FRANCHISE DISCLOSURE DOCUMENT

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Dryer Vent Wizard International LLC
a Delaware limited liability company
~~37735 Enterprise Ct., Ste. 100~~
~~Farmington Hills, MI 48331~~
~~(586) 619-2160~~
1010-1020 North University Parks Drive
Waco, Texas 76707
(254) 745-2404
www.dryerventwizard.com
sales@dryerventwizardcorp.com

As a franchisee, you will install and repair, and provide cleaning products and services for: dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses to enhance the performance and safety of clothes dryers and other household appliances to residential and commercial customers, and perform related services and sell related products.

The total investment necessary to begin operation of a Dryer Vent Wizard® franchise ranges from $~~70,500~~**70,800** to $149,500. This includes $40,000 that must be paid to the franchisor or its affiliate(s). It does not include fees for additional territory (beyond the standard 200,000), for which we charge $200 per 1,000 population.

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 this 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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Jason Kapica, ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, Michigan 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707**, or via telephone at (~~586~~**254**) ~~619-2160~~**745-2404**.

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, D.C. 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.

Issuance Date: April 1, 2020**, as amended August 3, 2020**

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits E & F.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only DRYER VENT WIZARD business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Dryer VENT WIZARD franchisee?	Item 20 or Exhibits E & F lists current and former franchisees. You can contact them to ask about their experiences.

What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit B.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.

2. Mandatory Minimum Payments. You must make minimum license fee, MAP fee and call center fee payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed franchisee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

(j) If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or subfranchisor until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding the notice should be directed to:

State of Michigan
Consumer Protection Division
Attention: Franchise
G. Mennen Williams Building, First Floor
525 West Ottawa
Lansing, Michigan 48933
Telephone: 517-373-7117

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APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT L.

ITEM 1

THE FRANCHISOR, AND ANY PARENT, PREDECESSORS AND AFFILIATES

For ease of reference in this disclosure document, the franchisor, Dryer Vent Wizard International LLC, is referred to as "we," "us" or "Franchisor," and sometimes "Dryer Vent Wizard" and the person who buys the franchise is referred to as "you," "your," or "Franchisee." The business that is operated under the Franchise Agreement is referred to as the "franchise", the "franchised business" or the "Business" and the right to operate granted by the Franchise Agreement is sometimes referred to as the "license" or "franchise." If you are a legal entity, the provisions of the Franchise Agreement and related agreements apply to your owners.

This disclosure document outlines and summarizes some contractual obligations of both the Franchisor and the Franchisee which are found in the Franchise Agreement and other agreements. For ease of reference and understanding, these obligations may be paraphrased or described in general terms in this document. Such outlines or summaries do not supersede, replace or modify the actual text of the obligation contained in the relevant agreement.

The Franchisor and Predecessors

The Franchisor is Dryer Vent Wizard International LLC. We were formed as a Michigan limited liability company on February 28, 2011 and converted to a Delaware limited liability company on February 19, 2020. We maintain our principal place of business at ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, Michigan 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707**. We do business under our corporate name and under the name DRYER VENT WIZARD®. Our agents for service of process are listed on Exhibit B.

Our predecessor, Dryer Vent Wizard, Inc. ("DVWI"), a Massachusetts corporation, was formed on September 1, 2004 with a principal business address of 22 Hitchingpost Road, Chelmsford, MA 01824. From September 2004 until February 15, 2007, DVWI operated a business of the type offered in this disclosure document. DVWI has never offered franchises in this or any other line of business. In February 2006, DVWI contributed the Dryer Vent Wizard business system and marks to our predecessor, American Franchise Systems, LLC, a Michigan limited liability company.

Our predecessor, American Franchise Systems LLC, was formed on February 3, 2006 with a principal business address of 5523 E. Nine Mile Road, Warren, MI 48091. From February 3, 2006 until April 1, 2011, American Franchise Systems LLC offered Dryer Vent Wizard franchises of the type offered in this disclosure document. On April 1, 2011, we purchased the assets of American Franchise Systems LLC including but not limited to all franchise rights, franchise agreements and intellectual property rights. American Franchise Systems LLC has not offered other franchises in other lines of business.

Our Business Experience

Since April 15, 2011, we have offered franchises for the installation and repair of, and provision of cleaning products and services for: dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses to enhance the performance and safety of clothes dryers and other household appliances ("DRYER VENT WIZARD Products and Services"), to residential and commercial customers, including apartment complexes, condo buildings and other multi-family buildings, within a specific geographic area. We offer these franchises as "start-ups" or you have the option to convert an existing business into a Business. We do not own or operate any franchises. We have not offered franchises in any other line of business and we have not engaged in any other business

activity. As of December 31, 2019, we had 88 franchises in operation in the U.S. and five franchises in operation in Canada.

Our Parents and Affiliates

As of February 21, 2020, we are a wholly-owned subsidiary of Dwyer Franchising LLC d/b/a Neighborly (f/k/a The Dwyer Group, Inc.) ("Parent"). The name and principal business address of each of the companies that directly or indirectly control us (i.e., Parent and its parent companies) are as follows:

Name of Company	Principal Business Address	Ownership or Control of Company
TDG Investment Holdings, LP	c/o Harvest Partners, LP 280 Park Avenue, 26th Floor New York, New York 10017	Controlled by Harvest Partners VII, L.P.
Balcones Holdco, Inc. ("Balcones Holdco")	c/o Harvest Partners, LP 280 Park Avenue, 26th Floor New York, New York 10017	Wholly owned by TDG Investment Holdings, LP
TDG Intermediate, LLC ("Intermediate")	c/o Harvest Partners, LP 280 Park Avenue, 26th Floor New York, New York 10017	Wholly owned by Balcones Holdco
TDG Group Holding Company ("TDG Group Holding")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by Intermediate
Dwyer Acquisition Parent, Inc. ("DAP")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by TDG Group Holding
TDG Holding Company ("TDGHC")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by DAP
The Dwyer Group, Inc. ("TDG")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by TDGHC
The Dwyer Group LLC ("Dwyer")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by TDG
Dwyer Franchising LLC	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by Dwyer

On June 1, 2018, Balcones Merger Sub, Inc., a Delaware corporation, merged with and into TDG Group Holding, with TDG Group Holding being the surviving entity in the merger (the "Merger"). As a

result of the Merger, TDG Investment Holdings, LP became our indirect parent company. Harvest Partners VII, L.P., a New York-based private equity fund, controls TDG Investment Holdings, LP. Harvest Partners, founded in 1981, is an established private equity firm with a history of investing in middle-market companies across 4 industry verticals. For 35 years, through 8 funds, Harvest Partners has invested in over 50 companies.

We currently have no affiliates required to be included in this item except as provided below.

Since 1992, Aire Serv LLC ("Aire Serv") has offered franchises which provide installation, maintenance and repair of residential and commercial heating, ventilating and air-conditioning equipment under the name AIRE SERV®. At various times since 1992, Aire Serv had also offered regional or area franchises which solicited prospective franchisees in selected areas and/or provided services to its franchisees in selected areas. There are no Aire Serv franchisees with regional or area franchise rights, and Aire Serv has not offered or sold any regional or area franchises since at least 2012. Aire Serv maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Aire Serv had 177 franchises in operation in the U.S. Aire Serv has never conducted business of the type described in this disclosure document.

Since 1993, Mr. Rooter LLC ("Rooter") has offered franchises which provide plumbing and plumbing repair services; sewer, drain and pipe cleaning services; septic tank pumping; water heater replacement; TV pipe inspection; line and leak detection; hydronics; excavation and replacement of sewer lines and other related services and products in homes and commercial buildings under the names MR. ROOTER® and AMERICA'S TROUBLE SHOOTER®. At various times since 1990, Rooter or a predecessor of Rooter also had offered area franchises which solicited prospective franchisees and/or provided services to its franchisees in selected areas. There are no Rooter franchisees with regional or area franchise rights, and Rooter no longer offers any regional or area franchises. Rooter maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, TX 76707. As of December 31, 2019, Rooter had 207 franchises in operation in the U.S. Rooter has never conducted business of the type described in this disclosure document.

Since 1981, Rainbow International LLC ("Rainbow International") has offered franchises which provide carpet cleaning, dyeing, repair, reinstallation and related services; upholstery, drapery and ceiling cleaning and related services; and deodorization services under the names RAINBOW INTERNATIONAL®, RAINBOW INTERNATIONAL CARPET CARE & RESTORATION SPECIALIST®, RAINBOW INTERNATIONAL RESTORATION & CLEANING® and RAINBOW INTERNATIONAL RESTORATION®. In 1997, Rainbow International added an option to perform air duct cleaning services. In 2000, Rainbow International added water, smoke and disaster restoration services. In 2001, Rainbow International added an option to perform mold remediation services. At various times since 1993, Rainbow International had also offered regional or area franchises which solicited prospective franchisees and/or provided services to its franchisees in selected areas. There are no Rainbow International franchisees with regional or area franchise rights, and Rainbow International has not offered or sold any regional or area franchises since at least 2012. Rainbow International maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Rainbow International had 294 franchises in operation in the U.S. In addition, Rainbow International offers Rainbow franchises in the UK (through a master franchise relationship), with 63 franchises in operation in the UK as of December 31, 2019. Rainbow International has never conducted business of the type described in this disclosure document.

Since 1994, Mr. Electric LLC ("Electric") has offered franchises which perform electrical services and repairs under the name MR. ELECTRIC®. At various times since 1995, Electric had also offered regional or area franchises which solicited prospective franchisees and/or provided services to its

franchisees in selected areas. There have been no Electric franchises with regional or area franchise rights since 2014 and Electric has not offered or sold any regional or area franchises for at least the last decade. Electric maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Electric had 147 franchises in operation in the U.S. Electric has never conducted business of the type described in this disclosure document. In addition, as of December 31, 2019, Electric had a total of 10 franchises in operation in Portugal, Australia and South Africa (through a master franchise relationship) and one Electric franchise in operation in Grand Cayman (through a master franchise relationship).

Since August 1996, Mr. Appliance LLC ("Appliance") has offered franchises which perform and provide service and repair on all major appliances for residential and commercial customers under the name MR. APPLIANCE®. Appliance maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Appliance had 277 franchises in operation in the U.S. Appliance has never conducted business of the type described in this disclosure document.

Since March 2004, Synergistic International LLC d/b/a Glass Doctor ("Glass Doctor") has offered franchises that repair and replace auto and/or flat glass under the name GLASS DOCTOR®. From 1977 to March 2004, Glass Doctor's predecessors offered similar franchises. Glass Doctor maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Glass Doctor had 162 franchises in operation in the U.S. Glass Doctor has never conducted business of the type described in this disclosure document.

Since April 2010, The Grounds Guys LLC ("Grounds Guys") has offered franchises which perform and provide summer and winter commercial, residential, and municipal property maintenance and landscaping services and other related products and services under the name Grounds Guys®. Grounds Guys maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Grounds Guys had 160 franchises in operation in the U.S. and has never conducted business of the type described in this disclosure document.

A wholly-owned subsidiary of our Parent since January 2015, Five Star Painting, LLC (formerly Five Star Painting, Inc., a Nevada corporation) ("Five Star Painting") has, since September 2007, offered franchises which perform and provide residential and commercial painting services and other related products and services under the name Five Star Painting®. Five Star Painting maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Five Star Painting had 197 Five Star Painting franchises in operation in the U.S. and has never conducted business of the type described in this disclosure document. In connection with the January 2015 transaction in which Five Star Painting was acquired by our parent, the Canadian franchise agreement that was entered into with a former affiliate of Five Star Painting and all of the other 7 Canadian franchise agreements were assigned to Five Star Painting (collectively, the "Pre-Existing Franchise Agreements"). On December 30, 2015, the Pre-Existing Franchise Agreements were assigned by Five Star Painting to The Dwyer Group Canada Inc., which is the franchisor for Five Star Painting in Canada, as noted below. In addition, on March 25, 2016, our affiliate since June 2015, ProTect Painters International, LLC ("ProTect Painters"), a Michigan limited liability company, merged with and into Five Star Painting, with Five Star Painting being the surviving entity in the merger (the "Merger"). As a result of the Merger, Five Star Painting now offers franchises under both, the Five Star Painting marks and the ProTect Painters marks. As of December 31, 2019, Five Star Painting had two ProTect Painters franchises.

A wholly owned subsidiary of our Parent since June 2015, Molly Maid LLC, formerly Molly Maid, Inc. ("Molly Maid"), is a limited liability company formed May 8, 1984 for the purpose of franchising the Molly Maid system, which offers professional residential housekeeping services, as well as a carpet cleaning program under the name Molly Maid®. Molly Maid maintains its principal place of business at

~~3948 Ranchero~~**1010-1020 North University Parks** Drive, ~~Ann Arbor, MI 48108~~**Waco, Texas 76707**. As of December 31, 2019, MOLLY MAID had 492 franchises in operation in the United States and Puerto Rico.

A wholly owned subsidiary of our Parent since June 2015, Mr. Handyman International, L.L.C. ("Mr. Handyman"), a Michigan limited liability company formed on January 6, 2000, is a franchising company dedicated to performing business and residential maintenance and repair services under the name Mr. Handyman®. It maintains its principal business address at ~~3948 Ranchero~~**1010-1020 North University Parks** Drive, ~~Ann Arbor, MI 48108~~**Waco, Texas 76707**. As of December 31, 2019, Mr. Handyman had 234 franchises in the U.S.

A wholly-owned subsidiary of our Parent since November 10, 2016, FOR Franchising, LLC ("FOR") is an Ohio limited liability company formed on December 12, 1997. Since 1998, FOR has offered franchises for the operation of a residential and commercial window cleaning, window tinting and pressure washing business operated under the Window Genie® name. It maintains its principal business address at ~~40 W. Crescentville Road, Cincinnati, OH 45246~~**1010-1020 North University Parks Drive, Waco, Texas 76707**. As of December 31, 2019, it had 130 unit franchises in operation in the U.S. FOR has never conducted business or offered franchises of the type described in this disclosure document.

On February 26, 2018, our Parent acquired all of the equity interests of (a) Property Management Business Solutions, LLC, a Utah limited liability company ("PMBS"), (b) BOI BackOffice, LLC, a Utah limited liability company, and (c) Real Property Management Canada, LLC, a Utah limited liability company. PMBS was formed on April 21, 2004 and for the past twelve years, it has been offering franchises for the operation of businesses providing property management services, including management of maintenance and repair services and rent collection under the Real Property Management name ("RPM Business"). PMBS maintains its principal business address at ~~1455 West 2200 South, Suite 300, Salt Lake City, Utah 84119~~**1010-1020 North University Parks Drive, Waco, Texas 76707**. As of December 31, 2019, PMBS had 315 unit franchises in operation. PMBS has not previously offered franchises in any other line of business.

Real Property Management Canada, LLC, f/k/a Real Property Management Canada, Inc. ("RPMC"), was incorporated on September 5, 2008 and is located at ~~1455 West 2200 South, Suite 300, Salt Lake City, Utah 84119~~**1010-1020 North University Parks Drive, Waco, Texas 76707**. RPMC was formed to be the franchisor of RPM Businesses in Canada, and it is currently operating in that capacity. RPMC has offered and sold one RPM Business master franchise in Canada under the name Real Canadian Property Management Limited Partnership, with 22 franchises in operation in Canada as of December 31, 2019. RPMC does not offer franchises in any other line of business. Additionally, RPMC does not and has not previously conducted business of the type operated by RPM Businesses.

On August 9, 2018, our Parent acquired all of the equity interests of Mosquito Joe Franchising, LLC ("MoJo") and certain of its affiliates that offer services to MoJo franchisees. MoJo was organized on August 6, 2012, and since 2012 it has been offering franchises for the operation of businesses providing services and equipment to both residential and commercial customers to control undesirable outdoor insects, such as mosquitoes, ticks and fleas, under the Mosquito Joe® name. MoJo maintains its principal business address at 4490 Holland Office Park, Suite 100, Virginia Beach, VA 23452. As of December 31, 2019, MoJo had 319 unit franchises in operation and 3 affiliate operated units. MoJo has not offered franchises in any other line of business.

On June 30, 2020, our Parent acquired all of the equity interests of Master Companies, Inc., a Delaware corporation and the indirect parent of HM Services, LLC, a Delaware limited liability company doing business under the name "HouseMaster" ("HMS"). HMS was organized on

December 16, 2016. Since March 2017, HMS has been offering franchises for the operation of a building inspection and related services business under the HouseMaster™ trademark. HMS's predecessors-in-interest have been offering such franchises since 1979. HMS maintains its principal business address at 92 East Main Street, Ste 201, Somerville, NJ 08876. As of December 31, 2019, HMS had 279 unit franchises in operation in the U.S. and 32 unit franchises in Canada. HMS has not offered franchises in any other line of business.

The affiliates named above offer franchises using separate franchise disclosure documents. We will make any of those disclosure documents available to you upon request.

The Dwyer Group Canada, Inc. ("TDGC"), a wholly owned subsidiary of our Parent since January 1998, was incorporated in the Province of Ontario, Canada on January 21, 1998. TDGC has the right to offer and sell Mr. Handyman, Rooter, Rainbow International, Glass Doctor, Appliance, Electric, Aire Serv, Five Star Painting and Grounds Guys franchises in Canada under 3-party agreements between TDGC, the applicable affiliate-franchisor, and the franchisee. TDGC, in cooperation with such affiliate-franchisor, provides, support and supervision and, at times, assistance or guidance, to Canadian franchisees operating under the affiliate's trademarks and systems. TDGC maintains its principal place of business in Ontario, Canada at 250 Dundas Street West, Toronto, Ontario M5T 2Z5. As of December 31, 2019, TDGC had 15 Mr. Handyman franchises, 24 Rooter franchises, 19 Rainbow International franchises, 11 Glass Doctor franchises, 19 Appliance franchises, 16 Electric franchises, 10 Aire Serv franchises, 6 Five Star Painting franchises and 28 Grounds Guys franchises in operation in Canada. TDGC does not operate a business of the type being franchised under this disclosure document and does not offer franchises in any other line of business.

Dwyer (UK Franchising) Limited ("Dwyer UK"), a wholly-owned subsidiary of our Parent since March 9, 2012, was incorporated in England and Wales on March 9, 2012. Dwyer UK has the right to offer and sell Aire Serv and Electric franchises in the United Kingdom using agreements between Dwyer UK and the franchisee. Dwyer UK, in cooperation with Aire Serv and Electric, provides support and supervision and, at times, assistance or guidance, to franchisees operating under those trademarks and systems in the United Kingdom. Dwyer UK maintains its principal place of business in Five Mile House, 128 Hanbury Rd., Stroke Prior, Bromsgrove, Worcester EG B60 4JZ, United Kingdom. As of December 31, 2019, Dwyer UK had 8 Electric franchises and 2 Aire Serv franchises. Dwyer UK has the right to offer franchises in the United Kingdom for the same type of business as Aire Serv and Electric offer in the U.S. under separate franchise disclosure documents; Dwyer UK does not operate a business of the type being franchised under this disclosure document and does not offer franchises in any other line of business.

In October 2015, a wholly-owned subsidiary of our Parent, Drain Doctor Holdings Limited (f/k/a Dwyer DD UK Limited), a private limited company registered in England and Wales, acquired ownership of Rooter's UK master licensee that had been offering Rooter franchises in the U.K. under the name Drain Doctor® and had 59 franchises in the UK as of December 31, 2019.

Rainbow International Systemzentrale Deutschland GmbH ("Rainbow Germany"), a wholly-owned subsidiary of our Parent since September 18, 2014, was incorporated in Germany on September 18, 2014. Rainbow Germany has the right to offer and sell Rainbow franchises in Germany using agreements between Rainbow Germany and the franchisee. Rainbow Germany, in cooperation with Rainbow International, provides support and supervision and, at times, assistance or guidance, to franchisees operating under the Rainbow marks and system in Germany. Rainbow Germany maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. As of December 31, 2019, Rainbow Germany had 32 Rainbow International franchises in Germany. Rainbow Germany has the right to offer franchises in Germany for the same type of business as Rainbow International offers in the U.S. under a separate franchise disclosure document.

Locatec Ortungstechnik GmbH ("Locatec") is a wholly-owned subsidiary of our Parent since April 27, 2016. Locatec has the right to offer and sell Locatec franchises in Austria and Germany using agreements between Locatec and the franchisee. Locatec, in cooperation with our affiliates, provides support and supervision and, at times, assistance or guidance to franchisees operating under Locatec trademarks and systems in Germany and Austria. Locatec maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. Locatec franchisees offer non-destructive detection of all types of leaks in pipe systems (indoor and outdoor including pipes for gas, water, sewage, and district heat) and flat roofs as well as emergency repair services. As of December 31, 2019, Locatec had 54 franchises in Germany and 8 in Austria.

Bright and Beautiful UK Limited ("Bright and Beautiful") is a wholly owned subsidiary of our Parent since April 13, 2017. Bright and Beautiful has the right to offer and sell Bright and Beautiful franchises in the United Kingdom using agreements between Bright and Beautiful and the franchisee. Bright and Beautiful provides support and supervision and, at times, assistance or guidance to franchisees operating under Bright and Beautiful trademarks and systems in the United Kingdom. Bright and Beautiful franchisees offer domestic cleaning services. As of December 31, 2019, Bright and Beautiful had 71 franchises in the United Kingdom.

Countrywide Garden Maintenance Services Limited ("Countrywide") is a wholly owned subsidiary of our Parent since May 2, 2017. Countrywide has the right to offer and sell Countrywide franchises in the United Kingdom using agreements between Countrywide and the franchisee. Countrywide provides support and supervision and, at times, assistance or guidance to franchisees operating under Countrywide trademarks and systems in the United Kingdom. Countrywide franchisees offer commercial grass cutting, landscape maintenance, grounds maintenance and winter gritting services. As of December 31, 2019, Countrywide had 52 franchises in the United Kingdom.

Dream Doors Holdings Limited ("Dream Doors") has been a wholly owned subsidiary of our Parent since February 26, 2019. Dream Doors has the right to offer and sell Dream Doors franchises in the United Kingdom using agreements between Dream Doors and the franchisee. Dream Doors provides support and supervision and, at times, assistance or guidance to franchisees operating under Dream Doors trademarks and systems in the United Kingdom. Dream Doors franchisees offer fully-fitted kitchen makeovers, replacement doors and countertops and the installation of new appliances. As of December 31, 2019, Dream Doors had 92 franchises in the United Kingdom.

ZorWare LLC, a Texas limited liability company and a wholly-owned subsidiary of our Parent ("ZorWare"), provides software to us and our affiliates and ~~provides~~**may in the future provide** technical support to franchisees and ~~collects~~**collect** fees from franchisees for certain software programs. ZorWare maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. ZorWare does not own or operate any franchises nor has it offered franchises in any line of business.

FranTech, L.L.C., a Michigan limited liability company and a wholly-owned subsidiary of our Parent ("FranTech"), provides software to us and our affiliates and ~~provides~~**may in the future provide** technical support to franchisees and ~~collects~~**collect** fees from franchisees for certain software programs. FranTech maintains its principal place of business at ~~3948 Ranchero~~**1010-1020 North University Parks** Drive, ~~Ann Arbor, MI 48108~~**Waco, Texas 76707**. FranTech does not own or operate any franchises nor has it offered franchises in any line of business

ProTradeNet, LLC, a Delaware limited liability company ("ProTradeNet"), negotiates, and sometimes enters into contracts, with some of the vendors, suppliers and others who do business or propose to do business with our and our affiliates' franchisees with the goal of obtaining better terms and conditions on which franchisees purchase goods and services for their businesses. ProTradeNet maintains its principal

place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. ProTradeNet does not own or operate any franchises nor has it offered franchises in any line of business.

Neighborly Service Solutions, LLC (f/k/a "Handled.com LLC"), a Delaware limited liability company and a wholly-owned subsidiary of our Parent ("Neighborly Service Solutions") was formed in 2011 to, among other things, negotiate, and sometimes enter into contracts with some of the Key Accounts. Neighborly Service Solutions also currently offers certain marketing and other services. Neighborly Service Solutions maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. Neighborly Service Solutions does not own or operate any franchises nor has it offered franchises in any line of business.

Except as noted above, none of our affiliates have offered franchises in the same line of business as offered in this disclosure document or in any other line of business.

Description of the Franchise

You will install and repair, and provide cleaning products and services for: dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses to enhance the performance and safety of clothes dryers and other household appliances, and perform related services and sell related products. You will operate the Business under our service mark DRYER VENT WIZARD® and the additional principal service marks, trademarks, trade names, logos, emblems, slogans or other indicia of origin which are or may be designated by us in the future (the "Marks") for use in accordance with the methods and processes developed by us in connection with the franchise (the "System") within a specified geographical area (the "Territory"). The System includes our operating systems, marketing systems, business techniques, and methods, processes, policies and procedures for installing and repairing, and providing cleaning products and services for: dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses to enhance the performance and safety of clothes dryers and other household appliances, and performing related services and selling related products, including items of trade dress and sales, leadership and management training for the development and operation of DRYER VENT WIZARD Businesses, including all training materials, all as the same may exist today or as the same may change from time to time, as specified in the Operations Manual or as otherwise reasonably directed by us from time to time. You may, if we approve, convert an existing business offering similar services to a Business or add additional territory to a Business under the terms stated in the Franchise Agreement and related agreements.

The standard form of franchise agreement we are now offering is included in this disclosure document as Exhibit A (the "Franchise Agreement"). When we update our disclosure document, the form of franchise agreement and other agreements may change, fees and other obligations may increase, and the terms and conditions on which you may obtain a franchise may be less favorable as compared with a previous disclosure document.

Uniformity of franchise agreements among our franchisees may not always be possible or practical. We have offered in the past and we may offer in the future, franchise agreements to other franchisees on terms materially different from those ~~set forth~~**included** in this disclosure document. We also may materially vary the franchise agreement terms, conditions, and obligations (including those relating to fees, territories, training and other items) offered to other franchisees and we have no obligation to disclose these variations to you or to grant the same or similar variation to you.

The franchised business offers services to the general public, including residential and commercial customers, and the services are offered in a developing market. You will compete with local independent businesses and national chain stores. The franchisees of our affiliate, Appliance, perform refrigeration

repair and you may compete in your Territory with a MR. APPLIANCE® franchisee in this service when you open for business or sometime in the future as the Appliance system expands. The franchisees of our affiliate, Mr. Handyman, perform maintenance and repair services and you may compete in your Territory with a MR. HANDYMAN® franchisee if they perform certain maintenance and repair services, including the occasional instance of minor air conditioning and heating maintenance and repair and installation of programmable thermostats and air filters, when you open for business or sometime in the future as the Mr. Handyman system expands. The franchisees of our affiliate, FOR, provide window cleaning, pressure washing, gutter cleaning, holiday lighting and window tinting, as well as related ancillary services for the residential and commercial markets, and you may compete in your Territory with a Window Genie® franchisee with respect to these services when you open for business or sometime in the future as the Window Genie® system expands. The franchisees of our Affiliate, PMBS, perform property management services for rental properties under such franchisees' management, which services include the management of maintenance and repair services, and you may compete in your Territory with a REAL PROPERTY MANAGEMENT franchisee with respect to these services when you open for business or sometime in the future as the PMBS system expands. The franchisees of our Affiliate, Aire Serv, provide installation, maintenance and repair of residential and commercial heating, ventilating and air-conditioning equipment, and you may compete in your Territory with an AIRE SERV® franchisee with respect to these services when you open for business or sometime in the future as the Aire Serv system expands. **The franchisees of our Affiliate, HMS, perform property building inspection services for residential and commercial customers, which services may include HVAC inspection services, and you may compete in your territory with a HouseMaster franchisee with respect to these services when you open for business or sometime in the future as the HMS system expands.**

Industry Specific Regulations

You must comply with all federal, state, and local laws and regulations that apply to home maintenance, repair and improvement services in general. If your state, county or local government requires that you have a contractor license, you must be licensed before becoming a franchisee. Certain states may require experience to secure a license. You should investigate these laws and regulations, and keep appraised of changes that are made in areas that you service. You are solely responsible to investigate and determine licensing requirements in the area you would like to service before signing the Franchise Agreement. It is your sole responsibility to investigate and comply with these laws and regulations.

~~Since early 2020, the COVID-19 virus pandemic continues to significantly disrupt local, regional and global economies and businesses. Because of resulting operating restrictions, limitations on group gatherings, forced closures, and other consequences of the COVID-19 outbreak, it is likely that there will be substantial disruptions in customer demand, the supply chain for products and services, employee availability, and other aspects of operating your Business. You will also be required to comply with any applicable laws, rules and governmental orders issued in response to the outbreak.~~

ITEM 2

BUSINESS EXPERIENCE

President: Jason Kapica

Mr. Kapica serves as our President in ~~Farmington Hills, Michigan~~**Dallas, Texas**, a position he has held since January 1, 2018. Mr. Kapica served as our Vice President from January 2016 until December 2017, and as VP of Franchise Development & IT from February 2014 until December 2015. Mr. Kapica formerly served as Director of Franchise Development and Franchise Development Manager for Dryer Vent Wizard International LLC, positions he held since August of 2012.

Senior Director of ~~Franchise Support~~**Systems**: Scott Thomas

Mr. Thomas serves as our Senior Director of ~~Franchise Support~~**Systems** in Farmington Hills, Michigan, a title he has held since January 2017. Prior to this, he served as our Director of Corporate Operations from January 2012 to December 2016. Mr. Thomas formerly served as Director of Information Technology, IT Helpdesk and Call Center Associate for Dryer Vent Wizard International LLC, positions he held since July 2008.

~~Vice President of Franchise Development: LaVonna Williams~~

~~Ms. Williams serves as our Vice President of Franchise Development in Farmington Hills, Michigan, a position she has held since July 2018. From September 2016 until July 2018, Ms. Williams was our Vice President of Franchise Services and HR Manager. Previously, Ms. Williams served as our Senior Director of Franchise Services, Scheduling Center Manager and HR Manager from May 2012 to September 2016.~~

Treasurer and Parent Chief Financial Officer: Jon Shell

Mr. Shell has been our Treasurer since February, 2020 in Waco, Texas. He has also been Chief Financial Officer of our Parent since September 2015. From June 2012 to September 2015 he was Chief Financial Officer for Barbecue Integrated, Inc. in Orlando, Florida.

Chief Marketing Officer: Lisa Zoellner

Ms. Zoellner has been the Chief Marketing Officer for us since February, 2020 and for a number of our affiliates, including our Parent, since January 2016, in Waco, Texas. From October 2015 to December 2015 she was self-employed in Austin, Texas. From June 2012 to September 2015 she was Chief Marketing Officer for Golfsmith International in Austin, Texas.

Senior Vice President of Marketing: Cody Pierce

Mr. Pierce has been our Senior Vice President of Marketing since February, 2020 in Waco, Texas. From January 2012 to March 2016, Mr. Pierce was the Vice President of Marketing for Pizza Ranch Inc. in Orange City, Iowa.

Parent Chief Executive Officer: Michael B. Bidwell

Mr. Bidwell has been the Chief Executive Officer of our Parent since February 2014. Since June 2018, he has also been a Vice President and a Director of TDG Intermediate, LLC, Balcones Holdco, Inc. and TDG Investment Holdings, LLC. He is also the President and a Director of a number of our other parent companies and affiliates.

Parent Chief Operating Officer: Mary Kennedy Thompson

Ms. Thompson has been Chief Operating Officer of our Parent since August 2015 and was Executive Vice President of our Parent from February of 2014 to July 2015. In 2013 she was named the Director of Veteran Affairs for our Parent. She was President of Rooter from October 2006 to July 2015.

Parent Chief Development Officer: Bradley Stevenson

Mr. Stevenson has been Chief Development Officer for Parent since October 2019. From November 2013 to October 2019, Mr. Stevenson was Vice President of Sales - Grocery of MillerCoors LLC in Chicago, Illinois.

Parent Executive Vice President, Neighborly General Manager: Douglas C. Rogers

Mr. Rogers has been the Executive Vice President, Neighborly General Manager for our Parent since April 2019 in Waco, Texas. From October 2016 until March 2019, Mr. Rogers was the Senior Vice President of Franchising Operations for our Parent in Waco, Texas. From March 2006 until March 2019, he was also the President of Appliance in Waco, Texas.

Parent Senior Vice President of Franchise Development: Brandon Haire

Mr. Haire has been Senior Vice President of Franchise Development for Parent since January 2017. From April 2015 to January 2018, Mr. Haire was the Vice President of Franchise Development for Appliance and Aire Serv. From May 2013 to March 2015, he was the Franchise Development Leader for Appliance and Aire Serv.

Parent Senior Vice President of Brand Management Marketing: Lori Johnson

Ms. Johnson has been Senior Vice President of Brand Management Marketing for Parent since February 2019. From May 2016 to February 2019, she was the Vice President of Brand Management Marketing for Parent. From January 2013 until April 2016, Ms. Johnson was the Director of Marketing Strategy and Planning for ALSAC – the fundraising and awareness organization for St. Jude Children's Research Hospital in Memphis, Tennessee.

~~Parent Vice President of Franchise Development: Sam Thurman~~

~~Mr. Thurman has been a Vice President of Franchise Development for Parent since February 2011. From July 2001 until February 2011, he was a Franchise Developer for Parent.~~

Except as otherwise stated above, the location of each of the positions described above was 1010-1020 North University Parks Drive, Waco, Texas 76707.

ITEM 3

LITIGATION

Administrative Orders involving Affiliates and not involving the Franchisor

The Commissioner of Business Oversight of the State of California v. For Franchising LLC d/b/a Window Genie and Richard Nonelle. On November 14, 2017, our affiliate FOR, which offers Window Genie franchises, and Richard Nonelle, president of FOR, entered into a Consent Order with the Commissioner of Business Oversight of the State of California (the "Consent Order"). The Commissioner alleged that FOR and Mr. Nonelle had violated Section 31156 of the California Franchise Investment Law by failing to submit to the Commissioner copies of two advertisements offering a Window Genie franchise before such documents were provided to California residents in 2013. In an effort to resolve the matter in the most economical manner, and without admitting any liability or wrongdoing, FOR and Mr. Nonelle entered into the Consent Order and agreed, in full, final and complete resolution of the matter, that (a) FOR

and Mr. Nonelle would desist and refrain from violations of section 31156 of the California Franchise Investment Law; (b) FOR would pay an administrative penalty in the total amount of $5,000 (which amount FOR paid) and (c) within 90 days of the date of the Consent Order, Mr. Nonelle and all persons employed by FOR who assist in preparing franchise registrations or who assist in franchise selling would attend remedial education of eight hours of franchise law training courses per person (which requirement has been completed).

