Provision	Section In Franchise Agreement	Summary
a. Length of the franchise term	2	10 years.
b. Renewal or extension of the term	2	Can be renewed for successive terms if you are in compliance with your Franchise Agreement ("Agreement") and we are still offering franchises in your geographic area at the time.
c. Requirements for franchisee to renew or extend	2	You must: a. Be in good standing and full compliance. b. Have satisfied all monetary obligations. c. Give notice at least 3 months and not more than 6 months before expiration of the initial term. d. Sign a General Release. e. Sign a new franchise agreement. You may be asked to sign a contract with materially different terms and conditions than your original contract. f. Pay the renewal fee. g. Successfully complete any retraining program we require at your expense.
d. Termination by franchisee	10.1	You may terminate the Agreement if you do not renew, sell the franchise pursuant to the Agreement, and under any grounds permitted by law.
e. Termination by franchisor without cause	None	Not applicable
f. Termination by franchisor with cause	10.2, 10.3	We can terminate only if you default.
g. "Cause" defined – curable defaults	10.3	Violate the Agreement, Manual, any other agreement with us, or owe monies to us more than 30 days past due, and do not cure such breach within 30 days after notice.
h. "Cause" defined – non-curable defaults	10.2	Franchise Agreement: Immediate if any of the following occur: a. Insolvency b. Abandonment

Provision	Section In Franchise Agreement	Summary
		c. Repeated Breaches d. Material Misrepresentation e. Fail to Timely Open or Open without Site Approval f. Judgement or Levy of Execution g. Felony / Material Violation h. Imminent Danger to Public Health or Safety i. Material and Unfavorable Conduct j. Attempt to Repudiate Agreement k. Mutual Agreement l. Unreported / Misreported Revenue m. Failure to Pay Suppliers n. Inhibit Inspection o. Violate Key Covenants Area Development Agreement: Immediate if any of the following a. Cease to Actively Engage in Business b. Insolvency c. Termination of Associated Franchise Agreement(s)
i. Franchisee's obligations on termination/non-renewal	11	Stop using our marks; deliver to us business records; pay debts due to us; cancel or assign telephone numbers to us; reimburse customers; assist in lease transfer and our purchase of your assets, at our option; return Manual and Confidential Information to us; cancel fictitious names; adhere to the post-termination covenants not to compete or solicit; adhere to other post-termination duties; execute any necessary documents; pay to us any amounts owed on the remaining term of the Agreement.
j. Assignment of contract by franchisor	14.1	We may assign to a successor in interest who remains bound by terms of Agreement.
k. "Transfer" by franchisee – defined	14.2	Includes transfer of the Franchised Business, any interest of the Franchised Business, or substantially all of the assets of the Franchised Business.
l. Franchisor approval of transfer by franchisee	14.2	We have the right to approve all transfers.
m. Conditions for franchisor approval of transfer	14.5	You must: - be current in monetary obligations; - be in compliance with the Franchise Agreement;

Provision	Section In Franchise Agreement	Summary
		<ul style="list-style-type: none"> - execute any transfer, amendment, or release forms that we may require; - provide to us a copy of the proposed transfer documents; - comply with the post-termination provisions; and - request that we provide the prospective transferee with our current franchise disclosure document. - pay to us the Transfer Fee; - pay to us the Prospect Generation Fee, as applicable; - the purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation. <p>Transferee must:</p> <ul style="list-style-type: none"> - meet our criteria; - execute our then-current Franchise Agreement; - pay any initial franchise fee, as applicable; - satisfactorily complete our initial training program; - obtain necessary licenses and permits; - obtain any lessor approval for transfer; - the transfer must be made in compliance with any laws that apply to the transfer.
n. Franchisor's right to first refusal to acquire franchisee's business	14.6	We have a right of first refusal to match any purchase offer for your franchise, any interest in the franchise, or substantially all the assets of the Franchised Business.
o. Franchisor's option to purchase franchisee's business	15.c.	Upon franchisee's death, we may purchase the business for fair market value.
p. Death or disability of franchisee	15	<p>Within 90 days of the event, one of the following must be completed:</p> <ul style="list-style-type: none"> a. Assume and Continue Operations b. Transfer Your Interest to approved Transferee c. Sell to Us d. Cease Operations.
q. Non-competition covenants during the term of the franchise	12	No competition allowed in the United States and its territories (subject to applicable state law).
r. Non-competition covenants after the franchise is terminated or expires	12	No competition for 2 years within the Protected Area, or 30 miles from the boundaries of the

Provision	Section In Franchise Agreement	Summary
		Protected Area or any other Protected Area we have granted (subject to applicable state law).
s. Modification of the agreement	16	No modifications unless the parties agree in writing, except to Operations Manual. Revisions to the Manual will not unreasonably affect the franchisee's obligations, including economic requirements, under the Agreement.
t. Integration/merger clause	18	Only the terms in the franchise agreement are binding (subject to federal or state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable. No claim in any franchise agreement(s) is intended to disclaim the express representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	19.9; Franchise Agreement, Sch. C	You must mediate and arbitrate claims against us (subject to applicable state law).
v. Choice of forum	19.2	All claims must be brought in Pittsburgh, Pennsylvania (subject to applicable state law).
w. Choice of Law	19.1	Pennsylvania law governs (subject to applicable state law).

