FRANCHISE DISCLOSURE DOCUMENT

BLO BLOW DRY BAR INC.
a Delaware corporation
1867 Yonge Street, Suite 600
Toronto, Ontario, Canada M4S 1Y5
(416) 630-6280
www.blomedry.com
growblo@blomedry.com

The franchise offered is for the operation of a full service blow dry business having a distinctive interior and exterior design and trade dress and offering for sale to the public hair styling and cleansing products and accessories under the name "Blo Blow Dry Bar."

The total investment necessary to begin operation of a Blo Blow Dry Bar franchise is $242,823 to $367,102. This includes between $49,060 to $54,795 that must be paid to the franchisor and/or its affiliate, as appropriate.

We offer to qualified individuals and companies a multi-unit development program which includes the right to own and operate multiple Blo Blow Dry Bar franchises within a particular geographic area. Each franchise will be operated under a separate Franchise Agreement. The total initial investment under this program will depend on the number of franchises you commit to develop. For example, if you commit to develop 2 Blo Blow Dry Bar franchises, the total initial investment is $274,923 to $399,202. This includes between $79,060 to $84,795 that must be paid to the franchisor.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Paul Spindler at 1867 Yonge Street, Suite 600, Toronto, Ontario, Canada M4S 1Y5 and (416) 630-6280.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at *www.ftc.gov* for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

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STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. The Franchise Agreement and Multi-Unit Development Agreement require you to resolve disputes with us by arbitration only in Delaware. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate with us in Delaware than in your own state.

2. The Franchise Agreement and Multi-Unit Development Agreement state that Delaware law governs the agreements, and this law may not provide the same protections and benefits as your state's law. You may want to compare these laws.

3. The franchisor has limited financial resources which might not be adequate to fund the franchisor's pre-opening obligations to each franchisee and pay operating expenses.

4. If we terminate the Franchise Agreement for cause, you will be required to pay us liquidated damages in an amount equal to your average monthly royalty fees during the twelve months preceding the termination date multiplied by 24 months or the number of months remaining in the Franchise Agreement, whichever is higher.

5. As a condition of our consent to allow you to transfer your franchise to a third party, we may require you to guarantee the performance of that third party.

6. You must make minimum Advertising Fund Contribution and Brand Maintenance Fee, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

7. There may be other risks concerning this franchise.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Date: See next page for state effective dates