State of Kansas vs. Molly Maid, Inc. (18th Judicial District, Sedgwick County, Kansas, Case No. 10CV4719). On November 29, 2010, our affiliate Molly Maid, Inc. entered into a Journal Entry of Consent Judgment and Permanent Injunction (the "Consent Judgment"). The District Attorney for the Eighteenth Judicial District alleged that Molly Maid had violated the Kansas Consumer Protection Act ("KCPA") as a result of one Molly Maid franchisee being unable to document that background checks were performed on certain of its employees and the sale of gift certificates after the franchise was terminated. Molly Maid vigorously denied any violation of the KCPA, however in an effort to resolve the matter in the most economical manner, and without admitting any liability or wrongdoing, Molly Maid entered into the Consent Judgment and agreed to pay a civil penalty of $25,000 and to reimburse the District Attorneys' office $25,175 for its costs associated with the investigation, and to be enjoined from engaging in any act or practice, as alleged to have violated the KCPA. The Consent Judgment was marked satisfied on April 29, 2011 and Molly Maid is in full compliance with the Consent Judgement.

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

We are not involved in any bankruptcy proceeding that is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Initial Franchise Fee

The initial franchisee fee you must pay to us is $40,000 (the "Minimum Initial Franchise Fee"), which is a fee for a territory of up to 200,000 in population, and if you wish to purchase additional territory (beyond 200,000 in population) in contiguous geographic areas, you must pay us ~~$400~~**200** per each additional 1,000 population in the territory (or a pro-rated amount for additional territory with a population of less than 1,000). Any additional territory will be purchased by zip codes. The initial franchise fee is subject to applicable discounts, as described below. The population in your territory is generally determined from estimates prepared by the U.S. Census Bureau (see www.census.gov), but we may use a substitute or successor source of population information and the source and date of the information we use is determined solely by us.

You must pay the initial franchise fee in full when you sign the Franchise Agreement. The initial franchise fee is fully earned upon receipt and is non-refundable. Financing for the initial franchise fee may be available as noted in Item 10.

Only the VetFran discount or the Cash Discount (each as described below), if you qualify for them, may bring the initial franchise fee you must pay to an amount below $40,000.

In the year ended December 31, 2019, the average initial franchise fee paid by our franchisees was approximately $51,806 and the initial franchise fee paid during that period ranged from $29,246 to $82,014 based on the population in the territory purchased and available discounts (discussed below).

Discount Programs

Our discount programs are as follows:

Cash Discount

If you pay us the entire initial franchise fee within 90 days after the effective date of your Franchise Agreement, you will receive a 5% discount on the initial franchise fee (the "Cash Discount"). The Cash Discount will not apply if you purchase your franchise through an arrangement with a broker.

Roll-In Discount for Sales Volume Rolled in from an Existing Business

If you have an existing business with annual gross sales of at least $250,000, that business is similar to the franchise and you agree to merge it with the Business, we will discount the initial franchise fee by 5% for every $125,000 in annual Gross Sales of your existing business that you agree to "roll-in" into the Business, up to a maximum discount of 50%, as follows (the "Roll-In Discount"):

Percentage Discount	Annual Gross Sales of Existing Business
10%	$150,000 - $249,999
15%	$250,000 - $349,999
20%	$350,000 - $449,999
25%	$450,000 - $549,999
30%	$550,000 - $649,999
35%	$650,000 - $749,999
40%	$750,000 - $849,999
45%	$850,000 - $949,999
50%	$950,000 and above

Additional Territory Discount

If you have been our franchisee or a franchisee of one of our affiliates that offer franchises (listed in Item 1) for at least 2 years and you purchase additional territory from us, either ~~pursuant to~~**by executing** an Option to Purchase Agreement or ~~under~~ a new franchise agreement, you will receive a discounted initial franchise fee based on the number of years you have been our or our affiliate's franchisee, calculated as follows (the "Additional Territory Discount"):

Percentage Discount	Number of Years as Our Franchisee or as a Franchisee of Our Affiliate
10%	2
15%	3
20%	4
25%	5 years or more

Additional Concept Discount

We and our affiliates (see Item 1) offer a 10% discount on the initial franchise fee to any franchisee who has been a franchisee for at least 2 years and who purchases another franchise from us (if they are an affiliate's franchise owner) or one of our affiliates (listed in Item 1) (if they are one of our franchise owners) (the "Additional Concept Discount").

HIRE Discount for Employees of Franchisees

We offer a discounted initial franchise fee to qualified employees of our and our affiliates' franchisees who (i) have been recommended by their employer; (ii) have been employed by our franchisee or a franchisee of our affiliate for at least 2 years; and (iii) otherwise qualify to be our franchisee, calculated as follows (the "HIRE Discount"):

Percentage Discount	Years of Consecutive Employment
10%	2
15%	3
20%	4
25%	5 years or more

Franchises granted by us under the HIRE Discount program will generally contain a population from 100,000 – 200,000. The HIRE Discount applies only to the first 200,000 of population.

If you wish to acquire a territory containing a population of more than 200,000, you must pay the additional initial franchise fee at our usual rates.

You may use the HIRE Discount only once and only in accordance with the subsection in this Item titled "Combination and Application of Discounts."

VetFran Discount

As a member of the International Franchise Association ("IFA"), we participate in the IFA's VetFran Program. If you are a United States or Canadian honorably discharged veteran (as such term is defined by us in our sole discretion) who meets our qualifications for purchasing a franchise, we will discount the Minimum Initial Franchise Fee ($40,000) by $5,000. In determining who is a "veteran," we may be guided, in whole or in part, by any definitions we find appropriate, including definitions used by the federal government of the United States or Canada, as applicable, in determining who is eligible for federal benefits intended for veterans.

First Responder Discount

If you present us with evidence of past employment as a first responder, your Initial Franchise Fee will be reduced by $5,000.

Combination and Application of Discounts

If you qualify for one or more of our discount programs and your initial franchise fee is computed to be below our Minimum Initial Franchise Fee, unless the discount is the VetFran Discount or the Cash Discount, you must pay us the Minimum Initial Franchise Fee.

Additional restrictions apply on whether and how you may combine multiple discount programs, as shown in these examples.

You cannot use both the Roll-In Discount and the Additional Territory Discount. If you qualify for either the Roll-In Discount or the Additional Territory Discount, and the Cash Discount, these discounts will be calculated as shown in the following example: You agree to "roll-in" $1,250,000 in annual Gross Sales from an existing business you own, and you also agree to pay the initial franchise fee in cash. On an initial franchise fee of $100,000, you first receive a 50% Roll-In Discount, reducing the initial franchise fee to $50,000. You will then receive a 5% Cash Discount, reducing the initial franchise fee to $47,500.

The Additional Territory Discount may only be used with the Cash Discount but not with any other type of discount. If you qualify for both the Additional Territory Discount and the Cash Discount, these discounts will be calculated as follows: if you have owned your franchise for 10 years, you receive a 25% Additional Territory Discount on the initial franchise fee. You will then receive a 5% Cash Discount on the discounted initial franchise fee.

The VetFran discount and the First Responder Discount can be used with the Additional Concept Discount but not with the Additional Territory Discount. The VetFran discount and the First Responder Discount can only be used on any given concept one time. If you qualify for the VetFran discount or the First Responder Discount and a Cash Discount, the initial franchise fee will be calculated as follows: you first receive the VetFran discount or the First Responder Discount, as applicable, and then you receive the Cash Discount on the discounted initial franchise fee.

You cannot use the HIRE Discount or the Additional Concept Discount with any other discount except the Cash Discount.

If you qualify for the VetFran, the First Responder Discount or HIRE discounts, you must have and maintain during the term of the Franchise Agreement, a 51% majority interest in the beneficial ownership and voting interest of the franchisee if the franchisee is a corporation, partnership or other entity.

The above descriptions are for illustration only. Any questions about application or combination of discounts, including the order in which discounts may be applied, will be resolved by us in our sole discretion.

Deposit for an Option for Additional Territory

If qualified, you may purchase an option for an additional territory by paying us, at the time you purchase your franchise, a fee of 10% of the initial franchise fee for such additional territory and executing an Option to Purchase Agreement (in the form attached to this disclosure document as Exhibit G). Under the Option to Purchase Agreement, at any time within the 12 month period beginning from the effective date of your franchise agreement, you may purchase the additional territory if you are in compliance with your franchise agreement by paying us the balance of the initial franchise fee applicable to such territory. The 10% deposit will be applied to the purchase price. We do not refund your deposit if you decide not to purchase or do not qualify to purchase the additional territory.

ITEM 6

OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
License Fee[1, 2]	Months 1-12: 10% of Gross Sales, except for "roll-in" sales. Months 13 - end of Term: the greater of (i) 10% of Gross Sales or (ii) the applicable Minimum License Fee, except for "roll-in" sales. Minimum License Fees: a) One territory: $1,000 b) Two territories: $2,500 Roll-In Sales: • Months 1-24: the greater of (i) 6% of Gross Sales or (ii) the applicable Minimum License Fee. • Months 25-end of Term: the greater of (i) 10% of Gross Sales or (ii) the applicable Minimum License Fee.	The 10th of each month	For avoidance of doubt, all Gross Sales generated by the Business in servicing customers in TAFS or ~~pursuant to~~**under** the Preferred Lead Program or any Key Accounts program shall be subject to the License Fee and all other fees calculated as a percentage of Gross Sales. If you have entered into multiple Franchise Agreements with the Franchisor, you will be subject to a combined total Minimum License Fee calculated as follows: ($1000 x [# of franchise agreements]) + $~~50~~**500**.
MAP Fee[1, 2, 3]	Months 1-12: up to 4% of Gross Sales (currently 2% of Gross Sales). Months 13 – end of Term: the greater of (i) the applicable percentage (currently 2%) of Gross Sales or (ii) the applicable Minimum MAP Fee. Minimum MAP Fees: a) One territory: $200 b) Two Territories: $450	The 10th of each month	If you have entered into multiple Franchise Agreements with the Franchisor, you will be subject to a combined total Minimum MAP Fee calculated as follows: ($200 x [# of franchise agreements]) + $50.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Call Center Fees	Months 1-12: 5% of Gross Sales. Months 13 – end of Term: the greater of (i) 5% of Gross Sales or (ii) the applicable Minimum Call Center Fee. Minimum Call Center Fees: a) One territory: $500 b) Two territories: $1,050	The 10th of each month	If you have entered into multiple Franchise Agreements with the Franchisor, you will be subject to a combined total Call Center Fee calculated as follows: ($500 x [# of franchise agreements]) + $50. The call center fees are used to pay expenses incurred on behalf of the call center program, which processes requests for services, schedules estimates and refers services requests to franchisees. We may pay all or a portion of these fees to third parties, such as the call service provider, and we may in the future have a third party collect all or a portion of these fees and/or administer the Call Center Program. See Item 11 for more information. We currently permit our franchisees to exclude from Gross Sales (solely for purposes of calculating the Call Center Fees and for no other purposes) Gross Sales associated with larger customer jobs (e.g., currently, jobs involving 4 or more customer appliances), as ~~set forth~~**included** in our Manuals. We may discontinue or modify this program at any time.
Local Marketing Groups[1, 2, 3]	Not to exceed 3% of Gross Sales.	Determined by LMG members	We may designate local advertising markets and advertising cooperatives and/or local marketing groups for such markets (collectively, "LMGs"), and if designated, you must participate in and contribute to the LMG advertising and marketing

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			programs in your market. The members of the LMG establish their own procedures and contributions, subject to our approval. We have the right to establish how LMGs operate (see Item 11).
Annual Convention ("Reunion") Fees[1]	Currently $1,000 or less per registrant	When you are billed, which may be via automatic bank draft, or within 30 days after Reunion via automatic bank draft	We charge you a per-person registration fee to attend the Reunion. You must attend Reunion each year (see Item 11). We will charge you this fee regardless of whether you actually attend.
Transfer Fee[1]	The greater of (i) $7,500 or (ii) 5% of the sales price. In addition, the transferee must also complete our training program and pay us a $3,500 training fee.	Before transfer	You must pay us this fee on the total gross sales price of the Business including all assets of the Business when you sell your Business, but we may discount or waive the transfer fee if the transfer is to a legal entity you control or to a member of your immediate family. (See Section 10.C of the Franchise Agreement).
Renewal Fee[1]	$5,000	On renewal	See Item 17 for more terms and conditions for renewal.
Amendment Fee[1]	$250	When you are billed	You must pay us a processing fee for modifications to your franchise agreement that are made at your request. When you request an amendment to your franchise agreement or related agreements we may require that you sign a general release releasing us from all claims you may have except claims which, under state law, may not be released.
Late Fees[1]	$10 per day	On demand	Applies to overdue fees from the due date until all sums are paid.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Dishonored Check or ACH Draft[1]	$25	On demand	You must pay us for each check returned or ACH draft refused by your financial institution for insufficient funds in your account.
Interest[1]	12% on unpaid balances	On demand	Payable on all overdue amounts. The twelve percent (12%) charge is calculated as a per annum rate but may be collected on demand, including weekly or monthly through automatic bank draft.
Audit[1]	Cost of audit plus expenses, plus any amount owed as shown by the audit, plus interest and late fees	When you are billed	Payable only if we find an understatement of Gross Sales of 2% or more or if you fail to provide requested information within 30 days of our request.
Failure to Maintain Insurance[1]	Our actual cost for insurance premiums and a reasonable fee for expenses we incur	On demand	If you fail to maintain the required insurance coverage on your franchise, we may acquire and pay for the insurance coverage and charge you.
Tax Reimbursement[1]	Varies	When you are billed	You must pay us or to taxing authorities (as applicable) an amount equal to any sales tax, use tax, gross receipts tax, documentary stamp tax or similar tax (other than income tax), fees or charges imposed on us due to any required payments you make to us. You must pay us such additional amounts as necessary so that we receive all payments from you in full as if no such tax applied.
Unapproved Suppliers[1]	Our actual out-of-pocket costs of inspection or testing	On demand	See Item 8
Indemnification and attorneys' fees and costs[1]	Varies according to loss	On demand	If we must engage an attorney to enforce our rights under the Franchise Agreement and we prevail, or if we are sued

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			because of something you do or fail to do, you must indemnify us and/or reimburse us for all costs, including reasonable attorneys' fees (which may include outside counsel fees and in-house legal costs charged at rates comparable to outside attorneys), interest, court costs and expenses expended or incurred in enforcing our rights.
Additional Training Fees	The then-current fee, (currently, $100 per day for follow up operational assistance, and $500 per day for replacement manager training), plus your and our (if applicable) related travel costs and expenses	When you are billed.	If you request or require training (including follow up operational assistance) in addition to the initial training program (see Item 11), we may charge you a training fee, plus you must pay your (and if applicable our) costs and expenses in connection with such training.
Key Accounts/ Management Fee[4]	Up to 5% of total Gross Sales related to Key Account work, including Gross Sales that relate to Key Accounts, Gross Sales that are the result of any lead or any agreement developed by our Business Development Department or any similar group that is part of our company or is our designee; Gross Sales for work that is dispatched from any call center operated by us or our designee; Gross Sales that are audited by us or our designee according to Key Accounts standards or Gross Sales that otherwise benefit	When you are billed or when the fee is deducted from your payment(s) for work performed or added to the invoice	We reserve the right to establish a Key Accounts Program. If we do so and you participate in it, we reserve the right to require you to pay a Key Accounts /Management Fee to us or our designee. We may also sometimes refer to this fee as a "Key Accounts Management fee" or "Management fee."

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	from our Key Accounts activities or management.		

Notes:

1. **Fee Payment Information**. All fees are imposed by us and are payable to us, except the fees for any local or regional LMG fees, if applicable, which would be imposed by the LMG, and may be payable to us or the LMG. You may be required to pay by automatic bank draft all current and future fees specified in this Item 6. See Item 11 for information about electronic reporting of Gross Sales and payment of fees by automatic bank draft. Some banks or other financial institutions may charge a fee for electronic transfers, but these fees may be negotiable. All fees are non-refundable.

2. **Gross Sales.** Gross Sales include the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of — or in connection with — your Business whether under any of the Marks or otherwise. Gross Sales exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing. Gross Sales also exclude sales from any Excluded Services (as defined in a mutually executed Excluded Services Addendum (see Schedule I to the Franchise Agreement). The Excluded Services Addendum requirements include that (i) the operation of the Existing Business does not interfere with your operation of the Business; (ii) you do not utilize our Marks, System and Confidential Information in the operation of the Existing Business; (iii) the Existing Business offers only the Excluded Services (the gross sales of which are excluded from the Gross Sales of the Business) specifically identified in the Excluded Services Addendum, which are services specified by us that are related to but distinguishable from the services of your Business, and does not compete with the Business by offering the same services and/or products as the Business; and (iv) you maintain separate books and records for each of the Business and the Existing Business. You must agree to make the books and records for your Existing Business available to us on reasonable prior written notice so that we may verify your compliance with the requirement concerning separate books and records.

3. **Minimum Local Marketing Spending.** We reserve the right to require you to spend an amount monthly on approved local marketing and advertising of your Business (the "Minimum Local Marketing Spending") equal to $600 per month. The amount you spend on Minimum Local Marketing Spending will be in addition to any MAP fees you must pay to us. Amounts paid to an LMG, the Start-Up Phase Marketing Spending (as defined below) and certain other amounts of local advertising spending will count towards the Minimum Local Marketing Spending, as more particularly ~~set forth~~**described** in the Manuals. Regardless of whether we impose the Minimum Local Marketing Spending on you, you must spend the amount we specify, currently $15,000, for local marketing during the first 6 months of the operation of your Business (the "Start-Up Phase Marketing Spending" and with the Minimum Local Marketing Spending, collectively, the "Minimum Local Marketing Amounts"). If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as provided below in this paragraph. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Minimum Local Marketing Amounts and in return provide to you local promotional, marketing and advertising materials and related services to promote the Business in the Territory. Should your franchise agreement terminate prior to our providing such local promotional, marketing and advertising materials and related services in the Territory, we reserve the right to contribute the Minimum Local Marketing Amounts collected to the MAP Fund.

4. **Key Accounts and Third Party Fees.** If we establish a Key Accounts program, you may participate in it, which participation may, in some cases, require you to use a third party billing provider that offers additional services and those services may include additional software. These third party providers charge a range of fees, normally a percentage of the Gross Sales of the invoice and/or a per invoice referral or work order dispatched fee which may be in addition to the fees stated above. A company that refers customers may also charge a fee for referrals or the use of their software. We cannot estimate the amount of these fees.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	ACTUAL OR ESTIMATED AMOUNT (LOW)	ESTIMATED AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee[1]	$40,000	$40,000 + $200 per 1,000 additional population over 200,000	Lump Sum	When you sign the franchise agreement	Us
Van[2]	$2,000	$10,000	As arranged	As arranged	3rd parties
Equipment, Supplies & Inventory[3]	$11,500	$16,000	As arranged	As arranged	3rd parties and ZorWare
Insurance[4]	$300	$6,000	As arranged	As arranged	3rd parties or us
Advertising & Promotional and Local Marketing Spending for Marketing Start-up Phase. [5]	$7,500	$15,000	Cash/As arranged	As incurred	3rd parties
Training, Travel, Lodging & Food[6]	$1,500	$5,500	As arranged	As incurred	3rd parties
Deposits, Permits & Licenses[7]	$0	$6,000	As arranged	As incurred	3rd parties
Professional Fees[8]	$0	$5,000	As arranged	As incurred	3rd parties
Additional Funds - 3 Months[9]	$5,000	$40,000	Cash	As incurred	3rd parties and us
Real Estate[10]	$3,000	$6,000	As arranged	As incurred	3rd parties

TYPE OF EXPENDITURE	ACTUAL OR ESTIMATED AMOUNT (LOW)	ESTIMATED AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Totals[11]	~~**$70,500**~~ **$70,800**	**$149,500** + any additional franchise fee	(12)	(12)	(12)

Notes:

1. The Minimum Initial Franchise Fee is $40,000, for a Territory of up to 200,000 in population. You may qualify for a discount on the initial franchise fee. You must pay the initial franchise fee in full when you sign the franchise agreement. We may agree to finance a portion of the initial franchise fee, depending on your credit-worthiness, the collateral that you have available and our then-current financing policies. Monthly payments depend on the amount financed. The initial franchise fee is not refundable. A larger Territory is priced at $200 per 1,000 of additional population (beyond 200,000). A larger territory may be allowed under certain circumstances (i.e., densely populated urban areas, or if a high percentage of the territory is impoverished). See Item 5 for more information about the initial franchise fee (including applicable discounts), see Item 10 for more information about financing and see Item 12 for more information about Territory.

2. You must purchase vehicles that meet our specifications as ~~set forth~~**described** in the Manuals. Each vehicle must have the Marks professionally applied as we specify before the vehicle is put into service. We do not sell or lease vehicles. An existing vehicle can be converted for use in the Business (as long as it meets our specifications), or you may choose to acquire a vehicle that meets our specifications. See Item 8 for more information. The estimated low cost reflects the cost of one van that meets our standards. The estimated high cost reflects the purchase of two vans that meet our standards. The estimates include the cost of the in-transit permit, documentary fee, upfitting, decaling, and transportation. You must purchase the van(s), with the upfit and decaling, from our designated vendor.

3. If you already own an existing business similar to the franchise, you may own much of the necessary equipment, supplies and inventory to begin the operation of your franchise. The low estimate shown here assumes that you already own an existing business similar to the franchise. The high estimate shown here assumes you do not own an existing business, and includes office and field equipment, inventory and supplies needed to equip your franchise in accordance with our standards. Both estimates include~~, and~~ initial costs for a computer system, tablet and a cellular phone for use in connection with your Business (see Items 6, 8 and 11).

4. You must purchase the insurance coverage described in Item 8. If you do not, we may purchase it for you and bill you for our costs. Insurance costs will vary depending on the number of vehicles to be insured, your driving record (or your employees' driving records), the insurer you choose, your location and other factors bearing on risk expense practices which apply to your locality. You may also incur expenses for workers' compensation insurance depending on your locality.

5. We reserve the right to require you to spend monthly the Minimum Local Marketing Spending (i.e. $600 per month). The amount you spend on Minimum Local Marketing Spending is in addition to any MAP Fees you must pay. Whether or not we have advised you that the Minimum Local Marketing Spending is required on an annual basis, you must spend the Start-Up Phase Marketing Spending (in an amount we specify, currently $15,000) during the start-up phase of your Business. As part of the Start-Up Phase Marketing Spending, prior to attending our initial training program, you must purchase from

our approved supplier an opening Marketing Package consisting of printed branded items including business cards, invoices, and marketing materials in the amount of approximately $1,750. See also Item 6.

6. See Items 6 and 11 for more information about training. You should allow at least the minimum amount stated above for travel, lodging, food and other miscellaneous living expenses incurred during training. Your actual costs will vary, depending on the distance to be traveled, your method of travel, your lodging and your personal circumstances. The estimate assumes the stated amount of training days indicated in Item 11 for two individuals, which amount may vary. For additional persons, we will provide training on a space-available basis. However, the estimate does not include additional costs and expenses if you request training for additional persons. **As of the date of this Disclosure Document, this training may be conducted virtually due to the Covid-19 pandemic. Therefore, you may not incur any travel expenses if your training is done remotely/virtually.**

7. We do not require any prepaid deposits, permits or licenses before you begin the operation of your Business but your particular locality may require a permit or license to perform the services or have other business licensing requirements. You are responsible for obtaining any permits or licenses required in your locality and are also responsible for any and all costs incurred in connection with compliance with federal and state laws relating to the operation of the Business. You should consult your attorney and/or your local city, county and state authorities about the specific legal requirements for payment of sales tax and business licenses and related types of expenses.

8. These are estimates for fees that will be charged by your attorney to review the franchise agreement and other documents, to advise you and to incorporate a business entity on your behalf if desired. This estimate also includes fees charged by an accountant and/or financial advisor. These amounts are only estimates and your actual fees may vary significantly depending on the specific work you request, the advisors you select and the rates for professional fees in your area. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity and our franchise documents. It also is advisable for these professionals to review any lease or other contracts you will sign as part of starting the Business.

9. We recommend that you have additional funds available during the start-up phase of your franchise. These amounts are our estimates of the amount needed to cover your expenses for a 3 month period from the date you open for business. We recommend you have funds available for a longer time period and 3 months should be viewed as the minimum time you should plan for. In addition, the actual amount you may need will vary depending on the size of your territory and your knowledge of the business. These figures are only estimates and we cannot assure you that you will not have additional expenses starting your franchise. Your actual costs will vary according to your approach to the franchise; your management skills, experience and business acumen; local economic conditions; the local market for the franchise's services; the prevailing wage rate in your market; competition; the rate of growth of your franchise, whether you extend credit terms to customers and the time of year you start your business. We recommend that you obtain independent estimates from 3rd party suppliers of the costs which would apply to your establishment and operation of a franchise or discuss the economic experience of opening and operating a franchise with our current and past franchisees. The estimated initial investment and other estimates in this disclosure document do not take into account your personal living expenses, your salary, your debt, ongoing working capital requirements, accounts receivable financing or other costs. Not included in this estimate is the cost of attending the Reunion. In some cases, you will be required to attend the Reunion within the start-up phase of your Business and you should make your own estimate of attending the Reunion. We have not provided for capital or other reserve funds necessary for you to reach "break-even", "positive cash flow" or any other financial position. We cannot guarantee when or if your Business will break even. We do not furnish nor do we authorize our salespersons or anyone else to furnish estimates as to those amounts. We recommend that you review these figures carefully with your business advisors.

10. If you already operate an existing business similar to the franchise, you may determine that you do not need to allocate any amounts for real estate or related costs. The franchise can be operated from your home, if your home is located within your territory granted by your franchise agreement and if local zoning allows you to operate from your home, or any existing business premises. If you choose to rent a place of business, you may expect additional investment requirements. The typical Dryer Vent Wizard Business has 2,000 square feet. Rent for a suitable facility of that size is estimated to range between $3,000 to $6,000 for three months ($12,000 and $24,000 per year). This is only an estimate. Your actual costs will vary depending on the size and condition of the rented property, regional cost differences, the size of your territory and business and other factors.

11. All of the fees listed as payable to us are non-refundable. The refundability of payments made to 3rd party suppliers is up to each supplier. We relied on our experience to compile these estimates. Except as specifically stated above, the amounts given may be subject to increases based on changes in market conditions, our cost of providing services and future policy changes. We have no current plans to increase any payments over which we have control. If you qualify, we may finance a portion of the initial franchise fee. All financing is subject to the terms and conditions described in Item 10.

If you are, with our approval, converting an existing business offering similar services to a Business or adding additional territory to a Business or purchasing a particularly large territory the costs stated above may vary. For example, as described in Note 3, if you already own a business that you are converting to a Business, you may already own some of the equipment you will need so your costs may be less than if you were beginning a new business. Also, if your territory is large or you are adding a large territory your costs may be more than the typical costs described above. For example, you may need several vehicles and more equipment than you would need as compared with a smaller territory. You should do your own analysis and investigation and adjust your estimate of your estimated initial investment based on your particular circumstances.

Renewal and Purchase of Operating Franchises

If you are renewing your franchise or if you are purchasing an operating franchised business (as opposed to a territory that has not yet been developed), the above costs will not apply except to the extent they apply in your ongoing business. You will pay a Renewal Fee of $5,000 instead of an Initial Franchise Fee when you renew the franchise. Also, instead of an Initial Franchise Fee, we charge the greater of (i) a 5% fee on the total gross sales price of the Business including all assets of the business or (ii) a minimum transfer fee of $7,500 in the case of a resale/transfer (purchase of an existing Business). If you choose to have legal review of your renewal franchise documents the cost item above titled "Professional Fees" would apply but we estimate the amount to be approximately $4,000 for a renewal since your business has already been formed. The $5,000 estimated in the case of review of a franchise agreement and formation of a legal entity to be the franchisee, if needed, would apply in the case of a resale/transfer. This estimate does not include the cost of preparing and negotiating the purchase agreement with the owner of the franchised business you are purchasing, if applicable, and you must make your own estimate of those costs.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must maintain the highest standards of quality and workmanship in order to provide the highest quality of service to your customers. You must use in the operation of your Business, and in the offer and sale of the services and products we approve, only those techniques, procedures and supplies we specify in writing. You must offer all, and only such products and services as we approve from time to time. We may

change any of our requirements periodically. We will notify you of any changes to the standards or the Manuals.

Approved Supplies and Suppliers

We may furnish you from time to time lists of approved supplies and approved suppliers. We reserve the right to require that you only use approved products, inventory, supplies, uniforms, tools, equipment, signs, telephone and internet equipment and service, advertising materials, and other items (the "approved supplies") in the Business as ~~set forth~~**described** in the approved supplies and approved suppliers' lists, as we may amend from time to time. We also may develop and research new products or services as we determine necessary. We reserve the right to designate a primary or single source of supply for certain products and supplies, and we or our affiliates may be that single source. You must pay the then-current price in effect for any purchases from us or our affiliates. You may not contract with an alternative supplier for any products and/or services for which we have designated a supplier.

~~Without limiting the foregoing, we~~**We** currently require you to participate in our proprietary Call Center Program that processes customer requests for services, schedules estimates, refers services requests to franchisees and otherwise handles customer inquiries (the "Call Center Program") and pay us a call center fee.

Currently, we are also one of several approved suppliers for dryer vent installation and cleaning products.

Other than with respect to the Call Center Program and dryer vent installation and cleaning products, neither we nor our affiliates are currently an approved supplier for any products **or services**, but we and our affiliates may be approved suppliers for other/additional products and services in the future.

You may purchase from other suppliers if you follow our supplier approval procedures, as ~~set forth~~**described** in the Manuals, and obtain our prior written approval. You must give us at least thirty (30) business days' prior written notice if you wish to purchase from a source other than our approved suppliers. We may require that samples be delivered to us or to a designated independent testing laboratory for testing before our approval is given. You must pay upon demand our (or the third party's) actual costs of the testing and any related costs/expenses (regardless of whether we grant an approval). We will usually notify you of our decision within 10 business days after we receive the test results. Additional or different procedures may be required for approval of services, software or other special items. We reserve the right to revoke our approval at any time upon the supplier's failure to meet our then-current criteria.

Vehicles

You may buy any vehicle that meets our specifications. You are not required to buy your vehicles from any specified dealer, but you will receive a discount or rebate only if your purchase qualifies under the specific program in place and only at the times specified in the program. Vehicle rebates are applied at the time of purchase by the vehicle dealer, typically as a discount off of the vehicle purchase price. Potential program details and documentation are available from ProTradeNet and must be used when ordering the vehicle to receive the full benefit.

Marketing Materials

All advertising and promotional materials, signs and other items we designate must bear the Marks (see Item 13) in the form, color, location and manner we specify. Your advertising and promotion must meet our standards as described in the Manuals or otherwise by us in writing. You may prepare and use

your own advertising or promotional materials provided that we have approved them in writing prior to use. Prior to attending our initial training program, you must purchase from our approved supplier an opening Marketing Package consisting of printed branded items including business cards, invoices, and marketing materials.

We will also conduct certain periodic mailings of promotional materials (as determined by us) to up to 75 business referral sources for whom you provide us with contact information. Any additional mailers will be charged to you at our actual cost of each additional mailing piece. In addition, you will be charged the cost for any mailing pieces that are returned to us due to incorrect address information provided by you.

Telephone Numbers and Electronic Identities

The telephone numbers and electronic identities you use in connection with the Business must be owned and controlled by us or an approved supplier. We require you to "port" or transfer to an approved call routing and tracking supplier all phone numbers associated with the Business or published in any print or online directory, advertisement, marketing or promotion associated with the Marks and/or the Business.

Purchasing Arrangements and Rebates

We do not provide you with any material benefits based on your purchase of particular products or services, or your use of designated or approved sources. Our affiliate, ProTradeNet, negotiates and enters into purchase arrangements, which may include discounted pricing, special terms, rebates or other incentives with suppliers for the benefit of our franchisees. We may also negotiate or enter into these types of arrangements directly. ProTradeNet has and may enter into relationships with other buying groups, which may include competitors, for the purpose of improving negotiating strength and purchase volume for the entire group. We or an affiliate (including ProTradeNet) may make available to you the opportunity to participate from time to time in certain discounts, rebates, or other benefits in connection with approved suppliers (collectively, "Rebates"), if you meet certain conditions, such as supplier terms and conditions and attendance at annual meetings. All Rebates not returned to franchisees may be retained by us or our affiliate (including ProTradeNet) and used to cover administrative costs or to promote our system and brands. In most instances, but subject to change and vendor relationships, ProTradeNet will retain 25% of all Rebates, pay 25% of all Rebates to us and pay 50% of all Rebates to you, the franchisee, based on qualifying purchases. Some suppliers may also pay additional fees for advertising, which fees range from $200 to $15,000; for marketing, which fees range from .1% to .3% of total qualified purchases by franchisees from the supplier; and for sponsorships, and tradeshow space, which fees range from $500 to $200,000, for the purpose of promoting their product or service to franchisees. All of ~~the foregoing~~**these** amounts and percentages, including the percentages of Rebates retained by ProTradeNet and paid to us and to you and all additional fees, may change in the future at our sole discretion. Rebates are typically paid on net sales for qualified purchases and ProTradeNet may or may not from time to time include purchases made by the MAP Fund in our rebate program. If MAP Fund purchases are included as qualified purchases, ProTradeNet will allocate 100% of the rebates from those purchases to the MAP Fund. The agreement you are required to sign with ProTradeNet to participate is included as Exhibit J hereto, and additional terms and conditions, which may change from time to time, are included on the ProTradeNet website, www.protradenet.com. While you are required to enter into the ProTradeNet Agreement, you are not required to purchase any items under the ProTradeNet Program except as otherwise stated in this disclosure document or required by your Franchise Agreement, our Manuals or our policies and procedures. However, certain benefits, Rebates and special pricing will be available to you only if you participate on the terms required by ProTradeNet or each individual supplier.

We may derive revenue as a result of your required purchases. Amounts listed below are based on cash received and cash disbursed. Some Rebates may be received and the portion of any that are disbursed

may be held until the next national meeting before being disbursed. Not all suppliers provide Rebates. A complete listing of suppliers providing Rebates and their rates is available from ProTradeNet.

- In the year ending December 31, 2019, ProTradeNet had revenue of $0, or 0% of its total revenues of $2,541,833, from purchases by Dryer Vent Wizard franchisees. These figures were taken from ProTradeNet's financial statements for the year ending December 31, 2019.

- In the year ending December 31, 2019, Dryer Vent Wizard had revenue of $202,555, or about 6.3% of its total revenues of $3,254,082, as a result of purchases by Dryer Vent Wizard franchisees from approved suppliers or under our specifications or as a result of purchases, if any, directly from us. These figures were taken from Dryer Vent Wizard's financial statements for the year ending December 31, 2019.

- In the year ending December 31, 2019, our affiliate, ZorWare had revenue of $0 or 0% of its total revenues of $5,618,362 from the required purchases or payments by our Franchisees for initial training and maintenance and monthly support. These figures were taken from ZorWare's financial statements for the year ending December 31, 2019.

- We or our affiliates may receive a commission from the brokerage of a capital lease or other equipment finance, should you require financial assistance from third parties.

You must comply with all terms and conditions applicable to these programs to receive the discount or Rebate. Additional information is available by contacting us. These programs may be changed or discontinued at any time. Other than the ProTradeNet program described above, we do not currently participate in any purchasing or distribution cooperatives. We or our affiliate(s) may from time to time negotiate purchase arrangements with suppliers (including price terms to the extent permitted by law) for the items and services described in this Item 8 that you may obtain only from designated sources.

