

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 C 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN FLORIDA AND BY LITIGATION IN STATE OR FEDERAL COURT IN FLORIDA. OUT-OF-STATE ARBITRATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE OR ARBITRATE WITH US IN FLORIDA THAN IN YOUR OWN STATE**
- 2 THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS**
- 3 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE**

For Maryland Franchisees: Maryland's State authority is the Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, MD 21202. This information, together with the Maryland's agent to receive service of process, is set forth in Exhibit C

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

State-specific effective dates appear on the following page

The following states do not have franchise registration laws. This Disclosure Document may be given to persons in the following states as of the Date of Issuance, March 31, 2018

Alabama	Louisiana	North Carolina
Alaska	Maine	Ohio
Arizona	Massachusetts	Oklahoma
Arkansas	Mississippi	Oregon
Colorado	Missouri	Pennsylvania
Delaware	Montana	South Carolina
Georgia	Nevada	Tennessee
Idaho	New Hampshire	Vermont
Iowa	New Jersey	West Virginia
Kansas	New Mexico	Wyoming

This document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

State	<u>Effective Date</u>
California	Pending
Connecticut	Pending
Florida	Pending
Hawaii	Pending
Illinois	Pending
Indiana	April 10, 2018
Kentucky	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
Nebraska	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Texas	Pending
Utah	April 11, 2018
Virginia	Pending
Washington	Pending
Wisconsin	April 10, 2018

[The disclosure document continues on the next page]

Lapels®
FRANCHISE DISCLOSURE DOCUMENT
TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE</u>
1	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES	2
2	BUSINESS EXPERIENCE	3
3	LITIGATION	4
4	BANKRUPTCY	4
5	INITIAL FEES	5
6	OTHER FEES	6
7	ESTIMATED INITIAL INVESTMENT	9
8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	13
9	FRANCHISEE S OBLIGATIONS	14
10	FINANCING	15
11	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	15
12	TERRITORY	21
13	TRADEMARKS	22
14	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	22
15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	23
16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	23
17	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	25
18	PUBLIC FIGURES	25
19	FINANCIAL PERFORMANCE REPRESENTATIONS	29
20	OUTLETS AND FRANCHISEE INFORMATION	29
21	FINANCIAL STATEMENTS	39
22	CONTRACTS	39
23	RECEIPTS	39

Exhibits

A	FRANCHISE AGREEMENT
B	FINANCIAL STATEMENTS
C	STATE ADMINISTRATORS AND AGENTS TO RECEIVE SERVICE OF PROCESS
D	STATE ADDENDA
E	TABLE OF CONTENTS OPERATIONS MANUAL

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