B. THE DEVELOPMENT AGREEMENT

Provision	Section in Area Development Agreement	Summary
a. Length of the franchise term	6.1	The Area Development Agreement will commence on the date it is fully executed and end on the last day of the calendar month that the final Franchised Business is required to be opened and operating under the mandatory development schedule.
b. Renewal or extension of the term	Not Applicable	Not Applicable.
c. Requirements for franchisee to renew or extend	Not Applicable	Not Applicable.
d. Termination by franchisee	Not Applicable	You may terminate under any grounds permitted by law.
e. Termination by franchisor without cause	Not Applicable	Not Applicable.
f. Termination by franchisor with cause	6.2	We may terminate the Area Development Agreement for cause.

Provision	Section in Area Development Agreement	Summary
g. "Cause" defined – curable defaults	6.2	We may terminate the Area Development Agreement if you fail to meet your development obligations under the mandatory development Schedule and fail to cure the default within a 30-day cure period. This cure period will only be offered once during the term of your Area Development Agreement.
h. "Cause" defined – non-curable defaults	6.2	We may terminate the Area Development Agreement if: (i) abandonment; (ii) insolvency; (iii) if you fail to meet your development obligations under the Development Schedule for any Development Period, and fail to cure such default within 30 days of receiving notice thereof; and (iv) if any Franchise Agreement that is entered into in order to fulfill your development obligations under this Agreement is terminated.
i. Franchisee's obligations on termination/non-renewal	Not Applicable	Not Applicable.
j. Assignment of contract by franchisor	8	No restrictions on our right to assign our rights under the Area Development Agreement to a person or entity who agrees to remain bound to its terms.
k. "Transfer" by franchisee – defined	8	Any sale, transfer, or assignment of any of your rights under the Area Development Agreement.
l. Franchisor's approval of transfer by franchisee	8	You may not transfer any rights or obligations under the Area Development Agreement.
m. Conditions for franchisor's approval of transfer	Not Applicable	Not Applicable.
n. Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Not Applicable.
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable.
p. Death or disability of franchisee	Not Applicable	Not Applicable.
q. Non-competition covenants during the term of the franchise	Not Applicable	Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Area Development Agreement.
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Area Development Agreement.
s. Modification of the agreement	10.6	Any modification of the Area Development Agreement must be in writing and signed by both parties.

Provision	Section in Area Development Agreement	Summary
t. Integration/merger clause	10.6	Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises made outside of the disclosure document and the Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	9	You must mediate and arbitrate claims against us. (subject to applicable state law).
v. Choice of forum	9	All claims must be brought in Pittsburgh, Pennsylvania (subject to applicable state law).
w. Choice of law	9	The Area Development Agreement is governed by the laws of the State of Pennsylvania (subject to applicable state law).

ITEM 18
PUBLIC FIGURES

We have not paid any compensation or other benefit to a public figure for the use of their endorsement or recommendation of the franchise to prospective franchisees.

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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.

Here we set forth a historic representation of our franchise studio locations that were open and in operation for at least 12 months as of December 31, 2024. We had 128 open franchised locations as of December 31, 2024, 119 of which were open and in operation for 12 months or more as of December 31, 2024, and which are included in the table below. Twelve (12) franchised outlets are not included in the table below because they closed part way through 2024 and the table below only includes the results of franchised outlets.

Studio Revenue by Performance Segments

2024			
	Top 1/3	Middle 1/3	Bottom 1/3
Number of Studios	40	40	39
Average of Gross Revenue	\$437,199	\$262,607	\$142,922
Median of Gross Revenue	\$411,867	\$264,270	\$145,417
Number of Studios Which Attained or Surpassed Average	16 of 40 (40%)	12 of 40 (50%)	20 of 39 (51.3%)
Highest 5 Studio Revenues in Performance Segment			
	\$ 772,566	\$322,517	\$196,803
	\$ 653,833	314,524	196,185
	\$ 600,604	313,112	196,162
	\$ 548,590	310,586	195,939
	\$ 522,135	306,444	195,667
Lowest 5 Studio Revenues in Performance Segment			
	\$ 351,899	209,865	68,682
	\$ 341,581	\$208,250	\$67,076
	\$ 340,615	\$204,472	\$57,049
	\$ 330,872	\$202,626	\$55,153
	\$ 323,919	\$197,570	\$38,498