Key Accounts Program

We may, but have no obligation to, offer a Key Accounts or similar program. From time to time we evaluate opportunities for Key Accounts which might be best administered through our parent, an affiliate or a third party, as we determine in our discretion. If we establish a Key Accounts program, you may participate in it and conform to the standards and procedures of that program. We, Neighborly Service Solutions and/or a third party we select, may solicit Key Accounts for the franchisees of certain franchise systems affiliated with our Parent, including us. A "Key Account" is a customer account which may be national or regional and cover multiple customer locations (within and/or outside your Territory) with whom we have entered into arrangements (i) for servicing of multiple locations of such customers and/or (ii) that we determine are designed to benefit the System as a whole by gaining otherwise unavailable business or addressing the concerns of such customers that may require specific terms or provisions of our arrangement with them, including, without limitation, special insurance, experience, equipment, pricing, payment terms, turnaround requirements, or approvals. A Key Account is generally, but not always, a large organization with multiple locations that need products and services provided by franchisees in our franchise system and/or the franchise systems of our affiliates around the country or in a region or other area. The agreement to provide services may be formal or informal and the account may be administered by us, an affiliate or a designee of ours. In some cases our Key Accounts program provides a central number customers may call for those services. If you elect to participate in our Key Accounts program, you must comply with the terms we specify, which may include provisions that require the payment of management fees or other fees, including sales commissions or similar payments, offering of special products or services at certain times or for certain prices (to the extent allowed by law) and special insurance, indemnity, quality control and other provisions. You may also be required to enter into additional agreements required by a

Key Account or our policies and procedures. The Key Accounts administrator may collect payments from Key Account customers and distribute payments to franchisees for work provided but has no obligation, and we have no obligation, to make any payments to you for work to the extent payment in good funds by the Key Accounts customer has not been made to us or the administrator. We and/or the administrator of the Key Accounts program have the right to charge additional amounts, including commissions or other fees or charges, to third parties and/or to Key Account customers on account of work performed on Key Accounts by you or other third party service providers.

Insurance

Before you begin operating your Business, you must purchase, and maintain at all times during the term of your franchise agreement, at your cost, insurance coverage, from a responsible carrier, with an A.M. Best rating of A-VIII or better, with the coverage amounts, types and other features as we from time to time specify, using the insurance industry form(s) acceptable to us, and such other insurance coverage as required by law and any other agreement related to the Business. Any person or entity with an insurable interest that we designate (each, an "Additional Named Insured") must be named an additional insured on all required liability policies. Each insurance policy must contain a waiver of subrogation in favor of the Additional Named Insureds. Your insurance must apply as primary and non-contributory. Currently, our minimum insurance requirements include (i) comprehensive general liability insurance, with a combined single limit in the amount we specify, up to $2,000,000 per occurrence but no less than $1,000,000 per occurrence (Including Products/Completed Operations and Personal Injury and Advertising Injury); (ii) motor vehicle liability coverage, combined single limit in the amount we specify, up to $2,000,000 but no less than $1,000,000, on each owned, non-owned or hired vehicle used in connection with the Business; (iii) workers' compensation coverage regardless of whether required by state law, but with minimum coverage as required by state law (if applicable); and (iv) such other insurance as from time to time required by us, under applicable law and under other agreements applicable to your Business, including, without limitation, errors and omissions liability insurance on a claims-made basis with a minimum limit of $1,000,000 per claim and $2,000,000 in the aggregate, which includes cyber-liability insurance for financial losses arising from unauthorized access, loss or corruption of data, including but not limited to privacy and data security breaches, misdirected funds, virus transmission, denial of service and loss of income from network security failures. With respect to Key Accounts, if the insurance amount required for any Key Account or for Key Account work in general exceeds the amount specified as the maximum amount required by us for any type of insurance, that higher amount required for the Key Account work will apply. Additional insurance requirements are ~~set forth~~**described** in the Operations Manual.

You may satisfy the insurance coverage limits through an umbrella policy that meets all the requirements of this Section. If you fail to purchase or maintain required insurance, we may, but are not obliged to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so. We also have the right to terminate your Franchise Agreement for cause if you fail to comply with our insurance requirements. You must deliver to us at commencement and thereafter annually or at our request a proper certificate of insurance evidencing the existence of the required insurance coverage. We also may request copies of all insurance policies. We may modify the required minimum limits and types of coverage, by written notice to you. Upon such notification, you must immediately implement the modification of the policy, and provide evidence thereof, in accordance with our request.

Computer Hardware and Software

We require you to use an IBM-compatible laptop**, one additional computer monitor,** and Microsoft Office Home and Business that meet our specifications. We also require you to use in your van

a tablet computer that meets our specifications. ~~See Item 11 for more~~**More detailed** information ~~regarding our~~**on the** computer **system** requirements **is included in Item 11**.

Accounting Software and Other Requirements

We recommend that you engage the services of a certified public accountant to assist you with the set-up of your books and records, in using the appropriate chart of accounts that we require and in producing monthly and annual compiled financial statements. If you request, we will provide you with information about companies we are aware of that offer these services to our franchisees. We require that you use an appropriate chart of accounts, comply with our operating procedures and specifications, including internal audit standards, and use our required software and that your accounting must also be compatible with the required software. Currently, we require that you license Quickbooks Online from our designated vendor, Intuit Limited. We may, upon demand, require you to provide us, within the time as we specify, with audited financial statements, using an independent certified public accountant designated by or satisfactory to us, to adopt a fiscal year consistent with ours, to cooperate with our auditors and to comply with such additional requirements as may be reasonably necessary to enable us to meet our obligations under Generally Accepted Accounting Principles and to comply with applicable accounting standards and rules.

None of our officers currently have an ownership interest in any approved supplier.

The cost of items purchased in accordance with our specifications represents approximately 43% to 75% of your total purchases in connection with the establishment of your Business and approximately 18% to 34% of your on-going purchases in connection with operation of your Business.

Other than the items described in this Item 8, and the required purchases of promotional material you must obtain from us or our designee, we do not currently derive revenue from your purchases or leases.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise agreement and other agreements. It will help you find more detailed information about your obligation in these agreements and in other items of this disclosure document.

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	2, 5(A) and Schedule A	11
b.	Pre-opening purchase/leases	5(A) – (F); 9(C)	7, 8 & 11
c.	Site development and other pre-opening requirements	5(A) – (F); 9(C)	7, 8 & 11
d.	Initial and ongoing training	6	11
e.	Opening	5(A) – (F); 9(C); 6; Schedule A	11
f.	Fees	8; 10(C); Schedule A	5, 6, 7 & 11

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
g.	Compliance with standards and policies/Operating Manual	2(A), (B); 3; 5; 6; 8(H), (I); 9;	11
h.	Trademarks and proprietary information	3; 5(G), 5(J), Schedule F	13 & 14
i.	Restrictions on products/services offered	2(A); 3(A) - (C); 5(C), (D), (K), (L) and (M)	8 & 16
j.	Warranty and customer service requirements	5(N)	11
k.	Territorial development and sales quotas	2(A), (B); Schedule A	12
l.	Ongoing product/service purchases	5(A)-(F)	8 & 16
m.	Maintenance/appearance/remodeling requirements	5(A) and (B)	11
n.	Insurance	9(C)	6 & 8
o.	Advertising	7	11
p.	Indemnification	9(B)	6, 9, 13 & 14
q.	Owner's participation/management/ staffing	6	11 & 15
r.	Records and reports	8(H) and (I)	6
s.	Inspections and audits	5(H); 8(J)	6 & 11
t.	Transfer	10	17
u.	Renewal	4(B) and (C)	17
v.	Post-Termination obligations	13	17
w.	Non-competition covenants	9(D); Schedule F	17
x.	Dispute resolution	11	17
y.	Other		
	Guarantee of Franchisee Obligations (Note 1)	14(F); Schedule C	14. 15
	Franchisee solely responsible for employees (Note 2)	9(B)	9

Notes:

1. If Franchisee is a corporation or other entity, all persons having a 5% or more ownership interest must personally guarantee the obligations to be performed by the Franchisee under the Franchise Agreement.

2. As a business owner of an independently owned and operated business you are solely responsible for the recruiting, hiring, firing, training, management, supervision and direction, compensation and all other matters related to your employees and the terms and conditions of their employment. All human resources matters or issues related to any of your employees, including all matters of compensation, wages and hours and shifts and scheduling, are also your sole responsibility

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
and under your sole control. You are solely responsible for compliance with all laws related to the hiring, employment, training, supervision, firing and all other matters related to any or all employees. In the event of any loss or liability to us because of you or your employees you must fully indemnify us.			

~~Notes~~:

~~1. If Franchisee is a corporation or other entity, all persons having a 5% or more ownership interest must personally guarantee the obligations to be performed by the Franchisee under the Franchise Agreement.~~

~~2. As a business owner of an independently owned and operated business you are solely responsible for the recruiting, hiring, firing, training, management, supervision and direction, compensation and all other matters related to your employees and the terms and conditions of their employment. All human resources matters or issues related to any of your employees, including all matters of compensation, wages and hours and shifts and scheduling, are also your sole responsibility and under your sole control. You are solely responsible for compliance with all laws related to the hiring, employment, training, supervision, firing and all other matters related to any or all employees. In the event of any loss or liability to us because of you or your employees you must fully indemnify us.~~

ITEM 10

FINANCING

We have no obligation to provide you any financing, but we may agree to finance a portion of the initial franchise fee for qualified prospective franchisees under specified terms and conditions. Our decision to finance the initial franchise fee will be based, in part, on your credit-worthiness, the collateral you have available to secure the financing and our then-current financing policies. We do not provide any financing in any transaction in which brokers are involved.

We limit the amount that we will finance – currently to an amount less than 50% of the total equity, debt and other financial support of your Business (collectively, "obligations"). You must make a written representation to us, in a form we specify, confirming the dollar amount of your obligations. The representation must remain true through execution of your franchise agreement and we may elect not to approve a transfer, including a transfer to a corporation or other entity wholly owned by you, if you do not either maintain the same investment in your Business or pay any loans payable to us and our Affiliates in full. Subject to the obligation limit, our standard financing is up to 70% of your initial franchise fee, and we may agree, in our sole discretion, to finance up to 80% of your initial franchise fee if you meet certain requirements.

You must qualify to purchase a franchise, meet our credit standards and be otherwise eligible for financing to qualify for the following interest rates. We currently charge an interest rate based on your credit score as follows:

Credit Score	Annual Interest Rate Available to Qualified Franchisees
Under 600	12%
600 - 649	11%

Credit Score	Annual Interest Rate Available to Qualified Franchisees
650 - 699	10%
700 or more	9%

If we agree to finance a portion of the initial franchise fee, you must sign a promissory note when you sign the Franchise Agreement. An example of our promissory note is attached as Schedule G to the franchise agreement. You must pay us the down payment when you sign the franchise agreement and pay the balance in monthly installments.

You must make note payments to us by automatic bank draft. Some banks and other financial institutions may charge a fee for electronic transfers but these electronic transfer fees are often negotiable. Monthly payments will begin approximately 2 months after you complete our initial training program. The length of the repayment term may be negotiable but will generally follow these guidelines:

Loan Amount	Length of Repayment Term
Less than $45,000	Up to 5 years
$45,001 - $75,000	6 years
$75,001 - $100,000	7 years
$100,001 - $150,000	8 years
Greater than $150,000	9 years

We require a security interest in the Business. You must sign a security agreement, substantially in the form included in the promissory note attached as Schedule G to the franchise agreement, on all your assets, including after acquired property and we will file a UCC financing statement with the appropriate governmental authority. We have the right to require additional forms of security.

You may prepay the note at any time without penalty. If you default, we may declare the entire remaining amount due. If you do not pay us the entire balance, and any accrued, unpaid interest, you may be responsible for the court costs and attorneys' fees we incur in collecting the debt from you. We may terminate your franchise agreement if you do not pay us.

You must waive your rights to certain notices of a collection action in our promissory note, security agreement and guaranty but there are no waivers of defense in our promissory note, security agreement or guaranty. If you are a legal entity, your shareholders, members, partners and/or owners must personally guarantee the debt and agree to pay the entire debt and all collection costs. We have the right to require a spouse's personal guaranty.

The financing described in this Item 10 is provided by us, Dryer Vent Wizard International LLC.

We may sell, assign or discount any promissory note or other obligation arising out of the franchise agreement to a third party. If we sell or assign your promissory note, it will not affect our obligation to provide the services to you that are described in the franchise agreement but the third party may be immune under the law to any defenses to payment you may have against us.

We may periodically agree with third party lenders to make financing available to our qualified franchisees and we may, in our sole discretion, refer you to a third party lender for financing. We have no control over whether financing will be offered to you by any third party lender. The lender is not obligated

to provide financing to you or to any other franchisee that the lender finds does not meet its credit requirements and loan criteria. If we refer you to a third party lender for financing, we may agree to take a short-term promissory note (in a form we provide to you) until your financing is arranged. You must use the proceeds from the lender to pay any promissory note to us.

We do not currently derive income from referrals or placement of financing with any third party lender. However, we may require payment from you or other persons for the placement of financing in the future. If we charge for placing financing in the future, we expect to use the payments to offset our expenses in doing so.

We do not guarantee your obligations to third parties.

We may, in limited circumstances, agree to finance a portion of any renewal fee for qualified franchisees at a 12% interest rate under specified terms and conditions. Our decision to finance a renewal fee will be based, in part, on your credit-worthiness, the collateral you have available to secure the financing, and our then-current financing policies.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING,

COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Assistance: Before you open your Business, we will:

1. Provide you with site selection guidelines and general specifications and standards, including any specific requirements if you intend to operate the Business from your residence (Franchise Agreement, Section 5A).

2. Provide you with the list of approved supplies (which will include written specifications for certain items of equipment, signs, fixtures, opening inventory and supplies in some instances and approved suppliers in other instances). We do not deliver or install any items (Franchise Agreement, Section 5D).

3. Provide you with either a written or an electronic copy of the Manuals (or electronic access to the Manuals) that detail the specifications and procedures incidental to the operation of the Business (Franchise Agreement, Section 5F).

4. Provide the training programs described below (Franchise Agreement, Sections 6B and C).

5. Provide you with opening support for your Business and any additional support we determine necessary (Franchise Agreement, Sections 6B and C).

Ongoing Assistance: During the operation of your Business, we will:

1. Maintain the Marketing, Advertising and Promotion Fund (the "MAP Fund") (Franchise Agreement, Section 7A).

2. Administer the Call Center Program (Franchise Agreement, Section 5E).

3. Mail, at certain intervals each year (as we determine) certain promotional materials to up to 75 business referral sources of your Business in your Territory (Franchise Agreement, Section 7.E).

4. Provide updates to the lists of approved supplies and approved suppliers and continue to research and develop new products and services (Franchise Agreement, Section 5D).

4. Make periodic visits to your Business as we reasonably determine to be necessary to provide consultation and guidance (Franchise Agreement, Section 5H).

5. Provide refresher training courses, and regional meetings and conventions as we determine necessary and require you to attend. We may charge you a fee to attend (and for your employees to attend) regional meetings or conventions that we deem necessary. In this event, you must pay all expenses for you and your employees, including training materials, travel and living expenses. For more information on the Reunion, see Item 6. (Franchise Agreement, Section 6C and E).

6. Provide ongoing communication and support and updates to the Operations Manual (Franchise Agreement, Section 5F).

In addition, based on examples from DRYER VENT WIZARD businesses, we may, from time to time, make suggestions to you with regard to your pricing policies. In addition, we have the right to negotiate Key Account arrangements, including pricing, which will bind all DRYER VENT WIZARD businesses providing services to such Key Accounts. Although you generally have the right to establish prices for the products and services you sell, we reserve the right to establish and enforce prices, both minimum and maximum, to the extent permitted by applicable law. We may offer preferred customer plans that offer customers discount prices under certain terms and conditions. You are not required to offer these plans to customers but, if you do elect to participate in our preferred customer plans, you must offer the discount prices set by the plans in accordance with the terms of the plan. (Franchise Agreement, Sections 5N and 5O).

We are not required to provide any other service or assistance to you during your operations.

Marketing

MAP Fund and Local Advertising

We collect a MAP Fee from you for the MAP Fund as ~~provided in Item 6~~**follows:**

• Months 1-12 of the Franchise Agreement's term: up to 4% of Gross Sales (currently 2% of Gross Sales).

• Months 13 – end of Franchise Agreement's term: the greater of (i) the applicable percentage (currently 2%) of Gross Sales or (ii) the applicable Minimum MAP Fee.

Minimum MAP Fees:

a) One territory: $200

b) Two Territories: $450

If you have entered into multiple Franchise Agreements with us, you will be subject to a combined total Minimum MAP Fee calculated as follows: ($200 x [# of franchise agreements]) + $50.

We have established and we administer the MAP Fund. The MAP Fund is not a trust or escrow account, and we do not have any fiduciary obligations with respect to the MAP Fund. While we cannot guarantee results or proportional distribution, we make best efforts to apply the MAP Fund for brand and system success. If all of the MAP Fees are not spent in the fiscal year in which they accrue, the remaining amounts are retained in the MAP Fund for use in the following years. We may use the MAP Fund for various purposes, including, but not limited to, (1) broadcast, print or digital advertising; (2) the creation, development and production of advertising and promotional materials (*i.e.*, print ads, radio, film and television commercials, videotapes, digital ads, direct mail pieces, and other print advertising); (3) any marketing or related research and development; (4) advertising and marketing expenses, including product research and development and services provided by advertising agencies, public relations firms or other marketing, research or consulting firms or agencies; (5) the development, licensing and/or use of any tools and platforms in connection with marketing, advertising and promotional activities; and (6) expenses, administrative costs and overhead we may incur in activities related to maintaining, administering, directing and conducting the MAP Fund and its programs, including compensation to employees or any other individual or entity providing services to the MAP Fund.

We determine the use of the monies in the MAP Fund. We are not required to spend any particular amount on marketing, advertising or promotion in the area in which your Business is located. We and the MAP Fund may collaborate with the advertising funds of certain franchise systems affiliated with us. There can be no assurance that the MAP Fund's participation in these collaborations and joint efforts will benefit the franchised businesses using the Marks proportionately or equivalently to the benefits received by the other franchised businesses or the other franchised systems affiliated with us that also participate. We oversee the advertising programs and use the MAP Fund to create marketing materials and conduct national, regional or local advertising. We will contribute to the MAP Fund amounts equal to your required percentage for each similarly situated company-owned and affiliate-owned Dryer Vent Wizard businesses. From time to time we may contribute to the MAP Fund some amounts paid to us by outside suppliers. We will prepare an annual unaudited accounting of the MAP Fund and will make it available for your review upon your written request. We have our own in-house marketing and advertising production capabilities, but also may use an outside national, regional, or local agency. We will not use any of the advertising funds for the solicitation of franchise sales, but any marketing materials we produce may designate "Franchises Available."

We reserve the right to cause the MAP Fund to be incorporated or operated through an entity separate from us at such time as we may deem appropriate, and any such successor entity will have all our rights and duties with respect to the MAP Fund. We may use collection agents and institute legal proceedings at the MAP Fund's expense to collect MAP Fund contributions. We may also forgive, waive, settle, and compromise all claims by or against the MAP Fund. If we terminate the MAP Fund, we will refund to you your pro-rata portion of any amounts remaining in the MAP Fund, based on your contributions to the MAP Fund. (Franchise Agreement, Section 7A).

At this time, there is no advertising council composed of franchisees that would advise us on advertising policies.

The use of the MAP Fund during our fiscal year ended December 31, 2019 was primarily allocated toward the following purposes:

Type Expense	Percent of Expenses
Production	1%
Media Placement	80%
Administrative Expenses	19%
Total	100%

In addition to your payments of the MAP Fee, we reserve the right to require you to spend annually the Minimum Local Marketing Spending, and regardless you must spend the Start-Up Phase Marketing Spending (together with Minimum Local Marketing Spending, the "Minimum Local Marketing Amounts") in connection with the opening of your Business. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as provided below in this paragraph. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Minimum Local Marketing Amounts and in return provide to you local promotional, marketing and advertising materials and related services to promote the Business in the Territory. Should your franchise agreement terminate prior to our providing such local promotional, marketing and advertising materials and related services in the Territory, we reserve the right to contribute the Minimum Local Marketing Amounts collected to the MAP Fund. See Items 5 and 6 for more information. All of your local marketing and promotion (including through social media) must be in media that we approve, conducted in a dignified manner and conform to the standards and requirements that we specify, including compliance with all Mark usage and branding standards. Specifically, you must submit all advertising materials to us at least fourteen (14) days prior to use. If we do not respond within 14 days after you submit the proposed advertising materials to us, the advertising materials will be deemed unapproved. (Franchise Agreement, Section 7B and 7C).

We will mail, at certain intervals each year (as determined by us), newsletters, postcards, gifts and/or other promotional items we elect (collectively, "Mailing Pieces") to certain of the customers of the Business that you identify to us as business referral sources to the Business (including, but not limited to, retail centers, duct cleaners, handymen, and property managers) and for whom you provide to us a mailing address (the "Business Referrals"). We will mail, at no charge to you, a Mailing Piece to up to 75 of the Business Referrals each time we do a mailing within your Territory. Thereafter, any additional Mailing Pieces will be charged to you at our actual cost of each additional Mailing Piece. In addition, you will be charged the cost for any Mailing Pieces that are returned to us due to incorrect address information provided by you.

We reserve the right to require advertising or marketing cooperatives and or local marketing groups (collectively, "LMGs") to be formed, changed, dissolved or merged, based on specific criteria determined by us for designated marketing areas. We have the right to establish how LMGs operate. If an LMG is established in your market, you will be designated to be a member of the LMG. The LMG will determine the amount of member contribution, which will be a percentage of Gross Sales and will not to exceed 3% of Gross Sales. Your contribution to the LMG will count towards any required minimum local marketing spending. Each company-owned or affiliate-owned Dryer Vent Wizard® business located within the LMG's market will be a member and will contribute to the LMG on the same terms as franchisees. All promotional and advertising materials proposed to be used by the LMG must be approved by us prior to use. (Franchise Agreement, Section 7D).

Call Center Program

You are required to participate in our Call Center Program and pay us Call Center Fees, which are used to pay expenses incurred on behalf of the Call Center Program, which processes requests for services, schedules estimates and refers services requests to franchisees. We currently administer the Call Center Program, but we reserve the right to designate a third-party to administer the Call Center Program in the future (Franchise Agreement, Section 5E).

Computer System

You must purchase a computer system that meets our standards and requirements, as such standards and requirements may be modified and updated by us from time to time (the "Computer System"). Our current Computer System requirements are described below. From time to time, you may be required to license additional software or purchase additional hardware from us, an affiliate, or a third party, and you also may be required to pay an additional software licensing or user fee in connection with your use of the software. You will be liable for all damages and problems caused by your use of the Computer System or any other hardware or software.

Although we currently do not have independent access to the information that will be generated or stored in the Computer System, we reserve the right to require a full and complete independent access to such information (including sales and related data), and upon such access, we reserve the right to use such data in any way we deem appropriate, subject to applicable law. There are no contractual limitations on our right to access this information and data.

You must maintain a dedicated email account for the Business, separate from any personal or other email account. You must purchase any upgrades, enhancements or replacements to the Computer System and/or any hardware and software that we may from time to time require and that may be referenced in the Manuals. We have no contractual obligation to maintain, repair, update or upgrade the Computer System. You must make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Business, including all data protection, privacy or security laws as well as payment card industry compliance.

You must use the following hardware and software as part of the Computer System in the operation of the Business:

- We require you to use an IBM-compatible laptop with adequate memory, speed and storage to run the software we may require you to use (currently, a minimum configuration of a 2.4 GHz processor; 4GB of RAM; Windows 7 or newer; 100GB Hard Drive); **one additional computer monitor;** QuickBooks Pro – latest version available at time of purchase; and, Microsoft Office Home and Business – the latest version available at the time of purchase. The cost of this system is approximately $1,500 to purchase or may be leased at market rates **which currently range from $50 to $100 per month**.

- We also require you to **purchase and** use in your van a tablet computer with access to a 4G LTE network and compatible with the software we require you to run on it. ~~We will specify which tablet is required and will purchase the appropriate tablet for you; you will be required to reimburse us for it.~~ The cost of ~~these tablets varies, but~~**such a tablet** generally ~~range~~**ranges** between $500 and $700.

You must pay for all maintenance of your Computer System, internet access, and local area networks, at your own expense. **We estimate the cost of annual maintenance to be $100 - $200.** We do

not require you to sign any hardware maintenance or support contracts with us or any third party suppliers. We do not guarantee, warranty, maintain or support any computer hardware in any manner. You should determine for yourself whether or not any third party supplier from whom you purchase any component of your Computer System is obligated to provide ongoing maintenance, repairs, upgrades or updates to any component of your Computer System, and determine the additional cost for the services.

Our computer hardware and software requirements will periodically change and you will be required to update your systems and you may incur additional or higher fees and costs in connection with any such changes or updates. There are no contractual limitations on your obligations to upgrade your Computer System and pay for those upgrades or changes. We will advise you of any required upgrades, updates or changes. We may periodically develop other proprietary software and other systems, products and upgrades that we may require you to use. We may charge you a license fee for any new software.

You do not have to buy or use an electronic cash register.

Internet Service Provider

You must have a primary and we recommend a secondary or "back-up" source of internet access. Your primary internet access must be high speed business class internet service with at least the minimum specifications we require. We may modify these requirements in the future. You may use any independent Internet service providers ("ISP") of your choice as long as each allows you to perform all necessary functions. (Franchise Agreement, Section 5E).

System Website, Intranet and Electronic Communications and Data

We own the domain name www.dryerventwizard.com and use it as our primary website for information about franchised businesses. You must provide information to us promoting your Business to post on the website. You may not separately register any domain name containing any of the Marks or establish your own website without our prior written consent. We reserve the right to pre-approve, establish rules, procedures, and policies relating to any website you create for the operation of your Business. Our system standards will apply to website advertising. At our option, we may, in the future, establish one or more additional websites to advertise, market, promote and operate Dryer Vent Wizard businesses and the franchise opportunity, and provide you certain additional website-related services such as a listing for your location, or a web page, and we may charge you a fee for such services (see Item 6). (Franchise Agreement, Section 5L).

We make no warranties and disclaim any express or implied warranty relating to any software, data, Intranet, website or other related items provided or recommended by us. If we provide you with any software or require the use of any software, Intranet, website or other related items we will not be liable for any costs or expenses, including any special, indirect, or other damages (including lost profits), even if we have been advised of the possibility of damages and even if the software did not function properly or had design problems that may have contributed to any loss. (Franchise Agreement, Section 5D).

You must comply with all policies and procedures as described in our Manuals, and execute any required agreements for use of our Intranet or any electronic communication, or data storage/retrieval system, website or software as we periodically require, including policies that require you to identify yourself in all electronic communications as an independently owned business. We may periodically modify these rules and policies at our discretion. We are not obligated to provide you with an internet or intranet email account or system but we do currently use an on-line system for the communication of information and Internet/electronic mail access. We may discontinue the current system of communication and Internet/electronic mail at any time and you may be required to maintain an account we designate with

a provider of our selection and pay the required fees. See Item 6. We are not obligated to monitor or create/maintain any backup of email and information/data related to email. There are no contractual limitations on our right to access, information and data on the electronic communication and Internet/electronic mail systems. You agree you have no right of privacy and we may access these email communications and data. Any access to, monitoring or copies of, data related to electronic communications and emails will be solely for our benefit. (Franchise Agreement, Section 5L)

We may use all data provided by you to us for any and all purposes for which we may solely determine, including financial information and assessments or similar data, and may share and disclose the data to/with our affiliates, their franchisees and our franchisees, and all prospective franchisees, without restriction and without compensation, subject to compliance with applicable laws. We will disclose such financial information and data to any other third party only after your name has been omitted unless you consent or as required by judicial process or a governmental investigation, in each case subject to compliance with applicable laws. (Franchise Agreement, Section 5E).

Site Selection

You select the site for the Business with site selection guidelines we provide. You must verify to us that your site complies with our site selection guidelines. We do not select your site. **You may operate the Business from your home if your home is located within your Territory and if local zoning permits; however, you have the option to lease office space. We will approve your site so long as it meets our site selection guidelines. The factors we consider in approving your site are whether the site is located within your Territory and whether it meets zoning requirements. We will attempt to approve or disapprove your selected site within 10 business days after you submit the location (together with evidence of its compliance with our site selection guidelines) to us for approval. There are no consequences if you and we can't agree upon the location, except that the franchised business cannot be operational.** We do not generally own the premises for ~~your Business~~**a franchised business** and lease them to ~~you~~**a franchisee**. You must begin operating your Business within 90 days from the date you sign a Franchise Agreement, although you may not commence operations of your Business until you successfully complete our training program and have otherwise complied with your pre-opening obligations. (Franchise Agreement, Section 5A).

Manuals

We will loan you a copy of our operations manual (the "Manual"), which contains mandatory and suggested specifications, standards and procedures. You must adopt and use as your continuing operational routine the required standards, service style, procedures, techniques, and management systems described in our Manual or other written materials relating to the Business. The Manual will contain both mandatory standards and recommended standards. You must treat the Manual, and other written materials created for or approved for use in the operation of the Business, and the information contained in them, as confidential. The Manual will remain solely our property. We may, from time to time, revise the contents of the Manual and you must comply with each new or changed standard. The Manual has a combined total of 178 pages. (Franchise Agreement, Section 5G).

The table of contents from our Online Recruiting & Retention manual is as follows:

Subject	**Number of Pages**
Image……. …….	15
Introduction to Dryer Vent Wizard……	8
Setting The Stage…….	5
Doing an Assessment……..16	

Flat Rate Book…… 22
Sell The Ticket……..5
Safety……..10
Doing The Work……...3
Finishing The Job……..…...3
Lead Flow……....5
Secret Sauce……. 14
Customer Wizard……14
Multi-Unit……...18
Business Management…….…9
Marketing…….....7
Public Relations……..….....7
Building a Media List ……...7
Social Media……...10
Total **178**

Training

We will provide an initial training program that will be conducted in ~~Farmington Hills, Michigan~~**Waco or Dallas, Texas** or such other place as we designate **(although as of the date of this Disclosure Document, we may conduct the training program virtually due to the Covid-19 pandemic)**. We offer you the initial training program within a reasonable amount of time after you sign the Franchise Agreement. We schedule our initial training program as often as necessary. The initial training program will consist of up to 35 hours of classroom training at our designated training location and up to 30 hours of field training, as we determine necessary. We reserve the right to change the duration of the initial training program from time to time. We may waive all or a portion of the training program, if you or your manager have sufficient prior experience or training. (Franchise Agreement, Section 6B).

Up to two individuals are eligible to participate in our initial training program without charge of a tuition fee. You must pay any and all transportation, meals, salary and lodging expenses that are incurred by your personnel in connection with attendance at the training program. At least one individual who will be responsible for the daily management of the Business must ~~successfully~~ complete the initial training program **to our satisfaction** before your Business may open. We will make the initial training program available to replacement or additional managers, but we may charge a tuition or fee, commensurate with our then current published prices, for such replacement training, payable in advance and you must pay all travel, meals, salary and lodging expenses that are incurred by your personnel when they attend our initial training program or replacement training. The availability of the training program to replacement or additional managers will be subject to prior commitments to new DRYER VENT WIZARD franchisees and is scheduled on a space available basis. (Franchise Agreement, Section 6B).

Any training provided by us to any of your workers will be limited to training or guidance regarding the delivery of approved services to clients in a manner that reflects the customer and client service standards of the System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your workers. You are solely responsible for ensuring that your workers receive adequate training. (Franchise Agreement, Section 6C).

The training schedule and activities of the training programs are described below:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Company Philosophy and Standards	2	0	~~Farmington Hills, MI~~**Waco or Dallas, Texas or virtual training**
Services	10	12	~~Farmington Hills~~**Waco or Dallas**, ~~MI~~**Texas** & Field Training location **or virtual training**
Administration	7	0	~~Farmington Hills, MI~~**Waco or Dallas, Texas or virtual training**
Sales Training	12	10	~~Farmington Hills, MI~~ **Waco or Dallas, Texas** & Field Training Location **or virtual training**
Introduction to the Franchise Relationship	2	0	~~Farmington Hills, MI~~**Waco or Dallas, Texas or virtual training**
Miscellaneous/Installation	7	10	~~Farmington Hills~~**Waco or Dallas**, ~~MI~~**Texas** & Field Training Location **or virtual training**
TOTALS	**40**	**32**	

Our initial training program is conducted under the direction of Scott Thomas, our Senior Director of Franchise Support, who has over 27 years of experience in training, 12 years of that with us. Scott Thomas has responsibility for our training staff, consisting of assistants, sales and marketing staff, franchise service personnel and officers and personnel from our affiliate companies. These instructors' length of experience in the industry ranges from 1 year to 27 years; with 1 year to 13 years of that experience with us. See Item 2 for additional information about the experience of Scott Thomas. Generally, the instructors will conduct the training using specified lectures, presentations, our manuals and other supplemental material. However, we may substitute, add or modify at various times during the year, the subjects covered, instructional materials, hours of classroom and/or hands-on training, and instructors for classroom and hands-on training.

You must also attend, every year, at your expense, the annual training or conference event specified by us and currently referred to as "Reunion" (see Item 6 for more detail), and any other training we designate as required. We may also require you to attend and complete a "refresher" training course or advanced

training course if we determine that you are not current on all aspects of the System or are otherwise in need of training. (Franchise Agreement, Section 6E).

Opening of Franchise

Our franchisees typically open for business within 90 days of signing the Franchise Agreement. The Franchise Agreement requires you to open within 90 days after signing the Franchise Agreement. The factors that affect how quickly you can open your Business include the purchase of your van(s), the scheduling and completing our initial training program, your ability to obtain necessary financing, and any local requirements for permits or licenses.

ITEM 12

TERRITORY

You will receive the right to operate a Dryer Vent Wizard business at a location within your territory that meets our site selection guidelines (the "Franchise Location"). Your Franchise Agreement will also specify a designated territory that will provide you limited territory protection (the "Territory"). The Franchise Agreement does not grant you any territorial rights beyond the Territory.

Your Territory will have a population of up to 200,000. A larger population may be allowed under certain circumstances (e.g., densely populated urban areas, or a high percentage of the prospective territory is impoverished). You will maintain rights to your Territory even if the population in your Territory increases; however, we may revise the size of your Territory at renewal if we determine that you have failed to fully service the entire Territory during the initial term of your franchise agreement.

If you wish to relocate from your Franchise Location to a new business site, we will authorize you to do so; provided (1) you are not in default of the Franchise Agreement, any other agreements with us, or the lease for the former Franchise Location, (2) you are current on your financial obligations to us and our affiliates and all your third party creditors, (3) you open for business at the new location on the same day you close your former Franchise Location, and (4) the new business site is within your Territory. You may operate from your home if your home is located within your Territory and if local zoning permits or from any existing business premises.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we, our affiliates or third parties control, operate or franchise. However, provided you are in full compliance with your Franchise Agreement, we will not operate or grant a franchise for the operation of another Dryer Vent Wizard franchise with rights to market within your Territory during the term of your Franchise Agreement.

We reserve all other rights not specifically granted to you, including the right, while your Franchise Agreement is in effect, to sell or allow others to sell: any products or services anywhere using different trademarks; the same or similar products and services, competitive with those you will provide, anywhere using different channels of distribution; different products and services anywhere using the Marks; or the same products and services using the same trademarks anywhere outside your Territory. In addition, we may advertise, solicit and enter into Key Accounts, which are national, regional or other accounts we believe will benefit the system as further described in the Franchise Agreement, the Manuals and Item 8, and Key Accounts may involve marketing in your Territory. In addition to allowing others to offer products and services in your Territory generally, in the specific case when a Key Account is involved we may also designate or authorize a corporate employee, another franchisee or any other third party to perform or assist you in performing services within your Territory if you refuse or, in our judgment, are not qualified,

interested, able or available to perform services for any customer in the Territory, including any Key Account customer; if you request assistance; or if a customer, orally or in writing, specifically requests services in the territory from a different franchisee or any other third party. If you agree to participate in or service Key Accounts, you must do so on the terms we specify, which terms may include, but may not be limited to, the provision of certain insurance, equipment, products and services, and the offer of services at prices not to exceed the maximum prices specified as well as payment by you of any applicable sales or broker commissions. If we allow others to provide services in your Territory, you will not be entitled to any compensation for the sales or services performed. Subject to the rights granted to you in your Franchise Agreement, we may provide in the Manuals for other programs in which we offer and sell, and/or authorize others to offer and sell, using the Marks or other marks, goods and services in your Territory that are identical or similar to and/or competitive with those provided at your Business. We may also acquire businesses or be acquired by a business offering similar products and services anywhere.

If you do not accept appointments and make yourself available to service Customers in any zip code in your Territory at least once weekly, we have the right to schedule customers in that portion of your Territory for service by another franchisee. If, for three consecutive weeks or ten weeks in any twelve-month period, you do not accept appointments and make yourself available to service Customers in any zip code in your Territory at least once weekly, we have the right to reclaim, reassign, or resell that portion of your Territory immediately upon notice to you, and without compensation to you. If we exercise such a right, thereafter, your Territory will be amended to exclude the portion or portions of your Territory that were reclaimed, reassigned, or resold.

You cannot advertise for or attempt to solicit customers for any products or services, including using Internet, telemarketing or other direct marketing, outside your Territory. If we permit you to advertise, solicit, service or sell in areas outside the Territory that are not serviced by another franchisee (each, a "Territory Available for Sale" or "TAFS"), you must comply with all of the conditions and other requirements that we may from time to time specify (in the Manuals or otherwise in writing) with respect to such activities. ~~See Item 6.~~ At any time upon our demand or upon your actual notice that a TAFS has been purchased by another franchisee, you agree to immediately cease all activities in such TAFS and to comply with our procedures for the transition of customer accounts for such TAFS.

You may only provide products/services to customers outside your Territory in accordance with our policies and procedures (including the Preferred Lead Program described below) and only with our prior written consent. We may ~~set forth~~**identify** in the Manuals or otherwise in writing the conditions under which we would grant our consent to your servicing or selling outside of your Territory and our consent may be conditioned upon whether you have obtained a required level or the highest level of quality or service as determined by a rating system we designate, which may change from time to time. Under our Preferred Lead Program, you may provide services within a specified area outside your Territory (such area, "designated area"), if such services are provided to your existing customer that has locations inside your Territory and within the designated area and the franchisee who owns the territory in which the designated area is located also participates in the Preferred Lead Program. Additional terms and conditions of the Preferred Lead Program are ~~set forth~~**described** in the Manuals. You must meet the qualifications ~~set forth~~**described** in the Manuals before you may participate in the Preferred Lead Program.

Our Manuals may also set specific rules for engaging in, and what may constitute, marketing within your Territory and other related matters, including what telephone area codes and exchanges may be used within the Territory (depending on the areas covered by those area codes/exchanges); which publications or media you may advertise in (depending on whether the circulation of the publication/media is wholly or mostly within your Territory); participation in promotional events, tradeshows, continuing education programs, chambers of commerce and industry association meetings; the post office box or mailing address that may be displayed on advertising; which phone numbers may be displayed on your vehicles; how, when

and from which customers or accounts you may solicit work (depending on their location and the location and/or duration of the work); requirements for referral of work; enforcement, administration and interpretations of provisions of marketing/territory rules and procedures; and other matters; and these rules may change in our sole discretion.

We do not otherwise limit or restrict your solicitation of customers in your Territory.

Neither we nor any other party are required to pay you as a result of us exercising in your Territory any of our rights described in this Item.

We do not generally grant any right of first refusal to obtain additional territory. You may, if qualified, purchase a 12-month option on additional territory by paying us, at the time you purchase your franchise, a fee of 10% of the initial franchise fee for the territory you wish to buy. You must enter into an Option to Purchase Agreement. At any time in the 12 month period, you may, if you are in compliance with your franchise agreement, purchase the additional territory by paying us the balance of the initial franchise fee. The 10% deposit will be applied to the purchase price. We do not refund your deposit if you decide not to purchase or do not qualify to purchase the additional territory. You may also acquire additional territory during the term of the franchise agreement by entering into another franchise agreement or, at our option, an amendment to your existing franchise agreement, for the additional territory.

When you purchase additional territory, whether or not through the Option to Purchase Agreement, we may require that you sign a general release releasing us from all claims you may have except claims that under state law may not be released. To qualify for a purchase of an additional territory, we may set a performance threshold you must meet, which may require you to meet or exceed the average annual Gross Sales of the lowest, in terms of Gross Sales reported to us, 10% to 25% of the franchised businesses operating under our System for a period determined by us, which is between five (5) years and ten (10) years, prior to the end of the 12-month period.

If you do not qualify for renewal of your Franchise Agreement, we may, in some cases, but are not required to, offer to enter into a franchise agreement with you for a smaller territory and you would then have the option to accept that territory on the terms offered.

ITEM 13

TRADEMARKS

We grant you the right to operate a franchise under the name DRYER VENT WIZARD®. You may also use our logo and our other current or future trade names, trademarks, service marks, symbols, emblems, logos and indicia of origin designated by us (collectively, "Marks") to identify your franchise ~~(Franchise Agreement, Section 2(A))~~.

We own the following Marks that are registered on the Principal Register of the United States Patent and Trademark Office ("USPTO"):

MARK	REGISTRATION NUMBER	REGISTRATION DATE	REGISTER
Dryer Vent Wizard	3435288	May 27, 2008	Principal

In addition, we are the owner of the following state trademark registration:

STATE	MARK	IDENTIFICATION NUMBER	REGISTRATION DATE
Michigan	Dryer Vent Wizard	M14-496	March 27, 2017

Our parent, Dwyer Franchising LLC, owns the following Marks, which are registered on the Principal Register of the USPTO, and we license from our parent the right to use and to allow our franchisees to use these Marks ~~pursuant to~~**under** a Trademark License Agreement (the "License Agreement"). The License Agreement grants us a worldwide, non-exclusive, nontransferable license to use and to license others to use the Marks. Our parent may terminate the License Agreement due to our material breach, ownership change or for any reason upon 90 days' notice. Upon any termination of the License Agreement, we will be required to cease all use of these Marks and we will require you to do the same.

MARK	REGISTRATION NUMBER	REGISTRATION DATE
NEIGHBORLY	5,365,894	December 26, 2017
NEIGHBORLY (Stylized) neighborly	5,365,895	December 26, 2017

Required affidavits and renewals for the registrations for our principal trademarks have been filed when due.

As of the date of this Disclosure Document, we do not have a federal registration for the principal Mark noted below, although we have applied for trademark registration of this Mark. Therefore, this Mark does not have many legal benefits and rights as a federally registered trademark. If our right to use this Mark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

MARK	APPLICATION NUMBER	APPLICATION DATE	REGISTER
DRYER VENT WIZARD	88846155	March 24, 2020	Principal

In addition to the Federal rights that apply to use of the registered Marks above, we claim common law rights, based on our use of the Marks, to all of our Marks. There may be areas, however, in which a third party has prior common law rights to the use of one of our Marks. If you propose to operate a franchise in one of those areas we may attempt to obtain exclusive use of that Mark, or, in the alternative, we may designate and grant you permission to utilize a different proprietary mark. There may be other instances in

which we may elect to use, or require you to use, a different proprietary mark in a market, region or systemwide. In any instance in which we require you to use a different proprietary mark you must, at your expense, comply with our designation and use, or change your use to, the designated mark. You must modify or discontinue the use of a Mark, at your expense, if we direct. If we direct, you must adopt or use one or more additional or substituted Marks.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark listed above. Except for the License Agreement noted above, no agreements limit our right to use or license the use of our Marks.

We do not have actual knowledge of any infringing uses that could materially affect your use of our Marks other than the common law rights mentioned above. You must notify us immediately when you learn about an infringement of or challenge to your use of our Marks. We will take the action we think appropriate but are not obligated to protect your rights to use the Marks. We have the right to control the defense of any claim using attorneys we choose and you must cooperate in that defense. You may participate in the defense and settlement at your own expense but our decisions will be final and binding. We will indemnify you or reimburse you for your liability and reasonable costs if there is a challenge to your authorized use of our Marks provided you have notified us immediately after you learned of the challenge and cooperate with us in defending the challenge as required ~~(Franchise Agreement § 3(D))~~.

You must follow our rules when you use the Marks and you may only use the Marks for the operation of your Business in your Territory. You must execute any documents we require to protect the Marks or to maintain their continued validity and enforceability. You may not directly or indirectly contest the validity of our Marks, our ownership of the Marks or our right to use or license our Marks, trade secrets, confidential information or business techniques that are part of our business ~~(Franchise Agreement § 3(A))~~. You cannot use the Marks as part of a corporate or other legal name and you must comply with our instructions in filing and maintaining trade name or fictitious name registrations ~~(Franchise Agreement § 3(C))~~.

You must modify or discontinue the use of a Mark, at your expense, if we direct. If we direct, you must adopt or use one or more additional or substituted Marks ~~(Franchise Agreement §§ 3(B); 5(K))~~.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent but you can use the proprietary information in our Manuals and software (if applicable) which are described in Item 11. We have not filed an application for a copyright registration in these items, but we claim a common-law copyright in our Manuals and software and we treat the information in these items as confidential and proprietary. Item 11 describes limitations on the use of the Manuals and software by you and your employees. You must treat these items and the information as confidential. You must also promptly tell us when you learn about unauthorized use of this proprietary information. We are not obligated to take any action to protect or defend use of proprietary information but will respond as we think appropriate and will control any action we decide to bring or defend. We are not required to participate in your defense or indemnify you for use of copyrighted material or patents. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state and there are no agreements that limit our rights to use our copyrights or to allow others to use them.

Confidential information includes all information, data, knowledge, materials, techniques and know-how designated or treated by us as confidential and includes any and all Manuals, computer software or programs, training materials, operational videos, marketing programs, franchise rosters, franchisee lists, and any other materials designated or treated by us as confidential. You may not, at any time during or after the term of the Franchise Agreement, disclose, copy or use any confidential information except as we specifically authorize ~~(Franchise Agreement § 5(G) and Schedule F)~~.

If we ask, you must have your personnel who receive or will have access to confidential information sign covenants not to divulge the confidential information or use it for their own benefit. If you are a corporation or other business entity, your shareholders, members and/or owners must also abide by these covenants and sign a Guaranty ~~(Franchise Agreement Schedule C)~~. If we ask, your employees with access to your password and log-in name for our Intranet must sign a confidentiality agreement agreeing to not disclose this information.

If you develop any new product, concept, invention, business venture, technique, process or improvement in the operation or promotion of your Business, you must promptly notify us and provide us with all necessary information free of charge. You acknowledge that we own any such information and you agree to assign ownership of same to us, and you acknowledge that we may provide the information to other franchisees for use in their franchises ~~(Franchise Agreement § 3(F))~~.

There currently are no effective adverse determinations of the USPTO, United States Copyright Office or any court, nor are there any pending infringements, opposition or cancellation proceedings or material litigation, involving the copyright materials that are relevant to their use by our franchisees.

ITEM 15

OBLIGATION TO PARTICIPATE IN

THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are an individual, you must directly perform or supervise the operation of the Business unless we consent otherwise ~~(Franchise Agreement § 6(A))~~. You must obtain and maintain an immigration status that will allow you to live and work in the United States for the initial term of the Franchise Agreement and for the length of any renewal terms of the Franchise Agreement. If you do not have or maintain the required status the Franchise Agreement will immediately expire by its terms with no further notice or opportunity to cure and we will have no liability to you, and no refund of any fees, will be made. However, you will remain bound by all post-termination obligations in the Franchise Agreement, including all obligations regarding non-compete, de-identification, confidentiality, and indemnity.

If we agree that you need not personally perform or supervise operation of the Business, an individual who has successfully completed our training program ("manager") must directly supervise the Business, and that individual must be a bona fide manager, as determined by us. ~~In any case, an owner as well as any manager of a location must attend and complete our initial training program to our satisfaction.~~ If we ask, the manager must sign a written agreement to maintain confidentiality of the trade secrets described in Item 14.

If you are a corporation or other legal entity, direct, on-site supervision must be done by a designated owner who has successfully completed our training program unless we consent otherwise ("principal owner"~~) (Franchise Agreement § 6(A)~~). If we ask, the principal owner must sign a written statement to maintain confidentiality of the trade secrets described in Item 14 and to conform to the covenants not to compete described in Item 17. If we agree that a principal owner need not personally

perform or supervise the operation of the Business, a manager must directly supervise the Business. The manager need not have an ownership interest in the Business. If you are a corporation or other legal entity, your principal shareholders, members and/or owners must sign a Guaranty agreeing to pay and perform all obligations under the Franchise Agreement (**attached to the** Franchise Agreement **as** Schedule C).

While you own the Business, you cannot have an interest or relationship with any competitors. If you own an existing business when you sign the Franchise Agreement, we may (in our sole discretion) allow you to exclude such business from the Business by executing the Excluded Services Addendum attached as Schedule I to the Franchise Agreement. If such existing business is rolled into the Business, you will execute and become bound by the Roll-In Addendum (attached as Schedule H to the Franchise Agreement).

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only the goods and services that conform to our standards and specifications ~~(see Item 8)~~. You must offer the goods and/or services that we designate as required for all franchisees and you may elect to offer other products and/or services only if we approve them in advance. You must install and repair, and offer cleaning products and services for, dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses, to enhance the performance and safety of clothes dryers and other household appliances, to residential and commercial customers, and perform related services and sell related products. We may change the authorized services and/or products that we require you and all franchisees to offer by adding additional services and/or products or deleting products and/or services, or both and there are no limits on our right to make changes. If we make any changes we will notify you. We have no plans to make significant changes in the future.

You must honor our warranty policies for installations, repairs and replacements as described in the Manuals. This policy states that we handle warranty claims on a case-by-case basis with some basic guidelines and, as a result, you will be obligated to perform warranty work at no charge, on certain services, including some services that another franchisee originally performed.

You must comply with all applicable laws and regulations and obtain all appropriate governmental approvals for the Business including obtaining a contractor's license if required by your locality. To ensure that the highest degree of quality and service is maintained, you must operate in conformity with the methods, standards and specifications in the Manuals and as we may otherwise require in writing periodically. You must not deviate from our standards and specifications without our prior written consent.

We do not limit or restrict your solicitation of customers in your Territory, although we own all customer information and may use the customer information as we deem appropriate (subject to applicable law), including, without limitation, sharing it with our affiliates for cross-marketing, customer loyalty programs or other purposes. For example, "Own the Home" is our Parent's current cross-branding initiative where we intend to increase cross utilization of Neighborly brands by consumers and drive consumer awareness via getneighborly.com and other marketing programs.

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.

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
a. Length of the franchise term	4(A)	Initial term is 10 years.
b. Renewal or extension of the term	4(B), (C)	Your franchise agreement can be renewed for one additional 10-year term by executing the then-current form of franchise agreement and meeting the other requirements for renewal; if you continue to operate after expiration of the initial or a renewal term, we may, at our sole election, treat the Franchise Agreement as expired or as continued on a month-to month basis until both parties agree to enter into our then-current form of franchise agreement for a renewal term or until one party provides the other with written notice of termination, in which case the interim period will terminate 30 days after receipt of the notice of termination. In the latter case, all of your obligations shall remain in full force and effect during the interim period as if the franchise agreement had not expired, except that the License Fee during the interim period will be increased to 15% of Gross Sales for all types of products/services and without any reductions. Once you have renewed your Franchise Agreement, you have no automatic further right of renewal and the provisions about renewal described in this section do not apply. At that point you may enter into a new franchise agreement on the then current terms if you and we agree to a new agreement.
c. Requirements to renew or extend	4(B), (C)	~~In addition,~~**Requirements for renewal are as follows:** you cannot be in default of current Franchise Agreement; you must give us written notice; you and your guarantors must sign a general release; you must pay us a renewal fee of $5,000; you must complete our then current training requirements, and you must sign the ~~most~~**then** current version of our franchise agreement, which may have terms,

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		conditions and fees that could be materially different as compared with your ~~Original Franchise Agreement~~**original franchise agreement**, including a smaller territory.
d. Termination by you	12(C)	You may terminate the Franchise Agreement as a result of our breach of a material provision of the Franchise Agreement, provided that you give us written notice of the breach and we fail to cure the breach within 30 days after our receipt of your written notice. If we fail to cure the breach, the termination will become effective 60 days after our receipt of your written notice of breach.
e. Termination by us without Cause	None	We cannot terminate your Franchise Agreement without cause.
f. Termination by us with Cause	12(B)	We can terminate your Franchise Agreement only if you default.
g. "Cause" defined – curable defaults	12(B)(1)	You have 10 days (subject to local state law) to cure if you fail to pay amounts due or fail to submit required reports. You have 30 days to cure all other defaults of the Franchise Agreement except for the non-curable defaults described below.
h. "Cause" defined – non-curable defaults	12(B)(2)	You made material misrepresentations to us in the application for the franchise or other reports or information provided to us; you voluntarily abandon performance of the Franchise Agreement (including by failing to operate the Business for seven or more consecutive days); state or local authority close the Business for safety reasons; you register any domain name containing our Marks or use Confidential Information in unauthorized manner; you or your guarantor become insolvent or make an assignment for the benefit of creditors or other similar arrangements; you or your guarantor are convicted of (or plead no contest to) any misdemeanor bringing the Marks into disrepute or impairing your reputation or

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		goodwill of the Marks or of the Business; you or your guarantor are convicted of (or plead no contest to) any felony; you intentionally understate or underreport Gross Sales, License Fees, or MAP Fees; any understatement or 2% variance on a subsequent audit within a 2-year period; any transfer or assignment without our consent as provided in the Franchise Agreement; or any default by you that is the second default of any type within any 12-month consecutive period even if the default(s) were cured.
i. Your obligations on termination/non-renewal	13	Your obligations include complete de-identification of the Business (including all vehicles) and immediate discontinuation of advertising or any other use of the Marks or any other promotional materials furnished by us; return to us all copies of the Manuals, software, customer lists and ongoing customer contracts; assignment to us of all right in the telephone numbers, websites, and domain names for the Business and cancelation or assignment, at our option, of any assumed name rights or equivalent registrations; assignment to us, upon our demand, of your remaining interest in any lease for the Business; and payment of any amounts due to us or to third parties for amounts guaranteed by us; compliance with non-competition covenants (see r., below).
j. Assignment of contract by us	10(G)	We may assign your Franchise Agreement to any 3rd party without prior notice to you and without your consent.
k. "Transfer" by you – defined	10(A)	Includes any sale, lease, pledge, management agreement, contract for deed, option agreement, bequest, gift, any arrangement in which you turn over all or part of the operation of the Business to someone who shares in the losses or profits of the Business other than an employee; any 20% or more change in the ownership of the franchisee entity; or any

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		change in the general partner of a franchisee that is a partnership entity.
l. Franchisor approval of transfer by Franchisee	10(B)	We have the right to approve all transfers but will not unreasonably withhold approval.
m. Conditions for Franchisor approval of transfer	10(B) – (D)	You are not in default; you have paid in full all amounts owed to us, our affiliates, or your suppliers, or upon which we have contingent liability; you have provided all required reports; the new franchisee qualifies; training for new franchisee is arranged; you, owners and guarantors sign release; transfer fee paid; current Franchise Agreement signed by new franchisee; new franchisee agrees to be bound by all customer obligations of Franchisee, including all warranty work and service plans obligations (also see r, below).
n. Franchisor's right of first refusal to acquire the Business	10(F)	We may buy your franchise at the same price and on the same terms as those of a third-party offer.
o. Franchisor's option to purchase the Business	None	N/A
p. Death or disability of Franchisee	10(E)	Your personal representative must, within 120 days, tender the right of first refusal, apply for our consent to the transfer, pay the transfer fee and satisfy the transfer conditions (provided that no right of first refusal or transfer fee is applicable if the transferee is your spouse or child).
q. Non-competition covenants during the term of the Franchise Agreement	9(D)	You (including your guarantors and owners, if you are an entity, or your spouse, children, parents, or siblings if you are an individual) cannot be involved in a Competitive Business. A "Competitive Business" is any business that offers or sells any product or service or component thereof that (i) composes a part of our System, (ii) is the same as or similar to any product or service then-offered by our franchisees or (iii) otherwise competes directly or indirectly with our System.

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
r. Non-competition covenants after the Franchise Agreement is terminated or expires	9(D)	For 2 years, no Competitive Business in your Territory, within a 25-mile radius of the outer boundary of your Territory, or inside the territory of another DRYER VENT WIZARD® business.
s. Modification of the Franchise Agreement	14(B)	No modification of the Franchise Agreement except by written agreement of both parties.
t. Integration/merger clause	14(B)	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	11	Most disputes must be initially mediated. If a dispute is not resolved through the mediation process described in the Franchise Agreement, most disputes must be settled by binding arbitration**, subject to state law**.
v. Choice of venue	14(H))	Unless local law supersedes this provision, venue for mediation, arbitration, and litigation is in the county in which our Parent's headquarters are located at the time of the mediation, arbitration, or litigation, as the case may be. Our Parent's headquarters are currently in Waco, McLennan County, Texas.
w. Choice of law	14(G)(1)	Texas law applies unless local state law supersedes this provision.

SEE THE ATTACHED STATE ADDENDA (EXHIBIT L) FOR ADDITIONAL DISCLOSURES.

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise business.

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.

~~**Report on Average and Median Gross Sales for Franchised Businesses**~~
~~**For the Period January 1, 2019 to December 31, 2019 (Reporting Period)**~~

The sales figures listed below are averages and medians derived from historical operating results of the Dryer Vent Wizard® businesses indicated for the time periods covered. We obtained these sales figures from information provided to us by our franchisees for the period from January 1, 2019 through December 31, 2019 (the "**2019** Reporting Period") **and for the period from January 1, 2020 to June 30, 2020 (the "2020 Reporting Period")**. Neither we nor our independent certified public accountants have audited or verified any of the sales figures reported to us. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

As of December 31, 2019, we had 88 Dryer Vent Wizard® businesses in operation in the United States, all of which were franchised businesses. ~~This~~**Part I of this** Item 19 includes data from 78 businesses, which were all in operation and reporting sales for the entire **2019** Reporting Period (the "**2019** Reporting Businesses"). The information provided in **Part I of** this Item 19 does not include data from 10 franchised businesses that opened during the year 2019 and therefore were not in operation for the entire **2019** Reporting Period.

Six franchised businesses closed during the 2019 fiscal year, and so they did not report data to us for the entire **2019** Reporting Period and therefore their data is also excluded from this Item 19. Of the 6 businesses that closed during the fiscal year 2019, zero businesses closed after being open for less than 12 months.

Part II of this Item 19 includes data from all businesses that were in operation and reporting sales for the entire 2019 Reporting Period and for the entire 2020 Reporting Period. The information provided in Part II of this Item 19 does not include data from businesses that were not open for the entire 2019 Reporting Period and the entire 2020 Reporting Period.

All of the franchised businesses for which sales results are reported below were operated by franchisees. We did not operate any of the businesses. All of the franchised businesses are comparable to the franchised businesses offered by this disclosure document and offered substantially the same services to the public.

No adjustments, including adjustments for geographic location, have been made to these reported sales. In addition, the information in **Part I of** this report is based on sales in one 52 week period **and the information in Part II of this report is based on sales in the first two calendar quarters of 2019 and 2020**. This report does not include information about previous periods or any future periods. Also, because these are Gross Sales results only, no costs or expenses are taken into account. We encourage you to carefully review this material with your attorney, business advisor and/or accountant.

Some outlets have earned this amount. Your individual results may differ. There is no assurance you will earn as much.

Written substantiation for these financial performance representations will be made available to a prospective franchisee upon reasonable request.

"Gross Sales" means the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of — or in connection with — your Business whether under any of the Marks or otherwise. Gross Sales exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing. Gross Sales also exclude sales from any Excluded Services (as defined in a mutually executed Excluded Services Addendum (see Schedule I to the Franchise Agreement).

PART I – 2019 REPORTING PERIOD DATA

Report on Average and Median Gross Sales for Franchised Businesses
For the Period January 1, 2019 to December 31, 2019 (2019 Reporting Period)

Table A: Average and Median Gross Sales for Franchised Businesses Open Full 12 Months in 2019[1]

% Rank in terms of level of Gross Sales	Average Annual Gross Sales Attained by each Group	High[2]	Low[3]	Median Annual Gross Sales Attained by each Group	Number of Businesses in each Group	Number and % in Group That Attained the Average Level of Gross Sales or Greater[4]	Number and Percent of All Reporting Businesses included in this Table that Attained the Average Level of Gross Sales or Greater[5]
Top 10%	$714,112	$1,231,712	$474,307	$655,345	6	3/50%	3/5%
Top 25%	$503,698	$1,231,712	$284,536	$418,932	15	5/33%	5/8.3%
Top 50%	$363,238	$1,231,712	$160,290	$284,036	30	12/40%	12/20%
Bottom 50%	$98,012	$159,213	$29,935	$100,587	30	18/60%	48/80%
Bottom 25%	$70,016	$100,546	$29,935	$72,111	15	9/60%	54/90%
Bottom 10%	$43,037	$61,778	$29,935	$40,160	6	3/50%	57/95%
100%	$230,625	$1,231,712	$29,935	$160,290	60	22/36%	12/20%

[1]Of the **2019** Reporting Businesses, the average, high, low, and median Gross Sales for the **2019** Reporting Period for the following groups are shown above: Top 10%, Top 25%, Top 50%, Bottom 50%, Bottom 25%, and Bottom 10% by percentage rank (in terms of level of Gross Sales) of Reporting Businesses, and, finally, all **2019** Reporting Businesses (100%). This Table A excludes the Gross Sales

data of 18 franchised businesses owned by 9 different franchisees (each such franchisee owning 2 of these franchised businesses), which data is separately reported in Table B below because those 9 franchisees were permitted to report Gross Sales data to us for their two franchised businesses in an aggregated manner and therefore we do not have available separate "unit-level" Gross Sales data for those 18 businesses.

[2] This is the highest actual Gross Sales of the **2019** Reporting Businesses included in Table A in the respective percentage rank group for the **2019** Reporting Period.

[3] This is the lowest actual Gross Sales of the **2019** Reporting Businesses included in Table A in the respective percentage rank group for the **2019** Reporting Period.

[4] This is the number and percentage of **2019** Reporting Businesses (included in Table A) in the respective percentage rank group that achieved or exceeded the Average Gross Sales for that respective percentage rank group during the **2019** Reporting Period.

[5] This is the number and percentage of all **2019** Reporting Businesses (included in Table A) that achieved or exceeded the Average Gross Sales for the respective percentage rank group during the **2019** Reporting Period.

Table B: Two-Unit Operators' Gross Sales Data

Average Annual Gross Sales Attained by this Group	High[2]	Low[3]	Median Annual Gross Sales Attained by this Group	Number of Franchisees in This Group[1]	Number and % of Franchisees in Group That Attained the Average Level Gross Sales or Greater[4]
$515,110	$965,092	$200,424	$504,822	9[1]	3/33%

[1]Table B shows the average and median Gross Sales data by franchisee, for the 9 franchisees that operated a total of 18 franchised business (2 franchised businesses by each such franchisee) during the **2019** Reporting Period (the "Reporting Franchisees"). These 9 Reporting Franchisees reported Gross Sales data to us only in an aggregated manner and so we cannot determine Gross Sales data by franchised business for the 18 franchised businesses included in this Table B.

[2] This is the highest actual Gross Sales of the Reporting Franchisees included in Table B for the **2019** Reporting Period.

[3] This is the lowest actual Gross Sales of the Reporting Franchisees included in Table B for the **2019** Reporting Period.

[4] This is the number and percentage of Reporting Franchisees (included in Table B) that achieved or exceeded the Average Gross Sales during the **2019** Reporting Period.

PART II - DATA FOR FIRST TWO CALENDAR QUARTERS OF 2019 AND 2020

Covid-19 Related Information

In the early months of 2020, the COVID-19 virus pandemic impacted local, regional and national economies. New laws, rules and governmental orders were issued in response to the virus outbreak. The Dryer Vent Wizard businesses were generally deemed essential businesses under such

governmental orders and were therefore able to continue operating, although 5 businesses temporarily closed during late March and/or April for an average of 2 weeks. As of the date of this Disclosure Document, all 5 of those businesses have since resumed full operations; no businesses permanently closed due to the impact of the pandemic. As of the date of this Disclosure Document, we do not intend to make any changes to our business model as a result of the COVID-19 pandemic.

The below tables show separately the average and median Gross Sales data for the first and second calendar quarter of 2019 and for the first and second calendar quarter of 2020 (each such calendar quarter, the "Reporting Period") for all businesses that were operating and reporting sales for the entire 2019 Reporting Period and the 2020 Reporting Period.

Part II of this Item 19 includes data from 83 businesses (65 businesses reported in Table A below and 18 businesses reported in Table B below) for 2019 and 90 businesses (72 businesses reported in Table A below and 18 businesses reported in Table B below) for 2020 (the "Reporting Businesses"), which were all in operation and reporting sales for the entire 2020 Reporting Period and for the entire 2019 Reporting Period. The information provided in Part II of this Item 19 does not include data from 6 businesses that were not open or reporting for the entire 2019 Reporting Period and 3 businesses that were not open or reporting for the full 2020 Reporting Period.

Table A - Single Unit Operators' Gross Sales Data

Reporting Period	Number of Reporting Businesses	High[1]	Low[2]	Average Gross Sales	Number / Percent At Or Above Average[3]	Median Gross Sales	Number / Percent At Or Above Median[4]
2019 Q1	65	$210,291	$6,716	$46,389	23 / 35%	$35,451	33 / 50%
2020 Q1	72	$221,798	$4,434	$47,884	23 / 32%	$35,499	36 / 50%
2019 Q2	65	$359,447	$5,156	$59,320	23 / 35%	$41,535	33 / 51%
2020 Q2	72	$423,139	$6,892	$50,779	30 / 42%	$36,753	36 / 50%

[1] This is the actual highest Gross Sales of any of the applicable Reporting Businesses for the applicable Reporting Period.

[2] This is the actual lowest Gross Sales of any of the applicable Reporting Businesses for the applicable Reporting Period.

[3] This is the number and percentage of the Reporting Businesses that achieved or exceeded the Average Gross Sales for the applicable Reporting Period.

[4] This is the number and percentage of the Reporting Businesses that achieved or exceeded the Median Gross Sales for the applicable Reporting Period.

Table B - Two Unit Operators' Gross Sales Data

Nine franchisees ("Reporting Franchisees") that each operate two businesses report Gross Sales data to us only in an aggregated manner and so we cannot determine Gross Sales data by franchised business for the 18 franchised businesses included in this Table B.

Reporting Period	Number of Reporting Franchisees (each operating 2 Reporting Businesses)	High[1]	Low[2]	Average Gross Sales	Number / Percent At Or Above Average[3]	Median Gross Sales	Number / Percent At Or Above Median[4]
2019 Q1	9	$179,386	$39,461	$98,158	4 / 44%	$96,160	5 / 50%
2020 Q1	9	$185,635	$39,260	$107,888	5 / 56%	$112,900	5 / 50%
2019 Q2	9	$239,914	$55,190	$137,596	3 / 33%	$125,536	5/ 50%
2020 Q2	9	$213,673	$35,789	$126,721	4 / 44%	$124,199	5 / 50%

[1] This is the actual highest Gross Sales of any of the applicable Reporting Franchisees for the applicable Reporting Period.

[2] This is the actual lowest Gross Sales of any of the applicable Reporting Franchisees for the applicable Reporting Period.

[3] This is the number and percentage of the Reporting Franchisees that achieved or exceeded the Average Gross Sales for the applicable Reporting Period.

[4] This is the number and percentage of the Reporting Franchisees that achieved or exceeded the Median Gross Sales for the applicable Reporting Period.

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 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 Jason Kapica, ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, Michigan 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707**, 586-619-2160, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary for Years 2017 to 2019

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2017	82	84	+2
	2018	84	84	0
	2019	84	88	+4
Company-Owned	2017	0	0	0
	2018	0	0	0
	2019	0	0	0
Total Outlets	2017	82	84	+2
	2018	84	84	0
	2019	84	88	+4

[1] Included in "outlets" are all Businesses that have opened an operating location. Neither sale of a new territory to an existing franchisee where a separate operating location will not be opened nor execution of a franchise agreement for a new location where the location is not yet open are included.

Table No. 2

Transfers[1] of Outlets From Franchisees to New Owners

(Other than the Franchisor or an Affiliate)
For Years 2017 to 2019

State	Year	Number of Transfers
NC	2017	0
	2018	2
	2019	0
OR	2017	0
	2018	0
	2019	1
Total	**2017**	**0**
	2018	**2**
	2019	**1**

[1] Transfer" means the acquisition of a controlling interest in a franchised outlet, during its term, by a person other than the franchisor or an affiliate. Sale of territory only, not including a franchised outlet, from one franchisee to another franchisee is not included in transfers.

Table No. 3

Status of Franchised Outlets for Years 2017 to 2019

State	Year	Outlets at Start of Year	Outlets Opened[1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
AL	2017	1	0	0	1	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
CA	2017	7	2	0	0	0	0	9
	2018	9	0	1	0	0	0	8
	2019	8	1	0	0	0	0	9
CO	2017	2	0	0	0	0	2	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
CT	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	1	0	0	0	0	3
DC	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1[a]	0	0	0	0	1
FL	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	1	4
GA	2017	1	0	0	0	0	0	1
	2018	1	1	0	0	0	0	2
	2019	2	0	0	0	0	0	2
ID	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
IL	2017	3	1	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
IN	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
KS	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
KY	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened[1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
MD	2017	3	0	0	0	0	0	3
	2018	3	0	0	1	0	0	2
	2019	2	1	0	0	0	1[b]	2
MA	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
MI	2017	4	0	0	1	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
MN	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
MO	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
NV	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
NH	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
NJ	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
NY	2017	6	1	0	0	0	0	7
	2018	7	0	0	0	0	0	7
	2019	7	1	1	0	0	0	7
NC	2017	5	0	0	0	0	1	4
	2018	4	0	0	0	0	0	4
	2019	4	1	0	0	0	1	4
OH	2017	5	0	0	0	0	0	5
	2018	5	1	0	0	0	0	6
	2019	6	1	0	0	0	0	7
OR	2017	1	1	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened[1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
PA	2017	3	1	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	1[b]	0	0	0	0	5
RI	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
SC	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
TN	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
TX	2017	4	1	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
VA	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	1	1	0	0	1[a]	4
WA	2017	2	0	0	0	0	0	2
	2018	2	0	1	0	0	0	1
	2019	1	0	0	0	0	0	1
WI	2017	3	0	0	0	0	0	3
	2018	3	1	0	0	0	0	4
	2019	4	0	0	0	0	0	4
Total	**2017**	**82**	**7**	**0**	**2**	**0**	**3**	**84**
	2018	**84**	**3**	**2**	**1**	**0**	**0**	**84**
	2019	**84**	**10**	**3**	**0**	**0**	**3**	**88**

[1] "Outlets opened" does not include outlets for which a franchise agreement was signed but the outlet was not open as of the end of our last fiscal year. Included in "Outlets Opened" are 4 outlets that were opened after a new franchisee purchased the franchised business from an existing owner and the previous owner's franchise agreement was terminated.

[2] "Termination" means the franchisor's termination of a franchise agreement prior to the end of its term and without paying any money or other compensation to the franchisee. Mutual terminations, where both the Franchisor and franchisee agree to end the franchise relationship are also included in terminations listed above.

[3] For purposes of these tables, a "reacquisition" means the Franchisor's acquisition of a franchised outlet during its term in exchange for a payment of money or other compensation. The franchisor's purchase of a territory or a portion of a territory not including an operating outlet is not included in the "reacquisitions" listed above.

[4] "Ceased operations – other reasons" includes abandonment of the franchise outlet after an existing outlet was opened. If no outlet was opened and there was no termination of the franchise agreement, the "abandonment" would not be included in the "ceased operations" column. Also included in this column are franchise outlets that have been sold and/or transferred to an existing franchisee or a franchisee in another state. Also included in Ceased operations – other reasons" are outlets where the franchise agreement was terminated and the territory was added to an existing franchise outlet.

[a] Franchisee, Eric Butler, previously listed as Virginia was relocated to the District of Columbia unit count.

[b] Franchisee, Gerry Rhen, previously listed as Maryland was relocated to the Pennsylvania unit count to match the office location.

Table No. 4
Status of Company-Owned Outlets
For Years 2017 to 2019

State	Year	Outlets At Start of Year	Outlets Opened	Outlets Re-acquired From Franchisee	Outlets Closed	Outlets Sold to Franchisees	Outlets At End Of Year
ALL STATES	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
TOTALS	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0

Table No. 5

Projected Openings as of December 31, 2019

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
CO	0	1	0
NY	0	1	0
OK	0	1	0
PA	0	2	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
SC	1	1	0
TX	1	1	0
TOTAL	**2**	**7**	**0**

Exhibit E contains the names of current franchisees and the addresses and telephone numbers of their outlets as of December 31, 2019.

Exhibit F contains the name, city and state and the current business telephone number (or, if unknown the last known home telephone number) of franchisees who had an outlet terminated, cancelled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our most recently completed fiscal year franchisees transferred, franchisees who left the system for other reasons or who have not communicated with us in the 10 weeks prior to the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During our last three fiscal years, some current or former franchisees signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There are no trademark-specific franchisee organizations associated with the franchise that have asked to be included in this disclosure document.

ITEM 21

FINANCIAL STATEMENTS

Included as Exhibit C are the audited consolidated financial statements as of and for the years ended December 31, 2019, December 31, 2018 and December 31, 2017 for TDG Group Holding Company, our parent company.

TDG Group Holding Company guarantees our performance under the Franchise Agreement. See Exhibit D.

Also included in Exhibit C are the unaudited consolidated financial statements as of and for the period ended January 31, 2020 for TDG Group Holding Company.

ITEM 22

CONTRACTS

EXHIBIT A - Franchise Agreement and Schedules:

Schedule A Data Sheet
Schedule B ACH Form
Schedule C Personal Guarantee
Schedule D Acknowledgement Addendum

Schedule E	Telephone Number and Internet Agreement
Schedule F	Confidentiality Agreement
Schedule G	Promissory Note and Security Agreement
Schedule H	Roll-In Addendum
Schedule I	Excluded Services Addendum
Schedule J	State Addendum

EXHIBIT G	Option to Purchase Agreement
EXHIBIT H	Renewal Addendum
EXHIBIT I	General Release [sample]
EXHIBIT J	ProTradeNet Agreement
EXHIBIT K	Assignment and Consent Agreement
EXHIBIT L	State Addenda and Riders to Franchise Agreement

ITEM 23

RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document.

EXHIBIT A

DRYER VENT WIZARD INTERNATIONAL LLC

FRANCHISE AGREEMENT

RECEIPT FOR COMPLETED FRANCHISE AGREEMENT

The undersigned hereby acknowledges and agrees that on the date below, he/she received a FRANCHISE AGREEMENT for a DRYER VENT WIZARD® franchised business including all applicable exhibits with all information completed in a form ready to execute.

_____	_____
Date	Signature
_____	_____
Date	Signature

DRYER VENT WIZARD® FRANCHISE AGREEMENT

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DRYER VENT WIZARD® FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

This Franchise Agreement (the "Agreement") is made as of the Effective Date by and between DRYER VENT WIZARD INTERNATIONAL LLC, a Delaware limited liability company with its principal business located at ~~37735 Enterprise Ct., Suite 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("we" or "us"), and the person or entity (the "Franchisee" or "you") identified as Franchisee on the Data Sheet attached as Schedule A (together with addenda attached thereto, the "Data Sheet"). If the franchisee is a corporation, partnership, limited liability company or other legal entity, the provisions of this Agreement also apply to its owners.

RECITALS

A. We have developed a system for establishing and operating businesses identified by the DRYER VENT WIZARD® service mark and engaged in installation and repair of, and offering of cleaning products and services for, dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses, to enhance the performance and safety of clothes dryers and other household appliances, to residential and commercial customers, and performing related services and selling related products, pursuant to certain standards and specifications (each, a "DRYER VENT WIZARD Business").

B. We own the DRYER VENT WIZARD service mark and other marks used in connection with the operation of a DRYER VENT WIZARD Business.

C. You desire to develop and operate a DRYER VENT WIZARD Business, and we have agreed to grant you a franchise to operate a DRYER VENT WIZARD Business subject to the terms and conditions of this Agreement.

In consideration of the foregoing and the promises and consideration below, you and we agree as follows:

DEFINITIONS

1. For purposes of this Agreement, the terms below have the following definitions (other terms are defined in the body of this Agreement):

A. "Business" means the DRYER VENT WIZARD Business you develop and operate pursuant to this Agreement.

B. "Confidential Information" means any proprietary and non-public information, data, materials and know how owned by us relating to the development or operation of DRYER VENT WIZARD Businesses, whether contained in the Operations Manual or otherwise, including, but not limited to: (1) training programs and materials; (2) data bases of Customers and potential customers; (3) sales and marketing programs and techniques for DRYER VENT WIZARD Businesses; (4) knowledge of operating systems of DRYER VENT WIZARD Businesses; and (5) computer systems, technology and software programs.

C. "Customer" means any person or entity (1) included on any marketing or customer or business referral lists you develop or use, including any such lists provided by us to you; (2) who has purchased or purchases products or services from you during the term (even if you have solicited the person and/or established a relationship independent of us and without our assistance) or whom you have solicited to purchase any products or services; (3) for whom you provide

products or services on our behalf or at our direction; and (4) if any of the foregoing is an entity, all employees of such entity.

D. "Customer Information" means any contact information (including name, address, phone and fax numbers, and e-mail addresses), sales and payment history, and all other information about any Customer, including any information deemed "personal information" under applicable law.

E. "Effective Date" means the date designated as Effective Date on the Data Sheet. If no Effective Date is designated on the Data Sheet, the Effective Date is the date when we sign this Agreement.

F. "Franchise Location" is the premises that are located within the Territory, that meet our site selection guidelines and criteria and from which you will operate your Business.

G. "Gross Sales" include the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of or in connection with your Business whether under any of the Marks or otherwise. Gross Sales exclude sales taxes collected from Customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing. Gross Sales also exclude sales from any Excluded Services (as defined in a mutually executed Excluded Services Addendum (attached as Schedule I hereto)).

H. "Headquarters" means ~~the~~**our** principal place of business~~ of our parent, Dwyer Franchising LLC (or any of its successors or assigns)~~.

I. "Internet" means all communications between computers and television, telephone, facsimile and any other communication or communication capable devices and another such device or machine, including the World Wide Web, proprietary online services, social media platforms, blogs, E-mail, news groups and electronic bulletin boards and forums.

J. "Key Accounts" means national, regional or other customers of DRYER VENT WIZARD Businesses located within and/or outside the Territory with whom we have entered or plan to enter into contracts, programs or other arrangements (i) for servicing of multiple locations of such customers and/or (ii) that we determine are designed to benefit the System as a whole by gaining otherwise unavailable business or addressing the concerns of such customers that may require specific terms or provisions of our arrangement with them, including without limitation special insurance, experience, equipment, pricing, payment terms, turnaround requirements, or approvals.

K. "Marks" means the "DRYER VENT WIZARD" service mark, logo, and such other trade names, trademarks, service marks, logos and commercial symbols as we may from time to time expressly authorize or direct you to use in connection with the operation of the Business.

L. "Operations Manual" means any collection of written, video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, all of which we or our agents produce and which contain specifications, standards, policies, procedures and recommendations for operating DRYER VENT WIZARD Businesses, all of which we may change from time to time. The term "Operations Manual" includes all means of communicating such information, regardless of format.

M. "Preferred Lead Program" means a program that we offer to qualified franchisees that permits each such franchisee to perform services in a defined area outside of its territory (the "designated area") so long as (i) such services are for such franchisee's existing customer that has locations within and outside of such franchisee's territory (but within the designated area) and (ii) the franchisee who owns the territory in which the designated area is located also participates in the Preferred Lead Program. Additional terms and conditions of the Preferred Lead Program are set forth in the Operations Manual. You must meet the qualifications set forth in the Operations Manual before you may participate in the Preferred Lead Program.

N. "Principal Owner" means any person or entity who, now or hereafter, directly or indirectly, owns a 5% or greater interest in the franchisee when the franchisee is a corporation, limited liability company, partnership, or other entity. However, if we are entering into this Agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications of any person or entity who directly or indirectly owns less than a 5% interest in the franchisee, we have the right to designate that person or entity as a Principal Owner for all purposes under this Agreement. In addition, if the franchisee is a partnership entity, then each person or entity who, now or hereafter is or becomes a general partner is a Principal Owner, regardless of the percentage ownership interest. If the franchisee is one or more individuals, each individual is a Principal Owner of the franchisee. Each franchisee must have at least one Principal Owner. Your Principal Owner(s) are identified in the Data Sheet in Schedule A to this Agreement. As used in this Agreement, any reference to Principal Owner includes all Principal Owners.

O. "System" means our operating systems, marketing systems, business techniques, and methods, processes, policies and procedures for providing installation and repair of, and offering of cleaning products and services for, dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses, to enhance the performance and safety of clothes dryers and other household appliances, to residential and commercial customers; and performing related services and selling related products; including items of trade dress and sales, leadership and management training for the development and operation of DRYER VENT WIZARD Businesses, including all training materials; all as the same may exist today or as the same may change from time to time, as specified in the Operations Manual or as otherwise reasonably directed by us from time to time.

P. "Territory" means the area designated on the Data Sheet. If the Territory is not designated at the time you and we sign this Agreement, we will notify you of the Territory within 30 days of the Effective Date. To the extent any portion of the Territory includes an area designated as an Indian Reserve, a governmental territory or other territory that may have separate or additional laws, regulations or other requirements for performing work in such territory, Franchisee is granted such territory only to the extent and for so long as Franchisee is qualified under such separate or additional requirements to perform work in such territory; knowledge of and compliance with such requirements being the sole responsibility of Franchisee.

GRANT OF LICENSE

2. The following provisions control with respect to the license granted hereunder:

A. Rights Granted. Subject to the terms and conditions of this Agreement, we hereby grant you the right and license to engage in and conduct, in the Territory, during the term of this Agreement, a DRYER VENT WIZARD Business identified by the Marks.

You hereby accept said license and undertake the obligation to operate your Business faithfully, honestly and diligently, using the System and in compliance with this Agreement and our standards and requirements. You may not subfranchise, sublicense, assign or transfer your rights under this Agreement, except as specifically provided in this Agreement.

B. Rights to Territory. During the term of this Agreement and provided that you are in compliance with the terms and conditions of this Agreement, we will not (i) modify the Territory without your written permission, or (ii) subject to our reservation of rights set forth in Section 2.C, establish either a company- or affiliate-owned or franchised DRYER VENT WIZARD Business geographically located within the Territory.

You may not advertise or solicit customers, perform services or sell products related to the Business outside the Territory without our prior written consent, which consent we may give, condition or withdraw as we deem appropriate. If you receive a request for services or products from outside the Territory, you must refer that request to the franchisee, if any, that owns the applicable territory, or seek our written permission to process such a request. Notwithstanding the foregoing, under certain limited circumstances, you may process such a request from outside the Territory if such activity is permitted under our Preferred Lead Program as more particularly set forth in the Operations Manual.

If we permit you to advertise, solicit, service or sell in areas outside the Territory that are not serviced by another franchisee (each, a "Territory Available for Sale" or "TAFS"), you must comply with all of the conditions and other requirements that we may from time to time specify (in the Operations Manual or otherwise in writing) with respect to such activities. At any time upon our demand or upon your actual notice that a TAFS has been purchased by another franchisee, you agree to immediately cease all activities in such TAFS and to comply with our procedures for the transition of Customer accounts for such TAFS.

If you do not accept appointments and make yourself available to service Customers in any zip code in your Territory at least once weekly, we have the right to schedule customers in that portion of your Territory for service by another franchisee. If, for three consecutive weeks or ten weeks in any twelve-month period, you do not accept appointments and make yourself available to service Customers in any zip code in your Territory at least once weekly, we have the right to reclaim, reassign, or resell that portion of your Territory immediately upon notice to you, and without compensation to you. If we exercise such a right, thereafter, your Territory will be amended to exclude the portion or portions of your Territory that were reclaimed, reassigned, or resold.

C. Our Reservation of Rights. Except as expressly limited by Section 2.B, we and our affiliates may engage in any activity whatsoever on any terms and conditions we deem advisable whenever and wherever we or they desire. We and our affiliates retain all rights whatsoever not expressly granted herein, including, but not limited to:

(i) the right to establish and operate, and to grant to others the right to establish and operate similar businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside the Territory (A) under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate or (B) under the Marks, but if inside the Territory, then only pursuant to programs set forth in the Operations Manual (including the Preferred Lead Program);

(ii) the right to provide, offer and sell and to grant others the right to provide, offer and sell goods and services that are identical or similar to and/or competitive with those provided at the Franchise Location hereunder, whether identified by the Marks or other trademarks or service marks, through dissimilar channels of distribution (including internet or similar electronic media) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(iii) the right to establish and operate, and to grant to others the right to establish and operate businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(iv) the right to establish and operate, and to grant others the right to establish and operate a DRYER VENT WIZARD Business located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of their proximity to the Franchise Location or their actual or threatened impact on sales at the Franchise Location;

(v) (a) the right, directly or through an authorized third party (including, another franchisee), to advertise, solicit, enter into contracts with and service Key Accounts in any area, including in the Territory, upon such terms as we negotiate from time to time; or (b) further, if (i) you refuse or, in our sole judgment, are not qualified, interested or available to perform services or otherwise cannot or do not perform services for any customer located within the Territory, including a Key Account, (ii) you request assistance in the performance of services to a customer, or (iii) a customer, orally or in writing, specifically requests services within the Territory from a different franchisee or another third party, we have the right to authorize another franchisee (or designate or authorize a corporate employee or any other third party) to perform services for or sell products to the applicable customers inside the Territory. You agree that you will not be entitled to any compensation for sales or services performed inside the Territory by someone other than you as contemplated under this paragraph;

(vi) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at the Business, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Territory); and

(vii) the right to be acquired (in whole or in part and regardless of the form of transaction), by a business providing products and services similar to those provided at the Business, or by another business, even if such business operates, franchises and/or licenses a business(es) that competes with you in the Territory.

TRADEMARK STANDARDS AND REQUIREMENTS

3. We hereby grant you the right to use the Marks in connection with the operation of the Business hereunder, subject to the following terms and conditions:

A. Mark Ownership. The Marks are our valuable property, and we are the owner of all right, title and interest in and to the Marks and all past, present or future goodwill of the Business and of the business conducted that is associated with or attributable to the Marks. Your use of the Marks will inure to our benefit. You may not, during or after the term of this Agreement, engage,

directly or indirectly, in any conduct that would infringe upon, harm, contest or otherwise interfere with our rights in any of the Marks or the goodwill associated with the Marks, including any use of the Marks in a derogatory, negative, or other inappropriate manner in any media, including but not limited to print or electronic media.

B. Use of Marks. You may not use, or permit the use of, any trademarks, trade names, logos, service marks or any other names or marks in connection with the Business except those we authorize or direct in writing. You may use the Marks only in the form and manner we prescribe in writing and only in connection with the products and services that we specify and that meet our standards and requirements with respect to quality, production, installation and sale. You must comply with all trademark, trade name and service mark notice marking requirements.

C. Business Identification. You must use the name DRYER VENT WIZARD and the city, county or region we designate for you as the trade name of the Business (e.g., DRYER VENT WIZARD of Waco), and you must obtain and maintain corresponding fictitious or assumed name registration as required under applicable laws in the jurisdiction in which your Business is located and provide us with evidence of the same prior to opening for business. You may not use the words "DRYER VENT WIZARD" or any other Mark as part of the name of your corporation, partnership, limited liability company or other business entity. You may not use any other mark or words to identify the Business without our prior written consent. You may not change your legal entity name, trade name, or fictitious or assumed name without our prior written consent. You may use the Marks on various materials associated with the Business, such as business cards, stationery and checks; provided that you (i) accurately depict the Marks on the materials as we direct, (ii) use the Marks in accordance with all of our trademark usage and branding standards, (iii) include a statement on the materials indicating that the Business is independently owned and operated by you, (iv) do not use the Marks in connection with any other trademarks, trade names, logos, service marks or any other names or marks unless we specifically approve in writing prior to such use, and (v) make available to us, upon our request, a copy of any materials depicting the Marks. You must put Customers on notice (by language in your contracts) identifying you as a DRYER VENT WIZARD franchisee in a format we deem acceptable, including an acknowledgment that you independently own and operate the Business.

D. Litigation. If any person or entity improperly uses or infringes the Marks or challenges your use or our use or ownership of the Marks, we will control all litigation and other proceedings and we have the right to determine whether suit or other proceeding will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you become aware or any challenge or claim arising out of your use of any Mark. You must take reasonable steps, without compensation, to assist us with any action we undertake. We will be responsible for our fees and expenses incurred in connection with any such action, unless the challenge or claim results from your misuse of the Marks in violation of this Agreement, in which case you must pay us for our costs and expenses including our attorney's fees.

Provided that you are using the Marks in compliance with the terms of this Agreement, we will defend, at our own expense, any action against you brought by a third party alleging that any of the Marks infringes any U.S. trademark of a third party, and we will pay those costs and damages finally awarded against you in any such action that are specifically attributable to such claim or those costs and damages agreed to in a monetary settlement of such action. The foregoing obligations are conditioned on you: (i) notifying us promptly in writing of such action; (ii) giving us sole control of the defense thereof and any related settlement negotiations; and (iii) cooperating and, at our request and expense, assisting in such defense.

E. Changes. Unless we direct you so in writing, you may not make any changes or substitutions to the Marks. We reserve the right to change the Marks at any time and you must comply with any such changes within the time frames we specify.

F. Creative Works. All ideas, business ventures, concepts, inventions, techniques, or materials concerning a DRYER VENT WIZARD Business, whether or not protectable intellectual property and whether created by or for you or one of your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and "works made-for-hire" for us. To the extent any item does not qualify as a "work made-for-hire" for us, you agree to assign and hereby assign ownership of that item, and all related rights to that item, to us and agree to take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

TERM AND RENEWAL

4. The following provisions control with respect to the term and renewal of this Agreement:

A. Term. The initial term of this Agreement commences on the Effective Date and expires on the 10-year anniversary of the Effective Date, unless terminated earlier as provided herein.

B. Renewal Term and Conditions of Renewal. You may renew your license for one renewal term of 10 years; provided that: (i) you have given us written notice of your request to renew at least 180 days but not more than 240 days prior to the end of the expiring term; (ii) you sign our then-current form of franchise agreement (modified to reflect that the agreement relates to the grant of a renewal), the terms of which may differ from this Agreement, including higher fees and/or a smaller territory (if we determine that you failed to fully service the entire territory under this Agreement); (iii) you are not in default of this Agreement or any other agreement pertaining to the franchise granted, have satisfied all monetary and other material obligations on a timely basis during the term and are in good standing; (iv) you comply with our then-current training requirements; (v) you and your guarantors execute a general release of claims in a form we prescribe; and (vi) you pay a renewal fee of $5,000.

C. Interim Period. If this Agreement expires without you properly exercising your renewal right and you continue to accept the benefits of this Agreement thereafter, then, at our option, we may treat this Agreement either as (i) expired as of the date of expiration, with you then illegally operating a franchise in violation of our rights; or (ii) continued on a month-to-month basis (the "Interim Period") until both parties agree to enter into our then-current form of franchise agreement for a renewal term or until one party provides the other with written notice of termination, in which case the Interim Period will terminate 30 days after receipt of the notice of termination. In the latter case, all of your obligations shall remain in full force and effect during the Interim Period as if this Agreement had not expired, except that the License Fee during the Interim Period will be increased to 15% of Gross Sales for all types of products/services and without any reductions. All obligations and restrictions imposed on you upon expiration of this Agreement shall take effect upon termination of the Interim Period.

OPERATIONS STANDARDS AND REQUIREMENTS

5. You must implement and abide by our requirements and recommendations directed to enhancing substantial System uniformity. The following provisions control with respect to operation of your Business:

A. Franchise Location. You are responsible for finding and purchasing or leasing a site that meets our site selection guidelines and standards and is located in the Territory. We make no guarantees concerning the success of the Franchise Location or Territory. In addition, your Franchise Location must meet the following conditions:

(i) You must begin operating your Business within 90 days of the date we sign this Agreement, although you may not commence operations of your Business until you have satisfactorily completed our training program and complied with your other pre-opening obligations. We are not responsible or liable for any of your pre-opening obligations, losses or expenses, including those you might incur for your failure to comply with these obligations or your failure to open by a particular date. We have no responsibility for any lease; it is your sole responsibility to evaluate, negotiate and enter into a lease or a purchase agreement for the Franchise Location premises.

(ii) You must construct and equip your Franchise Location in accordance with our current approved specifications and standards as set forth in the Operations Manual, including any specific requirements if you intend to operate your Business from your residence. You must maintain and periodically refresh the building, equipment, vehicles, fixtures, furnishings, signage and trade dress (including the interior and exterior appearance) used in the operation of your Business in accordance with our requirements established periodically and any periodic evaluations of the premises by our representatives.

From time to time as we require, you must effect items of modernization and/or replacement of the premises, trade dress, vehicles, equipment and grounds as may be necessary for your Business to conform to the standards for similarly situated new DRYER VENT WIZARD Businesses.

Each Transfer of any interest in this Agreement or your Business under Section 10 and each renewal under Section 4 are expressly conditioned upon your compliance with our then-current modernization or replacement requirements.

(iii) If you need to relocate your Franchise Location for reasons other than your breach of your lease, we will grant you authority to relocate to another site within the Territory that meets our site selection guidelines and standards; provided that you are not in default under this Agreement or any other agreement with us and you are current on all of your financial obligations to us, our affiliates and third parties. You still must continue to operate the Business at all times during any such relocation.

B. Vehicle Acquisition and Maintenance. You must acquire and maintain, at your sole expense, one or more vehicles as specified by us for use in the Business. Each vehicle shall be equipped, outfitted, insured and maintained in accordance with our specifications and standards. You must maintain the interior, exterior and mechanical parts of all required vehicles in good repair and condition and regularly service and maintain the vehicles to keep them clean and in good working order.

C. Authorized Services and Products. You must use in the operation of your Business and in the offer and sale of approved services and products of your Business only those techniques, procedures and supplies we specify in writing. You acknowledge and agree that we may change any of our requirements periodically and you agree to conform to any such changes. All Customer service materials, techniques, and promotional items of all descriptions and types must meet our standards of uniformity and quality. You must maintain a sufficient supply of consumables and other inventory items to meet Customer demand for approved products and services.

D. Approved Supplies and Suppliers. We reserve the right to require that you only use approved products, services, inventory, equipment, signs, advertising materials, and other items (collectively "approved products and supplies") in the Business. We may introduce new products and supplies and change previously approved products and supplies from time to time and you agree to promptly comply with our new or changed requirements. Although we do not do so for every item, we have the right to approve the supplier of approved products and supplies. You acknowledge and agree that certain approved products and supplies may only be available from one approved supplier source, and we or our affiliates may be that source. You will pay the then-current price in effect for any approved products and supplies you purchase from us or our affiliates. All products, materials, services, and other items and supplies used in the operation of the Business must conform to the specifications and standards we establish from time to time. We may furnish to you from time to time lists of approved products and supplies and/or approved suppliers, which lists we may amend from time to time. We or our affiliate may make available to you the opportunity to participate from time to time in certain discounts, rebates or other benefits in connection with approved suppliers.

WE AND OUR AFFILIATES MAKE NO WARRANTY WITH RESPECT TO ANY PRODUCTS, SERVICES, EQUIPMENT, SUPPLIES OR OTHER ITEMS WE APPROVE AND WE EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SUCH PRODUCTS, EQUIPMENT (INCLUDING WITHOUT LIMITATION AND ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, OR OTHER APPROVED ITEMS.

E. Computer System; Call Center Program.

(i) You must purchase a computer system (including all future updates, supplements and modifications) that meets our standards and requirements (the "Computer System"). The Computer System will be used to develop a database of Customers and prospective customers and other related Customer Information, schedule appointments, generate proposals, maintain communications over the Internet, and produce your accounting records.

(ii) You may be required to license software from us, our affiliate, or a third party and you also may be required to sign software license agreements and pay an additional software licensing or user fee(s) in connection with your use of the software. All right, title and interest in and to the software will remain with the licensor of the software. You will be liable for all damages (under this Agreement, any other software license agreement you execute and under applicable law) and problems caused by your use of any software on the Computer System. You acknowledge and agree that we reserve the right to have full and complete access to the information and data entered into and produced by the Computer System and we reserve the right to use the same in any way we deem appropriate. You must have Internet access with a form of high speed connection as we

may require and you must maintain a dedicated email account for the Business, separate from any personal or other email account. You must purchase any upgrades, enhancements and/or replacements to the Computer System and/or related hardware and software as we may from time to time require. It is your responsibility to make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Business, including all data protection and security laws as well as payment card industry (PCI) compliance.

(iii) As to any malfunctioning of the Computer System or any website as further described in Section 5.K, neither we nor any affiliate will be liable to you for any consequential, incidental, indirect, economic, special, exemplary or punitive damages, such as, but not limited to, loss of revenue or anticipated profits or lost business, even if you have advised us that such damages are possible as a result of any breach or malfunction.

(iv) In addition, you are required to participate in our proprietary call center program that processes customer requests for services, schedules estimates, refers services requests to franchisees and otherwise handles customer inquiries ("Call Center Program") and pay us a call center fee as specified in Section 8 ("Call Center Fee"). We reserve the right to designate a third-party vendor to administer the Call Center Program.

F. Customer Information. We own all Customer Information and may use the Customer Information as we deem appropriate (subject to applicable law), including sharing it with our affiliates for cross-marketing or other purposes. You may only use Customer Information to the extent necessary to perform your obligations under this Agreement during the term hereof and subject to such restrictions as we may from time to time impose and in compliance with all data privacy, security and other applicable laws. Without limiting the foregoing, you agree to comply with applicable law in connection with your collection, storage and your use and our use of such Customer Information, including, if required under applicable law, obtaining consents from Customers to our and our affiliates' use of the Customer Information. You must comply with all laws and regulations relating to data protection, privacy and security, including data breach response requirements ("Privacy Laws"), as well as data privacy and security policies, procedures and other requirements we may periodically establish. You must notify us immediately of any suspected data breach at or in connection with the Business or the business operated at the Business. You must fully cooperate with us and our counsel in determining the most effective way to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You are responsible for any financial losses you incur or remedial actions that you must take as a result of breach of security or unauthorized access to Customer Information in your control or possession.

If the California Consumer Privacy Act ("CCPA"), Cal. Civ. Code § 1798.100, et seq., or any federal or state Privacy Law applies to the Business or the business operated at the Business, whenever and to the extent you operate as a "Service Provider" under the CCPA or in a similar capacity under any federal or state Privacy Law, you represent, warrant, and covenant that:

(1) You will not sell, make available or otherwise disclose any Customer Information to any third party for valuable consideration;

(2) You will retain, use, or disclose Customer Information only for the specific purpose of operating the Business as specified in this Agreement, and not any commercial or noncommercial purpose other than operating the Business as specified in this Agreement;

(3) You will not retain, use, or disclose Customer Information outside of the direct business relationship between you and us;

(4) You will delete any Customer Information upon our request unless you can prove that such request is subject to an exception under applicable law; and

(5) If you receive a Customer Information data request (e.g. a request to delete Customer Information) directly from a consumer (e.g., a California resident under the CCPA, or a resident of another jurisdiction under other applicable Privacy Law), you shall inform us of that request within one business day and cooperate with us to ensure that the consumer receives an appropriate and timely acknowledgement and response. As an example, currently under the CCPA, an acknowledgement is typically required within 10 business days and a final response is required within 45 calendar days.

You certify that you understand the restrictions in Paragraphs (1) – (5) of this section and will comply with them. You also acknowledge and agree that we may modify these restrictions from time to time by written notice to you, by issuing updates to our standards and policies pertaining to Privacy Laws, including by adding other similar restrictions that may be required under other state or federal Privacy Laws, and you agree to comply with the same.

G. Operating Procedures; Operations Manual. We will loan you a copy of our Operations Manual. We will make it available to you online or in such other manner and format as we approve. You acknowledge that the Operations Manual is at all times our sole property. You must, at all times, treat the Operations Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information secret and confidential. You must adopt and use as your continuing operational routine the required standards, service style, procedures, techniques and management systems described in the Operations Manual or other written materials relating to the Business provided from time to time by us. We will revise the Operations Manual and these standards, procedures, techniques and management systems periodically to meet changing conditions and in the best interest of the DRYER VENT WIZARD Businesses and the System. We will notify you of any such updates or revisions and you expressly agree to comply with each new or changed requirement. You must at all times ensure that your copy of the Operations Manual is kept current and up to date, and in the event of any dispute as to the contents of said Operations Manual, the terms of the master copy of the Operations Manual that we maintain are controlling.

The Operations Manual will contain both mandatory standards and recommended standards. Any required standards exist to protect our interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Operations Manual or other written materials. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and the Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

H. Confidential Information. You may not, during the term of this Agreement or thereafter, communicate, divulge or use any Confidential Information for the benefit of any other person or entity, except that you may communicate Confidential Information to such employees as

must have access to it in order to operate the Business. Any and all Confidential Information, including, without limitation, methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data, may not be used for any purpose other than operating the Business hereunder. In the interest of protecting our brand, we may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from your owners (if franchisee is an entity), your spouse, your manager and other key employees. You must provide executed copies of these agreements to us upon our request. A copy of the current Confidentiality Agreement form to be used with your owners (if franchisee is an entity) or your spouse, as applicable, is included as Schedule F.

I. Evaluations. We or our authorized representative have the right to visit and inspect your Business at all reasonable times during the business day for the purpose of making periodic evaluations and to ascertain your compliance with the provisions of this Agreement, and to inspect and evaluate your services, supplies or products and other aspects of your Business. Any failure of an inspection is a default under this Agreement. Further, if we determine that any condition in the Business presents a threat to customers or public health or safety, we may take whatever measures we deem necessary, including requiring you to immediately close the Business until the situation is remedied to our satisfaction. Any evaluation or inspection we conduct is not intended to exercise control over your day-to-day operation of your Business or to assume any responsibility for your obligations under this Agreement.

J. Compliance with Laws; Licenses and Permits. You must, at your expense and at all times, maintain and conduct your Business operations in compliance with all applicable federal, state and local laws, regulations, codes and ordinances. You must secure and maintain in force all required licenses, permits and certificates relating to your Business, including but not limited to obtaining and maintaining required authorizations from federal and state transportation authorities and public utility commissions. Without limiting the foregoing, if you or any of your Principal Owners is not a U.S. national, you represent that you and/or such Principal Owner(s) have an immigration status that allows you and/or such Principal Owner(s) to live and work in the United States, and you hereby promise that you and/or such Principal Owner(s) will maintain such status during the term of this Agreement.

You acknowledge that you are an independent business and responsible for control and management of your Business, including, but not limited to, the hiring and discharging of your employees, tax withholdings, and setting and paying wages and benefits of your employees. You acknowledge that we have no power, responsibility or liability in respect to the hiring or discharging of employees, tax withholdings or setting or paying of wages or related matters.

You must immediately notify us in writing of any claim, litigation or proceeding that arises from or affects the operation or financial condition of your Business or names us as a party.

K. Participation in Internet Websites or Other Online Communications. We may require you, at your expense, to participate in our DRYER VENT WIZARD website on the Internet, our intranet or extranet system or other online communications as we may from time to time prescribe. We have the right to determine the content and use of our website and intranet or extranet system and establish the rules under which franchisees may or must participate. We will post your Business contact information on our website. You may not separately register any domain name containing any of the Marks or operate a website for your Business. We reserve the right to pre-approve, establish rules, procedures and policies relating to any website you create for the operation of your Business. We may immediately terminate this Agreement if you register any domain name containing any of the Marks. We retain all rights relating to our website and intranet system and

may alter or terminate our website, extranet system or intranet system. Your general conduct on our website and intranet or extranet system or other online communications and specifically your use of the Marks or any advertising is subject to the provisions of this Agreement. You acknowledge that certain information related to your participation in our website, extranet system or intranet system may be considered Confidential Information, including access codes and identification codes. Your right to participate in our website and intranet or extranet system, or otherwise use the Marks or System on the Internet or other online communications, will terminate when this Agreement expires or terminates. You acknowledge and agree that you do not have any right to use the Marks on any website or any social media platform except as expressly approved by us in writing.

Unless we direct otherwise, simultaneously herewith, you agree to execute the Telephone Number and Internet Agreement (attached hereto as Schedule E), pursuant to which you assign to us ownership of all Telephone Listings and Internet Listings (each term as defined in Schedule E).

L. System Modifications. You acknowledge and agree that we have the right to modify, add to or rescind any requirement, standard or specification that we prescribe under this Agreement to adapt the System to changing conditions, competitive circumstances, business strategies, business practices and technological innovations and other changes as we deem appropriate. You must comply with these modifications, additions or rescissions at your expense, subject to any express limitations set forth in this Agreement.

M. Suggested Pricing Policies. Based on examples from DRYER VENT WIZARD Businesses, we may, from time to time, make suggestions to you with regard to your pricing policies. In addition, we have the right to negotiate Key Account arrangements, including pricing which will bind all DRYER VENT WIZARD Businesses providing services to such Key Accounts. Although you generally have the right to establish prices for the products and services you sell, we reserve the right to establish and enforce prices, both minimum and maximum, to the extent permitted by applicable law.

N. Key Accounts. We reserve the right to establish and administer a Key Accounts program. If such a program is established, you may participate in it. If you elect to participate, you must comply with all Key Accounts standards and procedures set forth in the Operations Manual and/or as we may otherwise communicate to you, as well as the specific terms of our arrangement with each applicable Key Account, which terms may include, without limitation, the provision of certain insurance and other products and services, special pricing, payment terms, turnaround on services, etc.

O. Customer Service; Service Warranties. You must honor our warranty policies for services you provide to Customers, as described in the Operations Manual. You are solely responsible for the quality and results of the services and products you sell and provide to Customers, maintaining a continuing responsibility with respect to such services and products beyond the termination or expiration of this Agreement. You must render and must cause each of your employees to render prompt, competent and courteous service to Customers and you shall offer and honor such service warranties as we direct.

You must respond to any dissatisfied Customers within 24 hours after the complaint is received or as otherwise set forth in the Operations Manual. If you are unable to equitably resolve the Customer's complaint within 3 days after the initial contact, you must contact us for assistance in handling the complaint. In no event shall our assistance be construed to make us liable to you or to a Customer in connection with such complaint. You are solely responsible for satisfactorily

and timely resolving all warranty claims, Customer disputes, and online Customer reviews. Should you fail to do so, you must reimburse the cost of any such services to us or any third party that we authorize to perform the services or you must reimburse us for any refund or other payment we may make to a Customer (as applicable). We may at any time contact Customers concerning the quality of services you provide, the level of Customer satisfaction, or other aspects of the Business that we deem relevant.

P. Crisis Situations. In the interest of protecting the DRYER VENT WIZARD brand, Marks and the System, we have the sole and absolute right to determine a response, including what steps will be taken and what communications will be made, in instances of a Crisis, and you agree to comply with and implement our directions in response to a Crisis. "Crisis" means an event or development that negatively impacts the DRYER VENT WIZARD brand in such a way that we determine may cause substantial harm or injury to the Marks, System, reputation or image.

PERSONNEL AND SUPERVISION STANDARDS

6. The following provisions and conditions control with respect to personnel, training and supervision:

A. Supervision of the Business; Guarantors. You, or your Principal Owner(s) (as defined on the Data Sheet) if you are a business entity, must devote full-time attention to your Business, which at all times must be under your, or your Principal Owner(s)'s direct and active supervision and management. If you are a business entity, (i) all your owners must sign a Confidentiality Agreement; (ii) you must designate one or more Principal Owners; and (iii) all persons and entities that, as of the date of this Agreement hold, or during the term of this Agreement become holders of, 5% or more of your ownership interests must personally guarantee your performance hereunder to us by executing the personal guarantee attached hereto as Schedule C. If two (2) or more persons are the Franchisee or guarantors, their obligations and liability to us shall be joint and several.

B. Training. You must comply with all of the training requirements we prescribe for the Business. You, or your Principal Owners and your manager if you are a legal entity, must attend our initial training program and complete it to our satisfaction. You must pay all costs and expenses, including hotel and transportation costs, you incur in attending our initial training program. If you wish for us to train more than two individuals or if it becomes necessary to re-train a certain individual, we reserve the right to charge you a training fee. You also must pay all costs and expenses for any additional personnel who attend our initial training program. The training requirements may vary depending on your experience and other factors specific to the Business. If you are given notice of default that relates, in whole or in part, to your failure to meet any operational standards, we may require that, as a condition of curing the default, you and your manager, at your expense, comply with the additional training requirements we prescribe. Under no circumstances may you permit management of the Business' operations on a regular basis by a person who has not successfully completed to our reasonable satisfaction all applicable training we require.

C. Ongoing Training. We may require you and other key employees of the Business to attend ongoing training at our training facility or other locations we designate. If you request training in addition to the initial training program identified above, we reserve the right to charge you a training fee, plus you must pay your costs and expenses in connection with such training. Any training provided by us to any of your workers will be limited to training or guidance regarding the delivery of approved services to clients in a manner that reflects the customer and client service

standards of the System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your workers. You are solely responsible for ensuring that your workers receive adequate training.

D. Staffing. You must employ a sufficient number of competent and trained employees to ensure efficient service to Customers. It is your responsibility to make sure that no employee or subcontractor enters a Customer's home if such person has not passed the required background checks. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the System or the Marks in any way shifts any employee or employment related responsibility from you to us.

E. Attendance at Reunion and Meetings. You must attend, at your expense, any annual franchise convention we may hold or sponsor and any meetings relating to new services or products, new operational procedures or programs, training, business management, sales or sales promotion, or similar topics, including any system-wide teleconferences or web-conferences, as more particularly set forth in the Operations Manual. We reserve the right to charge you a fee to attend any such franchise conventions, meetings, programs or other trainings, and we may collect such a fee from you whether you attend or not. If you do not attend the annual franchise convention (Reunion), you will be charged $1,000. If you are not able to attend a meeting or convention, you must give us prior notice and must have a substitute person acceptable to us attend such meeting or convention. Nothing in this Agreement is intended to require us to hold any annual conventions or other meetings.

MARKETING

7. You agree to actively promote your Business, to abide by all of our marketing and advertising requirements and to comply with the following provisions:

A. MAP Fund. We have established and manage a Marketing, Advertising and Promotion Fund for DRYER VENT WIZARD Businesses (the "MAP Fund"). All MAP Fees (as defined in Section 8.D) you pay to us hereunder will be placed in the MAP Fund. On behalf of our company and affiliate-owned DRYER VENT WIZARD Businesses, we will pay the same MAP Fund fee as similarly situated franchised DRYER VENT WIZARD Businesses. The MAP Fund is not a trust or escrow account, and we have no fiduciary obligation to franchisees with respect to it. We have the right to make disbursements from the MAP Fund for expenses incurred in connection with the cost of formulating, developing, implementing and administering marketing, advertising, public relations and promotional campaigns. The disbursements may include payments to us for the expense of administering the MAP Fund, including accounting expenses and salaries and benefits paid to our employees engaged in the administration and operation of the MAP Fund or otherwise providing services with respect to the MAP Fund. We have the right to determine the methods of marketing, advertising, media employed and contents, terms and conditions of marketing campaigns and promotional programs. Because of the methods used, we are not required to spend a prorated amount on each DRYER VENT WIZARD Business or in each advertising market. We, as the administrator of the MAP Fund, may collaborate with the administrators of advertising funds of certain other franchise systems affiliated with us. You acknowledge that there can be no assurance that the MAP Fund's participation in these collaborations and joint efforts will benefit DRYER VENT WIZARD Businesses proportionately or equivalently to the benefits received by any other franchised businesses of the other participating affiliated franchise systems.

The MAP Fund will be accounted for separately and will not be used to defray any of our general operating expenses, except for such expenses, administrative costs and overhead relating to MAP Fund business, including compensation of employees and others providing services to the MAP Fund, and other expenses that we incur in activities related to maintaining, administering, directing and conducting the MAP Fund programs, including, without limitation, conducting market research and public relations activities; preparing advertising promotion and marketing materials; and collecting and accounting for MAP Fund contributions and expenses. If requested, we will provide you an annual unaudited statement of the financial condition of the MAP Fund.

We assume no direct or indirect liability or obligation to you with respect to collecting amounts due to the MAP Fund or related to our maintenance, direction or administration of the MAP Fund, including with respect to the efficiency or effectiveness, if any, of the MAP Fund in enhancing the Marks, brand or System or advancing the business interests of a franchisee or franchisees in general.

We have the right, but not the obligation, to cause the MAP Fund to be incorporated or operated through an entity separate from us at such time as we deem appropriate, and any such successor entity shall have all our rights and duties under this Section 7.A. We may use collection agents and institute legal proceedings at the MAP Fund's expense to collect MAP Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the MAP Fund. If we terminate the MAP Fund, we will refund to you your pro-rata portion of any amounts remaining in the MAP Fund, based on your contributions to the MAP Fund.

B. Required Local Expenditures. You must use your best efforts to promote and advertise the Business and participate in any local marketing and promotional programs we establish from time to time. In addition to the payment of the MAP Fee, you must spend (i) prior to the opening of the Business and during the first six months post-opening, at least the start-up phase minimum local marketing amount set forth in the Data Sheet, on advertising and promotional activities in connection with the opening of the Business and (ii) in each calendar month during the term of this Agreement, the minimum amount set forth in the Data Sheet, on approved local marketing and promotion in the Territory (collectively, the "Minimum Local Marketing Amounts"). Upon our request, you must provide us with itemized documentation and proof of such expenditures. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as provided below in this paragraph. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Minimum Local Marketing Amounts and in return provide to you local promotional, marketing and advertising materials and related services to promote the Business in the Territory. Should this Agreement terminate prior to our providing such local promotional, marketing and advertising materials and related services in the Territory, we reserve the right to contribute the Minimum Local Marketing Amounts collected to the MAP Fund.

C. Approved Materials. You must use only such marketing materials (including any print, radio, television, electronic, on-line or other media forms that may become available in the future) as we furnish, approve in writing or make available, and the materials must be used only in the manner we prescribe and in compliance with all trademark usage and branding standards. Furthermore, any promotional activities you conduct for the Business are subject to our approval. You must submit all advertising and promotional materials to us for approval prior to your use. If we do not respond within 14 days of your submission, the materials will be deemed not approved. We will not unreasonably withhold approval of any materials or media and activities; provided that they are current, in good condition, in good taste and accurately depict the Marks. Notwithstanding

our approval, it is solely your responsibility to conduct your promotional activities in accordance with all applicable laws.

D. Local Marketing Groups. We have the right to designate local advertising markets and advertising cooperatives and/or local marketing groups for such markets (collectively, each such cooperative or group, a "LMG"), and if designated, you must participate in the LMG and its programs in your designated local advertising market. If established, you must contribute to the LMG the amount designated by the LMG, but such contribution amount shall not exceed 3% of your Gross Sales. If established, each DRYER VENT WIZARD Business, including those operated by us or our affiliates within a designated local advertising area, will be a member of the LMG. You must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. We have the right to establish how the LMGs operate and we have the right to require LMGs to be formed, changed, dissolved or merged.

E. Mailers. We agree to mail, at certain intervals each year (as determined by us), newsletters, postcards, gifts and/or other promotional items we elect (collectively, "Mailing Pieces") to certain of the Customers that you identify to us as business referral sources to the Business (including, but not limited to, retail centers, duct cleaners, handymen, and property managers) and for whom you provide to us a mailing address (the "Business Referrals"). We will mail, at no charge to you, a Mailing Piece to up to 75 of the Business Referrals each time we do a mailing within your Territory. Thereafter, any additional Mailing Pieces will be charged to you at our actual cost of each additional Mailing Piece. In addition, you will be charged the cost for any Mailing Pieces that are returned to us due to incorrect address information provided by you.

FEES, REPORTING AND AUDIT RIGHTS

8. You must pay the fees described below and comply with the following provisions:

A. Initial Franchise Fee. Upon signing of this Agreement, you must pay to us an initial franchise fee as set forth in the Data Sheet (the "Initial Franchise Fee"), which is earned upon receipt and is non-refundable. Any financing of the Initial Franchise Fee is only available if we offer you financing under the terms of the Promissory Note and Security Agreement included as Schedule G.

B. License Fees. From and after the Effective Date, you must pay to us, monthly in the manner specified in Section 8.D, a fee (the "License Fee") in the amount equal to the greater of (i) the applicable percentage of Gross Sales set forth on the Data Sheet or (ii) the applicable Minimum License Fee (if any) set forth on the Data Sheet. The Minimum License Fee shall be calculated in the manner set forth on the Data Sheet.

C. MAP Fees. You must pay to us each month a MAP Fund fee (the "MAP Fees") in an amount equal to the greater of (i) the applicable percentage of Gross Sales set forth in the Data Sheet or (ii) the applicable Minimum MAP Fee, if any, set forth on the Data Sheet. The Minimum MAP Fee shall be calculated in the manner set forth on the Data Sheet.

D. Call Center Fees. You must pay to us each month a call center fee (the "Call Center Fee") in the amount set forth in the Data Sheet.

E. Manner of Payment. All payments of the License Fees, MAP Fees and Call Center Fees must be submitted to us by the 10th of each month for the prior month's Gross Sales, together with a monthly report of Gross Sales.

F. Late Payments. A late payment fee of $10.00 per day (the "Late Payment Fee") plus interest at the highest applicable legal rate for open account business credit in the state of your domicile, not to exceed 12.0% per annum, will accrue on all late payments from the due date until all sums are paid. In addition, if you fail to timely provide any Gross Sales report to us, in addition to any other rights available to us, we may withdraw the applicable Minimum License Fee, the Minimum MAP Fee and/or the Minimum Call Center Fee (as applicable) from your account, and once the applicable Gross Sales report becomes available to us, you will be required to immediately pay us any additional amounts owed as shown in the calculation of the License Fees, the MAP Fees and/or the Call Center Fees in such Gross Sales report. You acknowledge and agree that this Section 8.F does not constitute our agreement to accept payments or reports after they are due or a commitment by us to extend credit to you or to otherwise finance your operation of the Business. Further, you acknowledge and agree that your failure to pay all amounts and provide all reports when due will constitute grounds for termination of this Agreement, notwithstanding the provisions of this Section 8.F. You will not, on grounds of the alleged nonperformance by us of any of our obligations under this Agreement, withhold payment of any License Fees, MAP Fees or any other amounts due to us and you will not, on such grounds, discontinue providing services to Customers of the Business in accordance with this Agreement.

G. Electronic Transfer of Funds. You must sign an electronic ACH Form, attached as Schedule B, to authorize and direct your bank or financial institution to allow us to initiate a transfer of funds electronically directly to our account and to charge to your account all amounts due to us or any affiliate. You must maintain a balance in your account sufficient to allow us and our affiliates to collect the amounts owed when due. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this Section.

H. Application of Fees. Notwithstanding any designation by you, we have the right to apply any payments received from you to any past due indebtedness to us or any affiliate in such amounts and in such order as we determine.

I. Financial Planning and Management. You must compile and keep books and records that accurately reflect the operations and condition of your Business, including detailed daily sales, cost of sales, and other relevant records and information, maintained in an electronic media format and using the methods of bookkeeping and accounting as we periodically may prescribe. You must also retain check registers, purchase records, invoices, sales summaries and inventories, sales tax records and returns, state, federal, personal and other income tax records and returns covering or related to the Business, payroll records, cash disbursement journals and general ledgers. You must submit to us such reports, statement of profit and loss, balance sheet, tax returns, books and records as we may require, including those identified in Section 8.J below, all on the forms and according to reporting formats, methodologies and time schedules that we establish from time to time. You must preserve the books, records and reports for the longer of (i) five years from creation or (ii) such period as required under applicable laws. If we so require, you must allow us electronic and manual access to any and all records relating to your Business.

J. Reports. Simultaneously with each payment of License Fees, MAP Fees and Call Center Fees hereunder, you must submit to us a report of the corresponding Gross Sales and gross receipts of the Business, and a computation of the corresponding License Fees, MAP Fees and Call Center Fees with respect to the preceding month. Gross Sales must be entered into the software

and reported for the month in which they are earned; you may not postpone the reporting of any Gross Sales for any reason. In addition, within 15 days after the end of each month, you must submit to us the following information for the preceding month: (i) copies of your most recent balance sheet and statement of profit and loss, including a summary of your costs for labor, rent and other material cost items; and (ii) if requested by us to verify your Gross Sales, all such books and records as we may require under our audit policies published from time to time. You also must, at your expense, submit to us within 90 days after the end of each fiscal year a detailed balance sheet, profit and loss statement and statement of cash flows for such fiscal year. All reports shall be provided in the form and content as we periodically prescribe. You must certify in writing all reports to be true and correct. You acknowledge and agree that we have the right to impose these requirements on you regardless of whether we impose the same requirement on our other franchisees.

K. Audits. We or our authorized representative have the right at all times (i) during the business day to enter the premises where your books and records relative to the Business are kept and to evaluate, copy and audit such books and records, including, but not limited to, any and all financial statements, reports, state, federal, personal income tax records or other income tax records covering or related to the Business, sales tax records, payroll records, databases, and other related records and (ii) to remotely access and evaluate, copy and audit your electronic records located on the Computer System. In addition, if, in our reasonable business judgment, we believe that you have failed to comply with your reporting and/or record keeping obligations hereunder, we have the right to also access and evaluate, copy and audit books and records related to any other business in which you have an ownership or management interest. We also have the right to request information from you and your suppliers, vendors, and Customers. If any such evaluation or audit reveals an understatement of 2% or more of your Gross Sales or you do not provide any requested information within 30 days from the date of our initial request, you must pay for the cost of the audit (including, without limitation, professional fees, travel, and room and board expenses directly related thereto), in addition to the amount owed (if any) plus interest and late fees as provided in Section 8.F. In addition to any other rights we may have in such an event, we have the right to conduct further periodic audits and evaluations of your books and records as we reasonably deem necessary and any further audits and evaluations conducted within two years thereafter will be at your sole expense, including, without limitation, professional fees, travel, and room and board expenses directly related thereto. Furthermore, if you intentionally understate or underreport Gross Sales at any time, or if a subsequent audit or evaluation conducted within the two-year period reveals any understatement of your Gross Sales of 2% or more, in addition to any other remedies provided for in this Agreement, at law or in equity, we have the right to terminate this Agreement immediately. To verify the information that you supply, we have the right to reconstruct your sales through any reasonable method of analyzing and reconstructing sales, and you agree to accept any such reconstruction of sales unless you provide evidence in a form satisfactory to us of your sales within a period of 14 days from the date of notice of understatement or variance. If you dispute any audit findings, you must do so in writing and in accordance with the Operations Manual within 30 days of the notice of understatement or variance, or you will waive the right to challenge the audit findings. For avoidance of doubt, no provision of this Section 8.K shall be deemed to supersede or waive the 10-day cure period for failure-to-pay defaults set forth in Section 12.B.1.

YOUR OTHER OBLIGATIONS; NONCOMPETITION COVENANTS

9. You agree to comply with the following terms and conditions:

A. Payment of Debts. You agree to (i) pay promptly when due all payments, obligations, assessments and taxes due and payable to us and our affiliates, vendors, suppliers,

lessors, federal, state or local governments, or creditors in connection with your Business; (ii) promptly discharge and remove all liens and encumbrances of every kind and character created or placed upon or against any of the property used in connection with the Business; and (iii) timely pay all accounts and discharge other indebtedness of every kind incurred by you in the conduct of the Business. If you default in making any such payment, we are authorized, but not required, to pay and discharge the same on your behalf and you agree promptly to reimburse us on demand for any such payment.

You also will pay all federal, state and local taxes, other than taxes assessed on our income, that may be imposed on us as the result of our receipt or accrual of the Initial Franchise Fee, the License Fees, the MAP Fees, or other fees referenced in this Agreement, whether assessed against you through withholding or other means or whether paid by us directly. In either case, you shall pay us (and to the appropriate governmental authority) such additional amounts as are necessary to provide us, after taking such taxes into account (including any additional taxes imposed on such additional amounts), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required.

B. Indemnification. You waive any and all Claims (as defined below) against us for damages to property or injuries to persons arising in any way out of this Agreement, your servicing of Customers under this Agreement or any other contracts, your actions or omissions, or the operation of your Business. You agree, at your sole expense, to defend, fully protect, indemnify and hold harmless, us, our affiliates, our parent companies, our sister companies and our owners, directors, officers, members, managers, employees, attorneys, successors and assigns (collectively, "Franchisor Parties"), as well as our customers and the owners of each and every property you service, from any and all Claims. "Claims" as used herein means any and all claims, demands, damages, assessments, violations, interest, causes of action, lawsuits, liens, and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of your Business (regardless of cause or any concurrent, superseding or contributing fault, liability or negligence of us, our affiliates, our parent companies, and our customers and the owners of any property you service), your actions or omissions, or any breach by you or your failure to comply with any of the terms and conditions of this Agreement. We also reserve the right to select our own legal counsel to represent our interests, and you agree to reimburse us for our costs and attorneys' fees immediately upon our request.

It is the intention of the parties to this Agreement that we shall not be deemed a joint employer with you for any reason; however, you will, at your sole expense, defend, fully protect, indemnify and hold harmless, Franchisor Parties, from any and all Claims arising in any manner, directly or indirectly, out of or in connection with or incidental to the actions or omissions of your employees or independent contractors or allegations that we are the joint employer of your employees.

C. Insurance. Before you begin operating your Business you must purchase, and maintain at all times during the term of this Agreement, at your sole cost, insurance coverage, from a responsible carrier, with an A.M. Best rating of A-VIII or better, with the coverage amounts, types and other features as we from time to time specify, using the insurance industry form(s) acceptable to us, and such other insurance coverage as required by law and any other agreement related to the Business. Any person or entity with an insurable interest that we designate (each, an "Additional Named Insured") must be named an additional insured on all required liability policies. Each insurance policy must contain a waiver of subrogation in favor of the Additional Named Insureds. Your insurance must apply as primary and non-contributory. Currently, our minimum insurance requirements include (i) comprehensive general liability insurance, with a combined

single limit in the amount we specify, up to $2,000,000 per occurrence but no less than $1,000,000 per occurrence (including Products/Completed Operations and Personal Injury and Advertising Injury); (ii) motor vehicle liability coverage, combined single limit in the amount we specify, up to $2,000,000 but no less than $1,000,000, on each owned, non-owned or hired vehicle used in connection with the Business; (iii) workers' compensation coverage regardless of whether required by state law, but with minimum coverage as required by law (if applicable); and (iv) such other insurance as from time to time required by us, under applicable law and under other agreements applicable to your Business, including without limitation, an errors and omissions liability insurance on a claims-made basis with a minimum limit of $1,000,000 per claim and $2,000,000 in the aggregate, which includes cyber-liability insurance for financial losses arising from unauthorized access, loss or corruption of data, including but not limited to privacy and data security breaches, misdirected funds, virus transmission, denial of service and loss of income from network security failures. With respect to Key Accounts, if the insurance amount required for any Key Account or for Key Account work in general exceeds the amount specified as the maximum amount required by us for any type of insurance, that higher amount required for the Key Account work will apply. Additional insurance requirements are set forth in the Operations Manual.

You may satisfy the insurance coverage limits through an umbrella policy that meets all the requirements of this Section. If you fail to purchase or maintain required insurance, we may, but are not obliged to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so. We also have the right to terminate this Agreement for cause if you fail to comply with this Section.

You must deliver to us at least 5 days prior to commencement and thereafter annually or at our request a proper certificate of insurance, insurance policy endorsements and other evidence of compliance showing the existence of the insurance coverage and your compliance with this Section. If you change your insurance provider, you must immediately deliver the proper certificate of insurance to us. We also may request copies of all insurance policies. Any review we conduct of your insurance coverage does not limit your obligation to comply with this Section. We may modify the required minimum limits and types of coverage, by written notice to you. Upon such notification, you must immediately implement the modification of the policy, and provide evidence thereof, in accordance with our request.

You acknowledge that these minimum insurance requirements do not constitute advice or a representation by us that such coverages are necessary or adequate to protect you from losses in connection with the Business. Nothing in this Agreement restricts you from obtaining insurance with higher policy limits and/or additional coverage.

D. Noncompetition Covenants. You agree that you will receive valuable training and Confidential Information that you otherwise would not have received or had access to but for the rights licensed to you under this Agreement. You therefore agree to the following noncompetition covenants:

1. Unless otherwise specified, the term "you" as used in this Section 9.D includes, collectively and individually, all guarantors, shareholders, members, partners, as the case may be, and other holders of any ownership interest in you, if you are an entity, as well as any spouse, children, parents or siblings, if you are an individual. We may require you to obtain from your owners, if you are an entity (including shareholders (if you are a corporation), partners (if you are a partnership) and members (if you are a limited liability company)), and/or from your spouse, children, parents or siblings, if you are an individual,

a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this Section 9.D.

2. You promise that during the term of this Agreement, and during any Interim Period (if applicable), you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with, any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any Competitive Business (as defined below).

3. You promise that you will not, for a period of two years after the expiration or termination of this Agreement, or after the expiration or termination of any Interim Period (as applicable), regardless of the cause of termination, or within two years of the sale or Transfer of the Business or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, advertise, promote in any media including social media platforms, or consult with or have any interest in a Competitive Business (as defined below) that is located:

a. In the Territory;

b. Within a 25-mile radius of the outer boundary of the Territory; or

c. Inside the territory of another DRYER VENT WIZARD Business, whether franchised or owned by us or our affiliates.

For purposes of this Agreement, a "Competitive Business" is any business that offers or sells any product or service or component thereof that (i) composes a part of our System, (ii) is the same as or similar to any product or service then-offered by our franchisees or (iii) otherwise competes directly or indirectly with our System.

4. You agree that the length of time in paragraph 3 above will be tolled for any period during which you are in breach of the non-compete covenants or any other period during which we seek to enforce this Agreement.

5. In addition, you agree that during the term of this Agreement and for one year thereafter, you will not, without our prior written consent, directly or indirectly, for yourself or on behalf of any other person, divert, or attempt to divert, any business or customer of the Business or any other DRYER VENT WIZARD Business to any competitor by direct or indirect inducement.

6. The parties agree that each of the foregoing covenants in this Section 9.D will be construed as independent of any other covenant or provision of this Agreement. To the extent anyone successfully contests the validity or enforceability of any part of this Section 9.D in its present form predicated upon the area of coverage, this provision will not be deemed invalid or unenforceable, but will instead be deemed modified, so as to be valid and enforceable, to provide coverage for the maximum scope that any court of competent jurisdiction or arbitrator will deem reasonable and necessary to protect our legitimate interests.

TRANSFER OF FRANCHISE

10. You agree that the following provisions govern any Transfer or proposed Transfer:

A. Transfers. We have entered into this Agreement with specific reliance upon your financial qualifications, experience, skills and managerial qualifications as being essential to the satisfactory operation of the Business. Consequently, neither your interest in this Agreement nor in the Business may be directly or indirectly Transferred to or assumed by any other person or entity (at times referred to as the "Assignee"), in whole or in part, unless (i) you have first tendered to us the right of first refusal to acquire this Agreement in accordance with Section 10.F, and we do not exercise such right; (ii) our prior written consent is obtained; (iii) the Transfer fee provided for in Section 10.C is paid; and (iv) the Transfer conditions described in Section 10.D are satisfied. Any direct or indirect sale (including installment sale), lease, pledge, management agreement, contract for deed, option agreement, assignment, bequest, gift or otherwise, or any arrangement pursuant to which you turn over all or part of the daily operation of the Business to a person or entity who shares in the losses or profits of the Business (including merger, combination, or reorganization or as a result of death, disability, divorce, insolvency, or bankruptcy) in a manner other than as an employee will be considered a Transfer for purposes of this Agreement. A Transfer also includes the following which triggers the Transfer conditions set forth in this Section 10:

1. For purposes of this subsection 10.A, a transfer, pledge or seizure, or change in the control of any 20% ownership interest in you or in any Principal Owner; or

2. Any change in the general partner of a franchisee that is a general, limited or other partnership entity.

You may not place in any communication media or any form of advertising, any information relating to the sale of the Business or the rights under this Agreement, without our prior written consent.

B. Consent to Transfer. We will not unreasonably withhold our consent to a Transfer; provided we determine that all of the conditions described in this Section 10 have been satisfied. Application for our consent to a Transfer and tender of the right of first refusal provided for in Section 10.F must be made by submission on our form of application for consent to Transfer, which must be accompanied by the documents (including a copy of the proposed purchase or other Transfer agreement) and other required information. The application must indicate whether you or an owner will retain an interest in the property to be Transferred. No interest may be retained or created without our prior written consent and only upon conditions acceptable to us. Any agreement used in connection with a Transfer shall be subject to our prior written approval, which approval will not be withheld unreasonably. You immediately must notify us of any proposed Transfer and must submit promptly to us the application for consent to Transfer. Any attempted Transfer by you without our prior written consent or otherwise not in compliance with the terms of this Agreement will be void and will provide us with the right to elect either to default and terminate this Agreement or to collect from you and the guarantors a Transfer fee equal to two times the Transfer fee provided for in Section 10.C as damages.

C. Transfer Fee. You must pay to us a Transfer fee in the amount equal to the greater of (i) 5% of the purchase price of the Business (or portion thereof) or other interest that is being Transferred or (ii) $7,500. We will reduce the Transfer fee to $500 for a Transfer to an immediate family member (i.e., a spouse or a child). The Transfer fee is nonrefundable. You will not be required to pay a Transfer fee if you are an individual and wish to Transfer this Agreement to a newly formed legal entity wholly owned by you and established solely for purposes of the

convenience of ownership and the operation of the Business; provided that you must become a guarantor of the Business as required under Section 6.A.

D. Conditions of Transfer. We condition our consent to any proposed Transfer, whether to an individual, a corporation, a partnership or any other entity, upon the following:

1. Assignee Requirements. The Assignee must meet all of our then-current requirements for our DRYER VENT WIZARD franchise program we are offering at the time of the proposed Transfer, sign our then-current form of franchise agreement, and its owners must become guarantors of the Business as required under Section 6.A.

2. Payment of Amounts Owed. All amounts owed by you to us, or any of our affiliates or your suppliers, or upon which we or our affiliates have any contingent liability, must be paid in full.

3. Reports. You must have provided all required reports to us.

4. Guarantee. In the case of an installment sale for which we have consented to you or any owner retaining an interest or other financial interest in this Agreement or the Business, you or such owner, and the guarantors, are obligated to guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

5. Assumption of Obligations. The Assignee must assume and agree to be bound by all of your Customer obligations, including all warranty work and service plans obligations.

6. General Release. You and each guarantor must sign a general release of all claims arising out of or relating to this Agreement, your Business or the parties' business relationship, in the form we designate, releasing us and our affiliates.

7. Training. The assignee must, at your or assignee's expense, complete our training program and pay us a training fee of $3,500.

8. Financial Reports and Data. We have the right to require you to prepare and furnish to assignee and/or us such financial reports and other data relating to the Business and its operations as we deem reasonably necessary or appropriate for assignee and/or us to evaluate the Business and the proposed Transfer. You agree that we have the right to confer with proposed assignees and furnish them with information concerning the Business and proposed Transfer without being held liable to you, except for intentional misstatements made to an assignee. Any information furnished by us to proposed assignees is for the sole purpose of permitting the assignees to evaluate the Business and proposed Transfer and must not be construed in any manner or form whatsoever as earnings claims or claims of success or failure.

9. Other Conditions. You must have complied with any other conditions that we reasonably require from time to time as part of our Transfer policies. You acknowledge and agree that following any Transfer hereunder, you and your owners will continue to be subject to the noncompetition covenant under Section 9.D.3.

E. Involuntary Transfers.

1. Death, Disability or Incapacity. You will promptly notify us in the event of a death, disability or incapacity of Franchisee (or, if Franchisee is a legal entity of Franchisee's Principal Owner). In such an event, if the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as the Franchisee or the Principal Owner of the Franchisee entity, such person or entity must tender the right of first refusal provided for in Section 10.F, apply for our consent under Section 10.B, pay the applicable Transfer fee under Section 10.C, and satisfy the Transfer conditions under Section 10.D, as in any other case of a proposed Transfer, all within 120 days of the death or event of disability or incapacity. During any transition period to an heir or successor-in-interest, the Business still must be operated in accordance with the terms and conditions of this Agreement. If the assignee of the decedent, disabled, or incapacitated person is the spouse or child of such person, no Transfer fee will be payable to us and we will not have a right of first refusal as set forth in Section 10.F.

2. Insolvency or Bankruptcy. In the event of your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, if your legal representative, successor, receiver or trustee desires to succeed to your interest in this Agreement or the business conducted hereunder, such person first must notify us, tender the right of first refusal provided for in subsection 10.F, and if we do not exercise such right, must apply for and obtain our consent to the Transfer, pay the Transfer fee provided for in subsection 10.C, and satisfy the Transfer conditions described in subsection 10.D. In addition, you or the assignee must pay the attorneys' fees and costs that we incur in any bankruptcy or insolvency proceeding pertaining to you.

3. Divorce. You will promptly notify us of any divorce proceedings that may result in a Transfer and tender the right of first refusal provided for in subsection 10.F. If we do not exercise such right, you must apply for and obtain our consent to the Transfer, pay the Transfer fee provided for in subsection 10.C, and satisfy the Transfer conditions described in subsection 10.D.

F. Right of First Refusal. If you propose to Transfer this Agreement or your interest herein or in the Business, in whole or in part, to any third party, as contemplated by Section 10.A, you must first deliver a statement to us offering to sell to us your interest in this Agreement and the land, building, equipment, furniture and fixtures and any other assets or leasehold interests used in the operation of the business (subject to this Section 10). If the proposed Transfer involves an offer from a third party, then you must obtain from the third-party offeror and deliver to us a statement, in writing, signed by the offeror and by you, of the binding terms of the offer.

If the Transfer does not involve an offer from a third party, then the purchase price for our purchase of assets described above will be established by a qualified appraiser selected by the parties. The price determined by the appraiser(s) will be the reasonable fair market value of the assets based on their continuing use in, as, and for the operation of a Business and the appraiser will designate a price for each category of asset (e.g., land, building, equipment, fixtures, etc.), but shall not include the value of any goodwill of the business, as the goodwill of the business is attributable to the Marks and the System. If the parties cannot agree upon the selection of such an appraiser, a Judge of the United States District Court for the District in which the Franchise Location is located will appoint one upon petition of either party. You or your legal representative must deliver to us a statement in writing incorporating the appraiser's report and all other information we have requested. We and you will each pay one-half of the appraiser's fees and expenses.

We then have 10 days from our receipt of the statement setting forth the third-party offer or the appraiser's report, as applicable (and all other information requested by us) to accept the offer by delivering written notice of acceptance to you. We will have an additional 45 days to complete the purchase if we elect to exercise our right of first refusal. Our acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to us; provided, however (and regardless of whether the following are inconsistent with the price and terms set forth in the statement) (1) we have the right to substitute equivalent cash for any noncash consideration included in the offer, (2) we will prepare the transaction documents for the Transfer, which will be on terms customary for this type of transaction (including representations and warranties, covenants, conditions, and indemnification), and (3) our purchase may be limited to any assets related to the business.

If we fail to accept the offer within the 10-day period, you will be free for 60 days after such period to effect the disposition described in the statement delivered to us provided such Transfer is in accordance with this Section 10, including obtaining our consent under Section 10.B. You may effect no other sale or assignment of you, this Agreement or the Business without first offering the same to us in accordance with this Section 10.F.

G. Transfer by Us. We have the right to sell or assign, in whole or in part, our interest in this Agreement without prior notice to you and without your consent.

DISPUTE RESOLUTION

11. The following provisions apply with respect to dispute resolution:

A. Mediation. Before any party may bring an action in court or against the other, or commence an arbitration proceeding (except as noted in Section 11.C below), the parties must first meet to mediate the dispute. The mediation will be held in the county in which the Headquarters are located at the time of the mediation. Any such mediation shall be non-binding and shall be conducted by the American Arbitration Association (the "AAA") in accordance with its then-current rules for mediation of commercial disputes unless the parties agree otherwise. The mediator will be appointed in accordance with the rules and regulations of the AAA unless the parties agree on a mediator in writing within 10 days after either party gives written notice of mediation. The mediation hearing will be held within 20 days after the mediator has been appointed. Each party will bear its own costs and expenses for the mediation and will be responsible to pay 50% of the mediator's costs and expenses.

B. Arbitration. Except as qualified below, any dispute between you and us or any of our or your affiliates, including without limitation, your owners and guarantors, arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or your Business not resolved through mediation within 90 days of the initiation of mediation must be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be determined by arbitration administered by the AAA pursuant to its then-current commercial arbitration rules and procedures. The arbitration must take place in the county where the Headquarters are located at the time of the dispute. The arbitration must be conducted by a single arbitrator. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five years of significant experience in franchise law. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. If a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate shall become null

and void and the parties shall submit all claims to the jurisdiction of the courts. A judgment may be entered upon the arbitration award in any court of competent jurisdiction. The decision of the arbitrator will be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. Each party will bear its own costs and expenses for the arbitration and will be responsible to pay 50% of the arbitrator's fees and costs (including arbitrator's and AAA's fees and costs); provided that the prevailing party will be entitled to reimbursement of its fees and costs under Section 11.D.

C. Exceptions to Mediation and Arbitration. Notwithstanding Section 11.B, the parties agree that the following claims will not be subject to mediation or arbitration and may be brought in any court of competent jurisdiction, subject to Sections 14.G.1 and 14.H:

1. any action for temporary, preliminary or permanent injunctive relief, specific performance, writ of attachment, or other equitable relief necessary to enjoin any harm or threat of harm to such party's tangible or intangible property, including trademarks, service marks and other intellectual property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder. You specifically acknowledge that your breach or threatened breach of any of your obligations under this Agreement, including but not limited to Sections 1B-C, 2B, 3, 5E, 5H, 5K, 9D, 10A, 11B, or 13A, would cause us irreparable harm. You understand that irreparable harm is an injury for which monetary damages are not an adequate remedy. Therefore, upon any such breach or threatened breach by you, in addition to any other rights or remedies that may be available to us at law, equity or otherwise, you acknowledge that we will be entitled to equitable relief, including an injunction, restraining order or specific performance, without any requirement to prove irreparable harm. In addition, you hereby waive any right to request that a bond be issued as security (except for a nominal bond not to exceed $100);

2. any action in ejectment or for possession of any interest in real or personal property; and

3. any action related solely to the collection of moneys owed to us or our affiliates.

D. Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement, the parties' relationship or the Business will be entitled to recover its reasonable attorneys' fees and costs (including arbitrator's and AAA's fees and costs).

DEFAULT AND TERMINATION

12. The following provisions apply with respect to default and termination:

A. Defaults. You are in default if we determine that you or any guarantor has breached any of the terms of this Agreement or any other agreement between you and us or our affiliates, which without limiting the generality of the foregoing includes (i) making any false report to us; (ii) intentionally understating or underreporting or failing to pay when due any amounts required to be paid to us or any of our affiliates; (iii) conviction of you or a guarantor of (or pleading

no contest to) any misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of any of the Marks or the Business or any felony; (iv) filing of tax or other liens that may affect this Agreement; or (v) the filing of voluntary or involuntary bankruptcy by or against you or any guarantor, insolvency, making an assignment for the benefit of creditors or any similar voluntary or involuntary arrangement for the disposition of assets for the benefit of creditors.

B. Termination by Us. We have the right to terminate this Agreement in accordance with the following provisions:

1. Termination After Opportunity to Cure. Except as otherwise provided in this Section 12.B: (i) you will have 30 days from the date of our issuance of a written notice of default to cure any default under this Agreement, other than a failure to pay amounts due or submit required reports, in which case you will have 10 days to cure those defaults; (ii) your failure to cure a default within the 30-day or 10-day period will provide us with good cause to terminate this Agreement; (iii) the termination will be accomplished by mailing or delivering to you written notice of termination that will identify the grounds for the termination; and (iv) the termination will be effective immediately upon our issuance of the written notice of termination.

2. Immediate Termination With No Opportunity to Cure. If any of the following defaults occur, you will have no right to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination: (i) any material misrepresentation or omission in your franchise application or other reports or information provided to us; (ii) your voluntary abandonment of this Agreement (which includes your failure to operate the Business for seven or more consecutive days); (iii) the closing of the Business by any state or local authorities for public safety reasons; (iv) your registration of any domain name containing our Marks; (v) any unauthorized use of the Confidential Information; (vi) insolvency of you or guarantor, you or a guarantor making an assignment or entering into any similar arrangement for the benefit of creditors; (vii) conviction of you or any guarantor of (or pleading no contest to) any misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of the Marks or the Business or any felony; (viii) intentionally understating or underreporting Gross Sales, License Fees or MAP Fees or any understatement or 2% variance on a subsequent audit within a 2-year period; (ix) any actual or attempted unauthorized Transfer in violation of Section 10; (x) a final judgment against you in our or our affiliates' favor is issued by a court or an arbitrator of competent jurisdiction; or (xi) any default by you that is the second default of any type within any 12-month consecutive period even if the default(s) were cured.

3. Immediate Termination After No More than 24 Hours to Cure. If a default under this Agreement occurs that materially impairs the goodwill associated with any of the Marks, violates any health or safety law or regulation, violates any System standard as to cleanliness, health and safety, or if the operation of your Business presents a health or safety hazard to the public or to customers or employees: (i) you will have no more than 24 hours after we provide written notice of the default to cure the default; and (ii) if the default is not timely cured, this Agreement will terminate effective immediately on our issuance of written notice of termination.

4. Effect of Other Laws. The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for

termination of this franchise supersede any provision of this Agreement that is less favorable to you.

C. Termination by You. You may terminate this Agreement as a result of a breach by us of a material provision of this Agreement; provided that: (i) you provide us with written notice of the breach that identifies the grounds for the breach; and (ii) we fail to cure the breach within 30 days after our receipt of the written notice. If we fail to cure the breach, the termination will be effective 60 days after our receipt of your written notice of breach. Your termination of this Agreement under this Section will not release or modify your post-term obligations under Section 13 of this Agreement.

POST-TERM OBLIGATIONS

13. Upon the expiration or termination of this Agreement, or the expiration or termination of any Interim Period:

A. Reversion of Rights; Discontinuation of Trademark Use. All of your rights to the use of the Marks and all other rights and licenses granted herein and the right and license to conduct business under the Marks will revert to us without further act or deed of any party. All of your right, title and interest in, to and under this Agreement will become our property. Upon our demand, you must assign to us or our assignee your remaining interest in any lease then in effect for the Business (although we will not assume any past due obligations).

You must immediately comply with the post-term noncompetition obligations under Section 9.D, cease all use and display of the Marks and of any proprietary material (including the Operations Manual) and of all or any portion of promotional materials furnished or approved by us, assign all right, title and interest in the telephone numbers and social media or digital marketing accounts used at any time for the Business and cancel or assign, at our option, any assumed name rights or equivalent registrations filed with authorities. You are solely responsible for removing and ceasing use of the Marks on any social media or digital marketing accounts that you setup for the Business. You must pay all sums due to us, our affiliates or designees and to third parties. You must immediately deliver to us, at your expense, all copies of the Operations Manual, Customer lists and ongoing Customer contracts then in your possession or control or previously disseminated to your employees and continue to comply with the confidentiality provisions of Section 5.H. You must promptly, at your expense, remove or obliterate all DRYER VENT WIZARD Business signage, displays or other materials in your possession that bear any of the Marks or names or material confusingly similar to the Marks, including all such signage and displays on any vehicles, and so alter the appearance of the Business premises as to differentiate the Business unmistakably from duly licensed DRYER VENT WIZARD Businesses identified by the Marks. You must cease any and all advertising and use of any identifying materials generated during the term of the franchise, including, but not limited to, terminating all business listings in electronic and print format, cancelation of all websites, domain names, and telephone numbers (if not assigned to us) used at any time in connection with the Business. If you fail to immediately de-identify your Business, you must pay all expenses we incur to de-identify your Business.

Upon expiration or termination of this Agreement (or the expiration or termination of any Interim Period), any continued use of the Marks by you or the Business: (i) will constitute willful and knowing infringement, dilution of our trademark rights and unfair competition; (ii) will constitute the false designation of origin, source, or sponsorship and false or misleading descriptions and representations in violation of Section 43 of the Lanham Act, 15 U.S.C. § 1125(a), and (iii) may constitute trafficking in a counterfeit mark, among other causes of action.

In the event of expiration or termination of this Agreement (or the expiration or termination of any Interim Period), you will remain liable for your obligations pursuant to this Agreement or any other agreement between you and us or our affiliates that expressly or by their nature survive the expiration or termination of this Agreement, including your indemnification obligations under Section 9.B.

B. Claims. You and your owners and guarantors may not assert any claim or cause of action against us or our affiliates arising out of or relating to this Agreement or your Business after the shortest period of (i) the applicable statute of limitations, (ii) two years and one day following the effective date of expiration or earlier termination of this Agreement or (iii) two years and one day from the accrual of any such claim or cause of action; provided that where the two-year-and-one-day limitation of time in clause (ii) or clause (iii) is prohibited or invalid by or under any applicable law, then and in that event only, no suit or action may be commenced or maintained unless commenced within the applicable statute of limitations.

GENERAL PROVISIONS

14. The parties agree to the following provisions:

A. Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. It is the intent and expectation of each party that each provision of this Agreement will be honored, carried out and enforced as written. Consequently, each party agrees that any provision of this Agreement sought to be enforced in any proceeding must, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy.

B. Waiver/Integration. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the Operations Manual and/or standards and as otherwise provided herein, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices hereto and any application form or similar document executed by you requesting us to enter into this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Disclosure Document we furnished to you. You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business and not as a result of any representations about us made by our shareholders, officers, members, managers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document given to you pursuant to applicable law. DO NOT SIGN THIS AGREEMENT IF YOU BELIEVE WE OR ANY OF OUR REPRESENTATIVES HAVE PROMISED YOU SOMETHING THAT IS NOT PART OF THIS AGREEMENT, ANY ATTACHED EXHIBIT, SCHEDULE OR ADDENDUM OR THE FRANCHISE DISCLOSURE DOCUMENT.

C. Notices. Except as otherwise provided in this Agreement, any notice, demand or communication provided for herein must be in writing and signed by the party serving the same and either delivered personally, in electronic form via email to an authorized email address or deposited in the United States mail, service or postage prepaid, and if such notice is a notice of default or of termination, by a reputable overnight service, and addressed as follows:

1. If intended for us, addressed to DRYER VENT WIZARD INTERNATIONAL LLC, ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331.~~**1010-1020 North University Parks Drive, Waco, Texas 76707,** Attn: President, with a copy to the General Counsel at Dwyer Franchising, LLC, 1010-1020 North University Parks Drive, Waco, Texas 76707;

2. If intended for you, addressed to you at the address set forth on the Data Sheet; or,

in either case, to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this Section.

D. Authority. Any modification, consent, approval, authorization or waiver granted hereunder required to be effective by signature will be valid only if in writing executed by you or, if on behalf of us, in writing executed by our President or one of our authorized Vice Presidents or other authorized officer.

E. References. If the franchisee is two or more individuals, the individuals are jointly and severally liable hereunder, and references to you in this Agreement include all of the individuals. Headings and captions contained herein are for convenience of reference and may not be taken into account in construing or interpreting this Agreement.

F. Successors/Assigns. Subject to the terms of Section 10 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and permitted assigns of the parties.

G. Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Applicable Law and Waiver. ~~Subject~~**The parties agree that the execution of this Agreement and the acceptance of its terms occurred in Waco, McLennan County, Texas. The parties further agree that your performance of your material obligations arising under the Agreement, including but not limited to, the payment of monies due hereunder and the satisfaction of certain of our training requirements, shall occur in the county or state encompassing our Headquarters. Accordingly, subject** to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 11, this Agreement, the parties' rights under this Agreement, and the relationship between the parties under this Agreement are governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state of Texas (excluding any conflicts of laws principles).

2. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be

subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify the requirements of Section 5.A(ii) and other express limitations set forth in this Agreement.

3. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise "Reasonable Business Judgment" (as defined below) in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of "Reasonable Business Judgment," even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Marks, improving Customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

H. Venue. Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties that is not subject to arbitration under Section 11 must be brought in the state or federal district court located in the county encompassing the Headquarters at the time such action is filed. Both parties hereto irrevocably submit themselves to, and consent to, the jurisdiction of said courts and specifically waive any objection to the jurisdiction and venue of such courts. You specifically waive the right to remove any action brought in state court from such state court to a federal district court. The provisions of this Section will survive the termination of this Agreement. You are aware of the business purposes and needs underlying the language of this Section, and with a complete understanding thereof, agree to be bound in the manner set forth.

I. Jury Waiver. **ALL PARTIES HEREBY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN CONNECTION WITH THE ENFORCEMENT OR INTERPRETATION BY JUDICIAL PROCESS OF ANY PROVISION OF THIS AGREEMENT, AND IN CONNECTION WITH ALLEGATIONS OF STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION OR SIMILAR CAUSES OF ACTION OR ANY LEGAL ACTION INITIATED FOR THE RECOVERY OF DAMAGES FOR BREACH OF THIS AGREEMENT AND CLAIMS ARISING OUT OF THE PARTIES' RELATIONSHIP.**

J. Waiver of Punitive and Consequential Damages. Except with respect to indemnification obligations hereunder with respect to third party claims and except for damages under the Lanham Act, you and us and our affiliates agree to waive, to the fullest extent permitted by law, the right to or claim for any consequential, indirect, special, punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained. Notwithstanding anything herein to the contrary, each party waives, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other.

K. WAIVER OF CONSUMER RIGHTS. YOU WAIVE ANY RIGHTS YOU MAY HAVE UNDER THE TEXAS DECEPTIVE TRADE PRACTICES CONSUMER PROTECTION ACT, SECTION 17.41, ET SEQ., BUSINESS AND COMMERCE CODE, AND UNDER ANY OTHER SIMILAR LAW OF TEXAS OR ANY OTHER JURISDICTION THAT GIVES

CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF YOUR OWN SELECTION, YOU VOLUNTARILY CONSENT TO THIS WAIVER.

L. Relationship of the Parties. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

M. Construction. The parties mutually agree that any ambiguities in this Agreement shall not be construed or interpreted more strictly against the drafting party.

N. Force Majeure. A party's failure of performance of this Agreement according to its terms will not be deemed a breach of this Agreement if it arose from a cause beyond the control of and without the negligence of said party. Such causes include, but are not limited to, strikes, wars, riots and acts of government except as may be specifically provided for elsewhere in this Agreement.

O. Adaptations and Variances. You acknowledge that complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, we have the right to vary the standards, specifications, and requirements for any franchised business based on conditions we deem important to the operation of such business and/or the System, as more particularly set forth in the Operations Manual. We are not required to grant you a like or other variation. You acknowledge that the obligations and rights of the parties to other agreements may differ materially from your rights and obligations under this Agreement.

P. Notice of Potential Profit. You acknowledge that we and/or our affiliates may from time to time make a profit on our sales of goods or services to you for use in your Business. Further, we and/or our affiliates may from time to time receive rebates and/or other consideration from suppliers and/or manufacturers in respect of sales of goods or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we and/or our affiliates are entitled to said rebates, profits and/or consideration and we may use same as we deem appropriate.

Q. Anti-Terrorism Provision. You and each of your owners represent and warrant to us that: (i) neither you nor any owner is named, either directly or by an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control currently located at www.treas.gov/offices/ enforcement/ofac/; (ii) you and each owner will take no action that would constitute a violation of any applicable laws against corrupt business practices, against money laundering and against facilitating or supporting persons or entities who conspire to commit acts of terror against any person or entity, including as prohibited by the U.S. Patriot Act (currently located at www.epic.org/privacy/ terrorism/hr3162.html), U.S. Executive Order 13244 (currently located at www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html) or any similar laws; and (iii) you and each Owner shall immediately notify us in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

EACH PERSON SIGNING THIS AGREEMENT REPRESENTS AND WARRANTS THAT HE OR SHE IS AUTHORIZED TO BIND THE RESPECTIVE PARTY TO THIS AGREEMENT. THIS AGREEMENT IS NOT BINDING OR ENFORCEABLE UNTIL WE SIGN IT.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement as of the dates written below.

FRANCHISEE:

_____
_____, individually

Date: _____

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC
A Delaware Limited Liability Company

BY: _____
Jason Kapica, President

Date: _____

Schedule A to the Franchise Agreement

Data Sheet

1. Franchisee: _____

_____

_____

_____

Email: _____

Telephone: _____

Cell Phone: _____

2. Owners. You represent and warrant to us that the following persons are the only owners of Franchisee:

Name	Home Address	Percentage of Ownership	Principal Owner (Y/N)

The foregoing Principal Owners will be devoting their full time to the Business with _____ being identified as the Managing Principal Owner. The Managing Principal Owner is a Principal Owner for all purposes under this Agreement, except that the Managing Principal Owner shall have primary responsibility for the management of the Business and shall have the authority to make all decisions on behalf of the Franchisee and the Managing Principal Owner's decisions will bind the Franchisee.

Within 10 days from the date of any and every change in the identity and/or ownership holdings of the Principal Owners (any such change being subject to the limitations and requirements of this Agreement, including Section 10) or a change in the identity of the Managing Principal Owner you must update this Data Sheet accordingly.

3. Territory. _____

_____

_____

4. Initial Franchise Fee: $_____[1]

Roll-In: _____ [Insert applicable discount based on schedule in Franchise Disclosure Document, Item 5]

[1] Initial Franchise Fee equal to $40,000 for a Territory with population equal to 200,000. Additional territory cost is $200 per each additional 1,000 in population.

5. **License Fees:** The references to months are calculated from the Effective Date.

Months 1 through 12 of the Term: 10% of Gross Sales
Months 13 through end of Term: the greater of (a) 10% of Gross Sales and (b) the applicable Minimum License Fee.

Roll-Ins: With respect to "roll-ins", the License Fee will be as follows:

Months 1 through 24 of Term: the greater of (a) 6% of Gross Sales and (b) the applicable Minimum License Fee.
Months 25 through end of Term: the greater of (a) 10% of Gross Sales and (b) the applicable Minimum License Fee.

Minimum License Fees (monthly fees):

- € One Territory: $1,000
- € Two or more Territories*: $_____[2]

* This is the total combined Minimum License Fee under all Franchise Agreements executed between you and us to date. This Minimum License Fee supersedes any Minimum License Fees set forth under any Franchise Agreements executed between you and us prior to the Effective Date.

If you currently perform services that are related to, but distinguishable from the services to be performed by the Business, you may elect, if we consent, in our sole discretion, to exclude that work from your franchise by executing the Excluded Service Addendum attached hereto. If so, the services to be excluded must be specifically listed as Excluded Services performed by your Existing Business under the Excluded Services Addendum. If you do not currently perform these services or sales in an existing business but elect to start offering those services in the future, you will not have the option of excluding those services from the franchise.

6. **MAP Fees:** The references to months are calculated from the Effective Date.

Months 1 through 12 of the Term: 2% of Gross Sales
Months 13 through end of Term: the greater of (a) 2% of Gross Sales and (b) the applicable Minimum License Fee (if any) set forth below.

Minimum MAP Fees (monthly fees):

- € One Territory: $200
- € Two or more Territories*: $_____[3]

* This is the total combined Minimum MAP Fee under all Franchise Agreements executed between you and us to date. This Minimum MAP Fee supersedes any Minimum MAP Fees set forth under any Franchise Agreements executed between you and us prior to the Effective Date.

[2] The Minimum License Fee for a franchisee that owns two or more Territories (under separate franchise agreements) is calculated as follows: ($1,000 x [*number of franchise agreements*]) +$500.
[3] The Minimum MAP Fee for a franchisee that owns two or more Territories (under separate franchise agreements) is calculated as follows: ($200 x [*number of franchise agreements*]) +$50.

7. Call Center Fees:

Months 1 through 12 of the Term: 5% of Gross Sales
Months 13 through end of Term: the greater of (a) 5% of Gross Sales or (b) the applicable Minimum License Fee (if any) set forth below.

Minimum Call Center Fees:

- € One Territory: $500 per month
- € Two Territories*: $_____[4]

*This is the total combined Minimum Call Center Fee under all Franchise Agreements executed between you and us to date. This Minimum Call Center Fee supersedes any Minimum Call Center Fees set forth under any Franchise Agreements executed between you and us prior to the Effective Date.

We may permit our franchisees to exclude from Gross Sales (solely for purposes of calculating the Call Center Fees and for no other purposes) the gross sales associated with certain larger customer jobs as more particularly set forth in the Operations Manual. We may discontinue or modify such a program at any time.

8. Minimum Local Marketing Amounts:

a. Start-up phase minimum local marketing requirement: $15,000 prior to opening of the Business and during the first 6 months post-opening.

b. Monthly minimum local marketing requirement (after start-up phase): $600.

9. Effective Date: _____

< SIGNATURES APPEAR ON THE NEXT PAGE >

[4] The Minimum Call Center Fee for a franchisee that owns two or more Territories (under separate franchise agreements) is calculated as follows: ($500 x [*number of franchise agreements*]) +$50.

FRANCHISEE:

_____
_____, individually

Date: _____

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC
A Delaware Limited Liability Company

BY: _____
Jason Kapica, President

Date: _____

Schedule B to the Franchise Agreement

ACH FORM

ACH Origination services will not be considered until this application is
FILLED OUT COMPLETELY

Date of Application _____ Business Phone _____

Name of Company _____

Contact Person _____ Title _____

Address _____

Please complete blanks below with your banking information using the sample as a reference only, or attach a sample voided check that displays the required information.

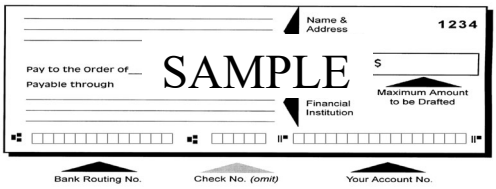
Name of Financial Institution: _____

Name and Address on Account: _____

_____

Bank Routing No.: _____

Account No: _____



I hereby authorize DRYER VENT WIZARD INTERNATIONAL LLC ("Franchisor"), its affiliates, including Dwyer Franchising LLC, and the financial institution named above to initiate entries, including debit and credit entries, to my checking/savings account identified above periodically, including weekly, monthly, annually or as necessary, on a day specified from time to time by Franchisor to pay all fees, charges and any other amounts owed (including, License Fees, MAP fees, late fees, interest charges, note payments, software fees and any other amounts owed) pursuant to the terms of the Franchise Agreement and all related agreements entered into with Franchisor and/or its affiliates, with License Fees and MAP fees to be in accordance with the weekly or monthly sales analysis submitted by me; and, if necessary, to initiate adjustments for any transactions credited in error. These debits are related to the operation of the franchised business and the amount of each debit will vary, including from week to week, or month to month, to a maximum amount (if any) as set forth in the Franchise Agreement. The credits are the amounts due to the franchised business that Franchisor receives from third parties for services performed by the franchised business net of Franchisor's deductions for audit and any related administrative fees and/or credit entries to correct any debit entries that may have been made in error. This authority will remain in effect until I notify you in writing to cancel it in such time as to afford the financial institution a reasonable opportunity to act on such instructions. I can stop payment of any entry by notifying the financial institution at least 3 days before my account is scheduled to be charged. I can have the amount of an erroneous charge immediately credited to my account for up to 15 days following issuance of my statement by the financial institution or up to 60 days after deposit, whichever occurs first.

_____ _____

Date Signature of Franchisee

Schedule C to the Franchise Agreement

PERSONAL GUARANTEE AND AGREEMENT TO BE BOUND
PERSONALLY BY THE TERMS AND CONDITIONS
OF THE FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement by us, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the arbitration and other dispute resolution provisions of the Franchise Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including but not limited to the provisions in Section 9, and agree that this Personal Guarantee will be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of the Franchise Agreement.

Each of the undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, each of the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person; and (2) such liability will not be diminished, relieved or otherwise affected by franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or any amendment or extension of the Franchise Agreement, with or without notice to the undersigned. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee will inure to the benefit of our successors and assigns.

FRANCHISEE: _____

PERSONAL GUARANTORS:

_____

_____, Individually
Name
Address
City, State
Telephone

Schedule D to the Franchise Agreement

ACKNOWLEDGMENT ADDENDUM TO
DRYER VENT WIZARD FRANCHISE AGREEMENT

As you know, you and we are entering into a Franchise Agreement for the operation of a DRYER VENT WIZARD franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following statements carefully and confirm their accuracy or advise us of their inaccuracy.

Acknowledgments and Representations. I, the undersigned, hereby acknowledge and represent to DRYER VENT WIZARD INTERNATIONAL LLC, as follows:

1. I have received a copy of DRYER VENT WIZARD INTERNATIONAL LLC Franchise Disclosure Document (and all exhibits and attachments) (the "Disclosure Document") at least fourteen calendar days prior to signing the DRYER VENT WIZARD® Franchise Agreement (the "Franchise Agreement").
   If not accurate, please comment:_____

2. I have reviewed carefully the Disclosure Document and Franchise Agreement.

3. I understand all the information contained in both the Disclosure Document and Franchise Agreement.
   If not accurate, please comment:_____

4. No oral, written or visual claim or representation was made to me that contradicted the disclosures in the Disclosure Document.
   If not accurate, please state in detail the oral, written or visual claim or representation:_____

5. Other than as expressly stated in Item 19 of the Disclosure Document, no employee or other person speaking on behalf of DRYER VENT WIZARD INTERNATIONAL LLC has made any oral, written or visual claim, statement, promise or representation to me that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any DRYER VENT WIZARD business, or the likelihood of success at my franchised business. I understand that some outlets have earned the amounts disclosed in Item 19 of the Disclosure Document but my individual results may differ and there is no assurance that I will earn as much.
   If not accurate, please state in detail the oral, written or visual claim or representation:_____

6. No employee or other person speaking on behalf of DRYER VENT WIZARD INTERNATIONAL LLC has made any statement or promise regarding the costs involved in operating a franchise that

is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document.
If not accurate, please comment:_____

7. The franchise granted is for the right to operate a DRYER VENT WIZARD Business within the Territory only and DRYER VENT WIZARD INTERNATIONAL LLC and its affiliates have the right to issue franchises or operate competing businesses for or at locations, as they determine, outside my Territory and engage in certain activities inside my Territory.

8. The Franchise Agreement (which includes any attached addenda and appendices) contains the entire agreement between me and DRYER VENT WIZARD INTERNATIONAL LLC concerning the franchise for the DRYER VENT WIZARD Business, although nothing in the Franchise Agreement is intended to disclaim the representations made in the Disclosure Document, which means that any prior oral or written statements not set out in the Franchise Agreement or Disclosure Document will not be binding.

9. I acknowledge and agree that in entering into the Franchise Agreement I have not relied on and am not relying on any representations, warranties or other statements whatsoever, whether written or oral other than those included in the Franchise Agreement and the Disclosure Document (including any exhibits, addenda, amendments and attachments) and that I will not have any right or remedy rising out of any representation, warranty or other statement not expressly set out in the Franchise Agreement and the Disclosure Document (including any exhibits, addenda, amendments and attachments).

10. I understand that the success or failure of my DRYER VENT WIZARD Business will depend in large part upon my skills and experience, my business acumen, my location, the local market for products and services under the DRYER VENT WIZARD trademarks, interest rates, the economy, inflation, taxes, the number of employees I hire and their compensation, the extent to which I follow established systems, policies and guidelines, the cost of capital and the extent to which I finance the business operations, my contractual arrangements with suppliers, landlord and professional advisors, competition and other economic and business factors. Further, I understand that the economic and business factors that exist at the time I open my DRYER VENT WIZARD Business may change.

~~11. I understand that due to the COVID-19 virus pandemic and its substantial impact on local, regional and global economies and businesses, (a) my DRYER VENT WIZARD Business may experience substantial disruptions in customer demand, the supply chain for products and services, employee availability, and other aspects of operating the franchised business, and (b) I and my DRYER VENT WIZARD Business may be required to comply with new laws, rules and governmental orders issued in response to the virus outbreak, which could likely affect (potentially materially) the operating costs, revenue and/or cash flow of my DRYER VENT WIZARD Business.~~

~~12. I acknowledge and agree that the financial performance representations set forth in Item 19 of the Disclosure Document are historical data and not projections of future financial performance and they do not reflect any impact from COVID-19. As such, I have performed validation with current franchise owners and other due diligence prior to signing the franchise agreement to fully appreciate and understand the impact (if any) of COVID-19 on my DRYER VENT WIZARD Business.~~

~~13~~

11. I understand that I am bound by the non-compete covenants (both in-term and post-term) and that an injunction is an appropriate remedy to protect the interest of the DRYER VENT WIZARD system if I violate the covenant(s). Further, I understand that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement.

~~14~~**12**. I understand that any training, support, guidance or tools DRYER VENT WIZARD INTERNATIONAL LLC provides to me as part of the franchise are for the purpose of protecting the DRYER VENT WIZARD brand and Marks and to assist me in the operation of my business and not for the purpose of controlling or in any way intended to exercise or exert control over my decisions or day-to-day operations of my business, including my sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of my employees and all other employment and employee related matters.

~~15~~**13**. On the receipt pages of my Disclosure Document I identified _____

_____

as the franchise sellers involved in this franchise sales process (these are the company representatives who offered me my franchise). The franchise sellers identified above are the only franchise sellers involved with this transaction.
If not accurate, please identify any additional franchise sellers involved with this transaction:

_____

_____

~~16~~**14**. I have been advised to seek professional assistance, to have legal, financial and/or other professional advisors review the documents, and to consult with other franchise owners regarding the risks associated with the purchase of the franchise.

IF MORE SPACE IS NEEDED TO RESPOND TO ANY REPRESENTATION, CONTINUE ON A SEPARATE SHEET AND ATTACH.

I UNDERSTAND THAT MY ANSWERS ARE IMPORTANT AND THAT DRYER VENT WIZARD INTERNATIONAL LLC WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, I REPRESENT THAT I HAVE CONSIDERED EACH REPRESENTATION CAREFULLY AND RESPONDED FULLY AND TRUTHFULLY.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

FRANCHISEE:

_____
_____, individually

_____
Date

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act ~~or the Maryland Franchise Registration and Disclosure Law~~.

Schedule E to the Franchise Agreement

TELEPHONE NUMBER AND INTERNET AGREEMENT

_____
(Name of Telephone Company)

_____
(Address)

_____
(City, State, Zip)

This TELEPHONE NUMBER AND INTERNET AGREEMENT, ASSIGNMENT AND POWER OF ATTORNEY ("Assignment") is made pursuant to the terms of the Franchise Agreement dated _____ ("Agreement") by and between DRYER VENT WIZARD INTERNATIONAL LLC ("Franchisor") and _____ ("Franchisee"), authorizing Franchisee to use Franchisor's Marks and System in the operation of a business providing installation and repair of, and offering of cleaning products and services for, dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses, to enhance the performance and safety of clothes dryers and other household appliances, to residential and commercial customers, and related services business (the "Franchised Business") in and for the Territory. Capitalized terms used herein without a definition shall have the meaning assigned to them in the Agreement.

For value received, Franchisee hereby irrevocably assigns to Franchisor all telephone listings and numbers at any time used by Franchisee in any printed or internet telephone directory in connection with the operation of the Franchised Business in the Territory, whether now-existing or adopted by Franchisee in the future, (collectively "Telephone Listings") and all email addresses, domain names, social media accounts and comparable electronic identities that use the Marks or any portion of them at any time used by Franchisee in connection with any Internet directory, website or similar item in connection with the operation of the Franchised Business, whether now-existing or adopted by Franchisee in the future, (collectively "Internet Listings") (collectively referred to herein as "Listings"). From time to time upon Franchisor's request, Franchisee agrees to promptly provide a complete list of all Listings to Franchisor (in such format and level of detail as required by Franchisor).

Franchisee shall have the right to use the Listings only in connection with advertising the Franchised Business in the Territory. Franchisee agrees to pay all amounts pertaining to the use of the Listings incurred by it when due. Upon expiration or termination of the Agreement for any reason, Franchisee's right of use of the Listings shall terminate. In the event of termination or expiration of the Agreement, Franchisee agrees to pay all amounts owed in connection with the Listings, including all sums owed under existing contracts for telephone directory advertising and to immediately at Franchisor's request, (i) take any other action as may be necessary to transfer the Listings and numbers to Franchisor or Franchisor's designated agent, (ii) install and maintain, at Franchisee's sole expense, an intercept message, in a form and manner acceptable to Franchisor, on any or all of the Listings; (iii) disconnect the Listings; and/or (iv) cooperate with Franchisor or its designated agent in the removal or relisting of any telephone directory or directory assistance listing, Internet directory, website or advertising, whether published or online.

Franchisee agrees that Franchisor may require that all telephone numbers and telephone and internet equipment and service must be owned or provided by Franchisor or a supplier approved by Franchisor and that Franchisor has the right to require Franchisee to "port" or transfer to Franchisor or an approved call

routing and tracking vendor all phone numbers associated with the Franchised Business or published in any print or online directory, advertisement, marketing or promotion associated with the Marks.

Franchisee appoints Franchisor as Franchisee's attorney-in-fact, to act in Franchisee's place, for the purpose of assigning any Listings covered by this Assignment to Franchisor or Franchisor's designated agent or taking any other actions required of Franchisee under this Assignment. Franchisee grants Franchisor full authority to act in any manner proper or necessary to the exercise of the foregoing powers, including full power of substitution and execution or completion of any documents required or requested by any telephone or other company to transfer such Listings, and Franchisee ratifies every act that Franchisor may lawfully perform in exercising those powers. This power of attorney shall be effective for a period of two (2) years from the date of expiration, cancellation or termination of Franchisee's rights under the Agreement for any reason. Franchisee intends that this power of attorney be coupled with an interest. Franchisee declares this power of attorney to be irrevocable and renounces all rights to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney shall not be affected by the subsequent incapacity of Franchisee. This power of attorney is created to secure performance of a duty to Franchisor and is for consideration.

_____

(Signature)

_____

Date

Schedule F to the Franchise Agreement

CONFIDENTIALITY AGREEMENT

This **CONFIDENTIALITY AGREEMENT** is entered into by the undersigned, _____ ("you"), for the benefit of **DRYER VENT WIZARD INTERNATIONAL LLC**, a Delaware Limited Liability Company having a principal place of business at 1010-1020 North University Parks Drive, Waco, TX 76707 ("Franchisor"); and _____ ("Franchisee");

WHEREAS, you are associated with Franchisee as a spouse or owner of Franchisee;

WHEREAS, Franchisor intends to enter into a Franchise Agreement (the "Franchise Agreement") pursuant to which Franchisor will grant Franchisee (or a legal entity owned and/or controlled by Franchisee) a license to use Franchisor's trademarks, services marks, logos and other indicia of origin (the "Marks") and Franchisor's methods of operation (the "System") in connection with the operation of a business providing installation and repair of, and offering of cleaning products and services for, dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses, to enhance the performance and safety of clothes dryers and other household appliances, to residential and commercial customers (the "Franchise") in and for a specified geographical area described in the Franchise Agreement. (Capitalized terms used herein without a definition shall have the same meaning as assigned to them in the Franchise Agreement); and

WHEREAS, Franchisor has undertaken, at considerable effort and expense, to create the System which will be revealed to Franchisee pursuant to the Franchise Agreement and you either will be involved in the operation of the franchise, or, if a spouse of Franchisee, may not intend to hold an ownership interest in the Franchise or be actively involved in the operation of the Franchise but through your relationship with Franchisee, will be exposed to and learn many procedures, techniques and other matters that are identified and treated by Franchisor as confidential, proprietary or trade secret, including, without limitation, information regarding the operational, sales, and marketing methods and techniques of Franchisor, which are beyond your skills and experience ("Confidential Information").

NOW, THEREFORE, you hereby agree as follows:

1. Acknowledgement of Confidentiality Obligation. You acknowledge that through your association or relationship with Franchisee, you will receive valuable Confidential Information that provides a competitive advantage in the development of the Franchise. You acknowledge and agree that the Confidential Information and any Operations Manual are confidential and proprietary in nature and contain trade secrets belonging to Franchisor and that all such tangible evidence of Confidential Information is a property right of great value to Franchisor. You hereby agree to be bound by the provisions of the Franchise Agreement related to confidentiality and protection of trade secrets, including but not limited to Section 5.H of the Franchise Agreement, to the same extent as if a party to the Franchise Agreement.

2. Non-Use. You agree not to (a) use Confidential Information without prior written approval from Franchisor, or (b) do or perform any other act injurious to the goodwill associated with the Marks and the System.

3. Non-Disclosure. Without prior written approval from Franchisor, you agree not to disclose, communicate or divulge any Confidential Information for your benefit or for the benefit of any other third party, including, without limitation, a competitor of the Franchise and/or Franchisor.

4. Exclusions. Confidential Information does not include and this Agreement does not apply to information that you can establish by reliable documentary evidence (a) was previously known by you, (b) is or becomes part of the public domain other than through your wrongful act, (c) is otherwise lawfully in your hands by a means other than breach of this Agreement or (to your knowledge) third party's breach of its confidentiality obligation to Franchisor, or (d) is sought pursuant to a subpoena or written discovery ("Process"); provided that Franchisor shall be immediately notified of the receipt of the Process, whereupon Franchisor has the right to request that Franchisee and/or you delete the Confidential Information from the scope thereof, and if Franchisee or you refuse, then Franchisor may seek any and all available remedies, including, without limitation, commencing proceedings to enjoin the disclosure of Confidential Information or intervening impending proceedings to seek the entry of protective orders or other appropriate relief. Nothing in this Agreement shall be construed to interfere with a party's obligations to comply with lawful court orders; however, no disclosure of Confidential Information by a party pursuant thereto shall be deemed to place the Confidential Information in the public domain or to relieve the party from the future performance of all its confidentiality obligations under this Agreement, absent express orders of the court to the contrary.

5. Covenant Not to Compete. Except as otherwise approved in writing by Franchisor, during the term of the Franchise Agreement and for a period of two (2) years commencing with the earlier of the termination of the Franchise Agreement or the date on which you cease to be associated with Franchisee (or the individual who is the principal of a legal entity identified as Franchisee), whether because of a termination of an employment arrangement or marriage or otherwise, which period shall be extended by any period of non-compliance, you may not, directly or indirectly, through, on behalf of, or in conjunction with, any other person, partnership, or legal entity, own, maintain, operate, or engage or participate in, or have any financial interest, either as an officer, agent, employee, principal, partner, director, shareholder or any other individual or representative capacity, in any corporation, partnership or other legal entity that engages in any business that is the same as or similar to the Franchise, or is otherwise in competition with the business of Franchisor or Franchisor's franchisees, that engages in the distribution of similar products, services and/or equipment within the territory specified on the Data Sheet to the Franchise Agreement. You further agree that upon Franchisor's request you shall make his/her personal and business records available for inspection by Franchisor to determine your compliance with this provision.

6. Customer Non-Solicitation Covenant. In addition, you agree that during the term of this Agreement and for one year thereafter, you will not, without our prior written consent, directly or indirectly, for yourself or on behalf of any other person, divert, or attempt to divert, any business or customer of the Business or any other DRYER VENT WIZARD Business to any competitor by direct or indirect inducement.

7. Choice of Law and Jurisdiction. This Agreement shall be governed by the internal laws of the State of Texas, without regard to conflicts of laws provisions. You agree that any litigation or legal action to enforce or relating to this Agreement shall be filed in Waco, McLennan County, Texas. You hereby consent to the jurisdiction of such Courts and further agree to waive any rights or objections to the jurisdiction or venue of any such actions when filed in such Courts.

8. Legal Fees and Costs. Any unauthorized disclosure following execution of this Agreement may be cause for suit for injunctive relief and damages. If you breach this Agreement, you shall pay reasonable attorney's fees and other costs incurred by Franchisor and/or Franchisee in enforcing the provisions of this Agreement. If any legal proceeding is commenced to enforce or interpret any provision of this Agreement, the prevailing party will be entitled to recover reasonable attorney's fees and all costs and disbursements allowed by law.

9. Defend Trade Secrets Act of 2016 Disclosure. 18 U.S.C. § 1833(b) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of

a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the Parties to this Agreement have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

10. Entire Agreement. This Agreement sets forth the entire understanding among you, Franchisor and Franchisee with respect to its subject matter and cannot be changed except by written instrument signed by you, Franchisor and Franchisee. There are no representations of any kind except as contained herein. This Agreement will be binding upon and inure to the benefit of the parties, their legal representatives, successors, and assigns.

Signed on this _____ day of _____, 20__.

_____

_____, title

_____

Date

Schedule G to the Franchise Agreement

PROMISSORY NOTE AND SECURITY AGREEMENT

DATE: _____

DEBTOR: _____

DEBTOR'S MAILING ADDRESS: _____

SECURED PARTY: DRYER VENT WIZARD INTERNATIONAL LLC
a Delaware Limited Liability Company, or its successors or assigns

SECURED PARTY'S MAILING ADDRESS: 1010-1020 N. University Parks Drive, Waco, TX 76707

PRINCIPAL: _____ AND 00/100 DOLLARS ($____.__)

INTEREST: _____ percent (____%) per annum on unmatured, unpaid PRINCIPAL beginning thirty (30) days before the due date of the first payment and the maximum legal rate of interest on matured, unpaid amounts from the date of maturity.

TERMS OF PAYMENT:

The principal and interest of this note shall be payable in monthly installments of _____ **AND** 00/100 **DOLLARS ($_____)** each, beginning on _____ and continuing on the first day of each month thereafter until _____ when the entire principal balance and any accrued, unpaid interest is due in full. By execution of the ACH Form attached to the Franchise Agreement entered into by and between DEBTOR and SECURED PARTY (the "Franchise Agreement"), DEBTOR authorizes SECURED PARTY and the financial institution named thereon to make the foregoing payments from DEBTOR'S account until DEBTOR cancels such automatic draft in accordance with the terms of the Authorization or this note is paid in full.

DEBTOR promises to pay PRINCIPAL and INTEREST according to the above TERMS OF PAYMENT to the order of SECURED PARTY. This note may be prepaid in any amount at any time before maturity without penalty. Installments shall continue to be payable regularly after any partial payment unless and until this note has been fully paid. INTEREST shall be calculated on the unpaid PRINCIPAL to the date of any payment or prepayment, with that payment or prepayment being credited first to pay the accrued INTEREST and then to reduce the PRINCIPAL.

IF DEBTOR defaults in the payment of any indebtedness or the performance of any obligations under this document or any document collateral to it, including, without limitation, the Franchise Agreement, or DEBTOR sells, assigns or transfers the Franchise Agreement or any interest therein or in the franchise granted thereunder to a third party, SECURED PARTY may declare the entire unpaid PRINCIPAL and earned INTEREST immediately due. DEBTOR and each surety, endorser and guarantor waive all demands for payment, presentations for payment, notices of intention to accelerate, notices of acceleration, protests and notices of protest to the extent permitted by law.

If this document or any document collateral to it, including, without limitation, the Franchise Agreement, is given to an attorney for collection or enforcement, is collected or enforced after suit is brought for that purpose or is collected or enforced through probate, bankruptcy or other judicial

proceeding, DEBTOR shall pay SECURED PARTY all costs of collection and enforcement (including, without limitation, reasonable attorney's fees and court costs) in addition to amounts due. Reasonable attorney's fees shall be ten percent (10%) of all amounts due unless plead otherwise.

Interest on any indebtedness under this document or any document collateral to it shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged or received under law. Any interest in excess of that maximum amount shall be credited on the principal of the indebtedness or, if that has been paid, refunded. Any such excess resulting from any acceleration or prepayment shall be canceled automatically or, if already paid, credited on the unpaid principal of the indebtedness or, if the principal of the indebtedness has been paid, refunded. This provision overrides other provisions in this and all other instruments related hereto.

If any installment of this note is not paid within thirty (30) days of its due date, a late charge in the amount of TEN AND NO/100 DOLLARS ($10.00) per payment per day will be paid by DEBTOR upon demand as compensation for any expense or inconvenience incurred in collecting that delinquent installment. DEBTOR is not hereby authorized to be delinquent in paying any installment. Any demand for a late charge shall not affect any other remedies available.

If any draft or check is returned by DEBTOR'S financial institution for insufficient funds or any other reason, SECURED PARTY is entitled to reimbursement from DEBTOR in the amount of TWENTY FIVE AND 00/100 DOLLARS ($25.00). Any demand for reimbursement shall not in any manner affect any other remedies available.

COLLATERAL:

All present and after-acquired personal property, including, without limitation, all fixtures, furniture, leasehold improvements, furnishings, materials, supplies, equipment, goods, machinery, general intangibles, money, accounts, inventory, chattel paper, documents, instruments and other personal property of any kind whatsoever now or hereafter owned, acquired or used by DEBTOR in any manner in connection with the DRYER VENT WIZARD franchise operated by DEBTOR under the Franchise Agreement or any other business which has provided or is providing services in any manner related to installation and repair of, and offering of cleaning products and services for, dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses, to enhance the performance and safety of clothes dryers and other household appliances, to residential and commercial customers, and other related services and products; and all replacements, betterments, substitutions, renewals, additions, products and proceeds thereto or therefrom.

GRANT OF SECURITY INTEREST:

DEBTOR grants SECURED PARTY a security interest in the COLLATERAL to secure the payment of all indebtedness owed and the performance of all obligations performable by DEBTOR to or for SECURED PARTY (including, without limitation, all indebtedness and obligations under this document or any document collateral to it).

SECURED PARTY's sole duty with respect to the custody, safekeeping and physical preservation of COLLATERAL in its possession or under its control will be to use reasonable care in the custody and preservation of such COLLATERAL. DEBTOR agrees that SECURED PARTY will be deemed to have used reasonable care in the custody and preservation of COLLATERAL if SECURED PARTY deals with such COLLATERAL in the same manner as SECURED PARTY deals with similar property for its own account and, to the extent permitted by applicable law. SECURED PARTY need not take any steps to preserve rights against any other person or entity. Neither SECURED PARTY nor any of its directors,

officers, managers, members, employees or agents will be liable for failure to demand, collect or realize upon the COLLATERAL or will be under any obligation to sell or otherwise dispose of any COLLATERAL.

DEBTOR confirms that value has been given, that DEBTOR has rights in the COLLATERAL, and that DEBTOR and SECURED PARTY have not agreed to postpone the time for attachment of the security interest to any of the COLLATERAL. In respect of COLLATERAL which is acquired after the execution date of this Promissory Note and Security Agreement, the time for attachment will be the time when DEBTOR acquires such COLLATERAL.

DEBTOR'S WARRANTIES AND COVENANTS:

DEBTOR warrants and represents that: 1) No financing statement covering the COLLATERAL is filed in any public office; 2) DEBTOR owns the COLLATERAL and has the authority to grant this security interest; 3) none of the COLLATERAL is or will be affixed to real estate, an accession to any goods, commingled with other goods, or a fixture, accession or part of a product or mass with other goods; 4) all information about DEBTOR'S financial condition provided to SECURED PARTY was accurate when submitted, as will be any information subsequently provided; 5) DEBTOR will defend the COLLATERAL against all claims and demands adverse to SECURED PARTY'S interest in it; 6) the COLLATERAL will remain in DEBTOR'S possession or control at all times; 7) DEBTOR will maintain the COLLATERAL in good condition and protect it against misuse, abuse, waste and deterioration except for ordinary wear and tear resulting from its intended use; 8) DEBTOR will insure the COLLATERAL in accordance with SECURED PARTY'S reasonable requirements regarding choice of carrier, casualties insured against and amount of coverage; 9) insurance policies will be written in favor of DEBTOR and SECURED PARTY according to their respective interests or according to SECURED PARTY'S other requirements; 10) all insurance policies shall provide that the SECURED PARTY will receive at least ten (10) days' notice before cancellation, and the policies or certificates evidencing them will be provided to SECURED PARTY when issued; 11) DEBTOR assumes all risk of loss or damage to the COLLATERAL to the extent of any deficiency in insured coverage; 12) DEBTOR irrevocably appoints SECURED PARTY as DEBTOR'S attorney-in-fact to collect on DEBTOR'S behalf any returned unearned premiums and proceeds of any insurance on the COLLATERAL and to endorse any draft or check deriving from the policies and made payable to DEBTOR; 13) DEBTOR will pay all expenses incurred by SECURED PARTY in obtaining, preserving, perfecting, defending and enforcing this document, any document collateral to it or the COLLATERAL (expenses for which DEBTOR is liable include, without limitation, taxes, assessments, reasonable attorney's fees and other legal expenses, these expenses will bear interest from the dates of payments at the highest legal rate of interest, and DEBTOR will pay SECURED PARTY this interest on demand at a time and place reasonably specified by SECURED PARTY); 14) DEBTOR will sign any papers that SECURED PARTY considers necessary to obtain, maintain and perfect this security interest or to comply with any relevant law; 15) DEBTOR will immediately notify SECURED PARTY of any material change in the COLLATERAL, of any change in DEBTOR'S name, address or location, of any change in any matter warranted or represented in this document or any document collateral to it, of any change that may affect the security interest in the COLLATERAL and of any event of default; 16) without SECURED PARTY'S prior written consent, DEBTOR will not sell, transfer or encumber any of the COLLATERAL other sales of inventory in the ordinary course of business; 17) DEBTOR will maintain accurate books and records covering the COLLATERAL; and 18) DEBTOR will furnish SECURED PARTY any requested information related to the COLLATERAL and DEBTOR will allow SECURED PARTY, at any time and place, to inspect the COLLATERAL and all records describing or related to the COLLATERAL.

RIGHTS AND REMEDIES OF SECURED PARTY:

Regardless of whether or not DEBTOR is in default hereunder, SECURED PARTY may: 1) release any COLLATERAL in SECURED PARTY'S possession to any debtor, temporarily or otherwise; 2) take control of any proceeds generated by the COLLATERAL, such as refunds from and proceeds of insurance, and reduce any part of the owed indebtedness accordingly or permit DEBTOR to use such funds to repair or replace damaged/destroyed COLLATERAL; 3) contact account debtors directly to verify information furnished by DEBTOR; 4) notify obligors on the COLLATERAL to pay SECURED PARTY directly and reduce any part of the owed indebtedness accordingly; and 5) as DEBTOR'S agent, endorse any documents or chattel paper that is COLLATERAL or that represents proceeds of COLLATERAL.

SECURED PARTY has no obligation to collect any account and will not be liable for failure to collect any account or for any act or omission on the part of SECURED PARTY or SECURED PARTY'S officers, agents or employees, except willful misconduct. If DEBTOR fails to maintain insurance as required, SECURED PARTY may purchase single-interest insurance coverage that will protect only SECURED PARTY. If SECURED PARTY purchases this insurance, the insurance premiums will become part of the indebtedness owed by DEBTOR to SECURED PARTY.

EVENTS OF DEFAULT:

Each of the following conditions is an event of default: 1) if DEBTOR defaults in the timely payment or performance of any indebtedness, obligation, covenant or liability in this document, in any document collateral to it, including, without limitation, the Franchise Agreement, or in any other agreement between DEBTOR and SECURED PARTY and fails to cure the same within the applicable cure period (if any); 2) if any warranty, covenant or representation made to SECURED PARTY by or on behalf of DEBTOR proves to have been false or incomplete in any material respect when made; 3) if a receiver is appointed for DEBTOR or any of the COLLATERAL or if the COLLATERAL is assigned for the benefit of creditors or, to the extent permitted by law, if bankruptcy or insolvency proceedings are commenced against or by DEBTOR, any partnership of which DEBTOR is a general partner or any maker, drawer, acceptor, endorser, guarantor, surety, accommodation party or other person liable on or for any part of the indebtedness owed or obligations performable by DEBTOR under this document or any document collateral to it; 4) if any lien attaches to any of the COLLATERAL; and 5) if any of the COLLATERAL is lost, stolen, damaged or destroyed, unless it is promptly restored or replaced with collateral of like quality.

REMEDIES OF SECURED PARTY ON DEFAULT:

During the existence of any event of default, SECURED PARTY may declare the unpaid PRINCIPAL and earned INTEREST immediately due in whole or part, enforce the payment of indebtedness and performance of obligations by DEBTOR under this document and any document collateral to it and exercise any rights and remedies granted by this document, any document collateral to it or by the Texas Uniform Commercial Code, including, without limitation, the following: 1) require DEBTOR to deliver to SECURED PARTY all books and records relating to the COLLATERAL; 2) require DEBTOR to assemble the COLLATERAL and make it available to SECURED PARTY at a place reasonably convenient to both parties; 3) take possession of any of the COLLATERAL and for this purpose enter any premises where it is located; 4) sell, lease or otherwise dispose of any of the COLLATERAL in accord with the rights, remedies and duties of a secured party under Chapters 2 and 9 of the Texas Uniform Commercial Code after giving notice as required by those chapters; 5) surrender any insurance policies covering the COLLATERAL and receive the unearned premium; 6) apply any proceeds from disposition of the COLLATERAL after default in the manner specified in Chapter 9 of the Texas Uniform Commercial code, including, without limitation, payment of SECURED PARTY'S reasonable attorney's fees and court expenses; and; 7) if disposition inadequate, collect the deficiency.

GENERAL PROVISIONS:

1. SECURED PARTY'S rights under this document shall inure to the benefit of its successors and assigns.

2. Neither delay in exercise nor partial exercise of any of SECURED PARTY'S remedies or rights shall waive further exercise of those remedies or rights. SECURED PARTY'S failure to exercise remedies or rights does not waive subsequent exercise of those remedies or rights. SECURED PARTY'S waiver of any default does not waive further default. SECURED PARTY may remedy any default without waiving the default.

3. If DEBTOR fails to perform any of DEBTOR'S obligations, SECURED PARTY may perform those obligations and be reimbursed by DEBTOR on demand for any sums so paid (including, without limitation, attorney's fees and other legal expenses) plus interest on those sums from the dates of payment at the maximum legal rate of interest. The sum to be reimbursed shall be secured by the security interest under this document.

4. No provisions of this document shall be modified or limited except by written agreement executed by both parties.

5. The unenforceability of any provision will not affect the enforceability or validity of any other provision.

6. This document and the agreement evidenced hereby is to be construed according to Texas laws. All indebtedness is payable and all obligations are performable in Waco, McLennan County, Texas.

7. A carbon, photographic, electronic or other reproduction of this Promissory Note and Security Agreement or any financing statement covering the COLLATERAL is sufficient as a financing statement.

8. If the COLLATERAL is sold after default, recitals in the transfer document will be prima facie evidence of their truth, and all prerequisites to the sale specified herein and by the Texas UCC will be presumed satisfied.

9. The security interest under this document shall neither affect nor be affected by any other security for any of the indebtedness owed or obligations performable by DEBTOR under this document or any document collateral to it. Neither extensions of any of that indebtedness or those obligations nor releases of any of the COLLATERAL will affect the priority or validity of the security interest under this document.

10. Foreclosure of the security interest under this document by suit shall not limit SECURED PARTY'S remedies, including, without limitation, the right to sell the COLLATERAL. All remedies of SECURED PARTY may be exercised at the same or different times, and no remedy shall be a defense to any other. SECURED PARTY'S rights and remedies include all those granted in this document, by law or otherwise.

11. DEBTOR'S appointment of SECURED PARTY as DEBTOR'S attorney-in-fact or agent is coupled with an interest and will specifically survive any death or disability of DEBTOR.

12. As used in this document and unless the context requires another construction, the masculine, feminine and neuter gender shall each include the others and the singular and plural case shall each include the other.

13. DEBTOR acknowledges receipt of an executed copy of this document. DEBTOR waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of SECURED PARTY to deliver to DEBTOR a copy of any financing statement or any statement issued by any entity that confirms registration of a financing statement.

Date	Signature of Franchisee/Printed Name and Title

Schedule H to the Franchise Agreement

ROLL-IN ADDENDUM

This ROLL-IN ADDENDUM (the "Addendum") is entered into by and between **DRYER VENT WIZARD INTERNATIONAL LLC**, a Delaware Limited Liability Company having a principal place of business at 1010-1020 North University Parks Drive, Waco, TX 76707 ("we" or "us" or "Franchisor"), and _____, individually, having an address of _____ _____ ("you" or "Franchisee").

WHEREAS, we and you have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") for the operation of the Business (the "Franchised Business") (Capitalized terms used herein without a definition shall have the meaning assigned to them in the Agreement);

WHEREAS, you (or your affiliate) currently operate an existing business ("Existing Business") which performs services for existing customers (the "Roll-In Services") that are similar to services provided by the Franchised Business operated under the Agreement; and

WHEREAS, in consideration of an assignment or "roll-in" of the Roll-In Services (including the customer base for work which falls within the definition of the Franchised Business) from the Existing Business to the Franchised Business, we are willing to alter certain fees payable by you under the Agreement for a time period specified in the Data Sheet to which this Addendum is attached.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Roll-In Services Gross Sales; Monthly Roll-In Services Gross Sales.**

(a) The gross sales generated by the Roll-In Services during the last calendar year are: $_____.

(b) The average monthly gross sales generated by the Roll-In Services during the last calendar year are: $_____ (annual Roll-In Services Gross Sales, divided by 12) (the "Roll-In Services Average Monthly Gross Sales").

2. **Assignment of Revenues and Customers; Definition of Gross Sales.**

(a) We hereby assign or have caused our affiliate to assign (as applicable) to the Franchised Business (i) all gross sales arising from the operation of the Roll-In Services from and after the Effective Date, and (ii) the customers and/or accounts associated with the Roll-In Services.

(b) Anything in the Agreement to the contrary notwithstanding, from and after the Effective Date the definition of "Gross Sales" (as defined in the Agreement) shall apply to the operation of the Roll-In Services to the same extent as it applies to the operation of the Franchised Business and you shall pay License Fees, MAP Fees and all other fees that are determined as a percentage of Gross Sales with respect to the Gross Sales arising from the operation of the Roll-In Services, as specified below and in the Data Sheet.

3. **License Fees and MAP Fees.** Anything in the Agreement to the contrary notwithstanding, you shall pay License Fees and MAP Fees with respect to the Roll-In Services in the amount equal to the

greater of the applicable percentage of Gross Sales set forth on the Data Sheet and the applicable Minimum License Fee, or Minimum Map Fee, as applicable, set forth in the Data Sheet.

4. **Manner of Operation of Roll-In Services.** All provisions of the Agreement shall apply to the Roll-In Services and the accounts and customers associated with such services, including the insurance and covenants, to the same extent as they apply to the Franchised Business. For avoidance of doubt, except as specifically provided otherwise herein, for purposes of the Agreement, from and after the Effective Date, the Roll-In Services are included in the definition of the Franchised Business.

5. **Inspections; Audits**. If, after the date hereof, you (directly or through an affiliate) continue to operate the Existing Business, other than the Roll-In Services that become part of the Franchised Business (such remaining Existing Business, the "Separate Business"), you shall make and if applicable shall cause your affiliate to make the books and records (including all electronic records) for the Separate Business available to us for inspection and audit, upon reasonable prior notice, so that we may verify your compliance with the requirements of this Addendum. In addition, the provisions of Section 8.J of the Agreement regarding audits shall apply in all respects to the Separate Business, and we, in our reasonable business judgment, shall have the same rights to access (including remotely) and audit the books and records of the Separate Business, and to require payment for the audit if the audit reveals that you did not comply with the requirements of this Addendum, in addition to any other remedies available to us hereunder or under the law.

6. **Franchisee's Representations and Warranties.** You hereby represent and warrant to us that you have all necessary power and authority to execute this Addendum, to bind the Existing Business to the terms hereof and to perform and comply with all of your obligations hereunder. There is no agreement or understanding (and you will not permit any such agreement or understanding to be entered into during the term of this Addendum) with respect to the Existing Business or the Roll-In Services that would conflict with the terms of this Addendum.

7. **Construction.** Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified specifically herein.

FRANCHISEE:

_____
_____, individually

Date: _____

FRANCHISEE'S AFFILIATE (IF APPLICABLE):

_____
Authorized Signatory

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC
A Delaware Limited Liability Company

BY: _____
Jason Kapica, President

Date: _____

Schedule I to the Franchise Agreement

EXCLUDED SERVICES ADDENDUM

This EXCLUDED SERVICES ADDENDUM (the "Addendum") is entered into by and between **DRYER VENT WIZARD INTERNATIONAL LLC**, a Delaware Limited Liability Company having a principal place of business at 1010-1020 North University Parks Drive, Waco, TX 76707 ("Franchisor"), and _____, individually, having an address of _____ _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") for the operation by Franchisee of the Business (the "Franchised Business") (Capitalized terms used herein without a definition shall have the meaning assigned to them in the Agreement);

WHEREAS, Franchisee or its affiliate (as applicable) currently operates an Existing Business (as defined below) which offers Excluded Services (as defined below) that are related to but distinguishable from the services provided by the Franchised Business under the Agreement; and

WHEREAS, Franchisor has agreed that, subject to Franchisee's and, if applicable, its affiliate's continuing compliance with the conditions set forth in this Addendum, the continued operation of the Excluded Services by the Existing Business shall not be deemed to be a violation of Section 9.D of the Agreement (Noncompetition Covenants), and the gross sales attributable to such Excluded Services shall not be included as "Gross Sales" under the Agreement.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Identification of Existing Business.** The name of the Existing Business authorized pursuant to this Addendum is: _____, a _____ located at _____ ("Existing Business"), and the Excluded Services performed by the Existing Business are: _____ ("Excluded Services").

2. **Authorization of Excluded Services Offered by the Existing Business.** Anything in the Agreement to the contrary notwithstanding, the continued offer of the Excluded Services by the Existing Business shall not be deemed to be a violation of Section 9.D of the Agreement (Noncompetition Covenants) and the gross sales of such Excluded Services shall not be deemed to be "Gross Sales" under the Agreement; provided, that the conditions set forth in subparagraphs 2(a)-(d) below are satisfied as of the date of this Addendum and throughout the term of the Agreement (including any extensions or renewals thereof):

(a) the operation of such Existing Business does not interfere with Franchisee's operation of the Franchised Business;

(b) the Existing Business does not utilize Franchisor's Marks, System or Confidential Information;

(c) the Existing Business offers only the Excluded Services identified herein and does not offer the services offered by the Franchised Business or services that otherwise compete with the Franchised Business; and

(d) the Franchised Business and the Existing Business maintain separate books and records.

3. **Effect of Failure to Comply with Conditions.** If Franchisee or its affiliate (as applicable) at any time fails to satisfy any of the conditions set forth in subparagraphs 2.(a)-(d) of this Addendum, then the continued operation of the Existing Business shall be deemed to be a violation of Section 9.D of the Agreement (Noncompetition Covenants). In that event Franchisor may terminate the Agreement immediately if Franchisee fails (or fails to cause its affiliate) to cure the breach within a reasonable period of time, not to exceed ten (10) calendar days following written notice from Franchisor (provided however that a breach of clause 2(b) shall not be subject to a cure opportunity). Upon any termination of the Agreement pursuant to this provision, Franchisor shall be entitled to any and all legal and equitable remedies available under the Agreement and applicable law, including, without limitation, the collection, as liquidated damages and not as a penalty, of an amount equal to the License Fees provided in the Agreement with respect to all Gross Sales of the Existing Business for all periods during which the breach is continuing or, if such period cannot be ascertained with certainty, during all periods during which this Addendum has been in effect. This provision shall survive any transfer, expiration, termination or non-renewal of the Agreement or the Franchised Business for the time period set forth in Section 9.D.3 of the Agreement.

4. **Inspections; Audits.** Franchisee shall make and if applicable shall cause its affiliate to make the books and records (including all electronic records) for the Existing Business available to Franchisor for inspection and audit, upon reasonable prior notice, so that Franchisor may verify Franchisee's compliance with the requirements of this Addendum, including the requirements in subparagraph 2(d) above. In addition, the provisions of Section 8.J of the Agreement regarding audits shall apply in all respects to the Existing Business and Franchisor shall have the same rights to access (including remotely) and audit the books and records of the Existing Business, and to require payment for the audit if the audit reveals that Franchisee did not comply with the requirements of this Addendum, in addition to any other remedies available to Franchisor hereunder or under the law.

5. **Franchisee's Representations and Warranties.** Franchisee hereby represents and warrants to Franchisor that it has all necessary power and authority to execute this Addendum, to bind the Existing Business to the terms hereof and to perform and comply with all of its obligations hereunder. There is no agreement or understanding (and Franchisee will not permit any such agreement or understanding to be entered into during the term of this Addendum) with respect to the Existing Business that would conflict with the terms of this Addendum.

6. **Construction.** Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. Except as specifically provided in this Addendum, the Agreement remains fully effective in all respects in accordance with its terms, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified specifically herein.

7. **No Restriction on In-Term and Post-Term Covenants.** Except as specifically stated in this Addendum, nothing in the Agreement or this Addendum or in the terms used herein shall be construed in any way to limit or restrict the application of the provisions of Section 9.D of the Agreement as it relates to the Existing Business or any other business Franchisee or any of its affiliates may engage in.

< SIGNATURES APPEAR ON THE NEXT PAGE >

FRANCHISEE:

_____
_____, individually

Date: _____

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC
A Delaware Limited Liability Company

BY: _____
Jason Kapica, President

Date: _____

Schedule J to the Franchise Agreement

STATE ADDENDUM

EXHIBIT B

AGENCIES/AGENTS
FOR SERVICE OF PROCESS

AGENCIES/AGENTS
FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	California Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll-free (866-275-2677)	Commissioner of Department of Business Oversight
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities King Kalakaua Building 335 Merchant Street, Room 205 Honolulu, HI 96813 (808) 586-2722	Hawaii Commissioner of Securities
ILLINOIS	Franchise Division Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-1090	Illinois Attorney General
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Bldg. 1st Floor Lansing, MI 48933 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651)-539-1600	Minnesota Commissioner of Commerce
NEW YORK	NYS Department of Law Investor Protection Bureau	Attention: New York Secretary of State New York Department of State

State	State Agency	Agent for Service of Process
	28 Liberty Street, 21st Floor New York, NY 10005-1495 (212) 416-8222	One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5th Floor State Capitol, Fifth Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
RHODE ISLAND	Rhode Island Department of Business Regulation Division of Securities 1511 Pontiac Avenue John O. Pastore Complex – Bldg. 69-1 Cranston, RI 02920 (401) 462-9500 x5	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	South Dakota Division of Insurance Securities Regulation 124 S Euclid, Suite 104 Pierre, SD 57501 (605) 773- 3563	Director of the South Dakota Division of Securities
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 (360) 902-8760	Director of Washington Financial Institutions Securities Division
WISCONSIN	Department of Financial Institutions Division of Securities 201 W. Washington Avenue, Suite 300 Madison, WI 53703 (608) 266-8559	Wisconsin Commissioner of Securities
OTHER STATES	N/A	Grayson C. Brown 1010 N. University Parks Drive Waco, TX 76707

EXHIBIT C

FINANCIAL STATEMENTS OF OUR PARENT

TDG Group Holding Company and Subsidiaries

Consolidated Financial Statements

As of December 31, 2019 and December 31, 2018 and for the year ended December 31, 2019 and for the periods from June 1, 2018 through December 31, 2018 (Successor) and January 1, 2018 through May 31, 2018 (Predecessor)

The report accompanying these financial statements was issued by **BDO USA, LLP,** a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

TDG Group Holding Company
and Subsidiaries

Consolidated Financial Statements

As of December 31, 2019 and December 31, 2018 and for the year ended December 31, 2019 and for the periods from June 1, 2018 through December 31, 2018 (Successor) and January 1, 2018 through May 31, 2018 (Predecessor)

TDG Group Holding Company and Subsidiaries

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www.bdo.com

600 North Pearl, Suite 1700
Dallas, TX 75201

Independent Auditor's Report

To the Board of Directors and Stockholder of
TDG Group Holding Company and Subsidiaries
Waco, Texas

We have audited the accompanying consolidated financial statements of TDG Group Holding Company and Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2019 and December 31, 2018, and the related consolidated statements of operations and comprehensive income (loss), changes in stockholder's equity, and cash flows for the year ended December 31, 2019, the period from June 1, 2018 through December 31, 2018 (Successor) and the period from January 1, 2018 through May 31, 2018 (Predecessor), and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of TDG Group Holding Company and Subsidiaries as of December 31, 2019 and December 31, 2018, and the results of its operations and its cash flows for the year ended December 31, 2019, the period from June 1, 2018 through December 31, 2018 (Successor) and the period from January 1, 2018 through May 31, 2018 (Predecessor), in accordance with accounting principles generally accepted in the United States of America.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Emphasis of a Matter

As discussed in Note 2 to the financial statements, the Company has changed its accounting policy related to revenue from contracts with customers on a modified retrospective approach due to the adoption of Accounting Standards Codification Topic 606, *Revenue From Contracts With Customers*. Our opinion is not modified with respect to this matter.

As discussed in Note 1 to the financial statements, on May 31, 2018 certain investors acquired 100% of the shares of the Company. The transaction was effected through a merger in which the Company continued as the surviving entity. In connection with the transaction, the Company became a new entity for financial reporting purposes and applied purchase accounting. The Company's assets and liabilities were recorded at their estimated fair values, which differed materially from the previously recorded amounts. As a result, the financial statements of the Successor periods are not comparable to the Predecessor period. Our report is not modified in respect to this matter.

BDO USA LLP

Dallas, Texas
March 27, 2020

Consolidated Financial Statements

TDG Group Holding Company and Subsidiaries

Consolidated Balance Sheets
($000's)

As of December 31,	**2019**	2018
Assets		
Current assets		
Cash	**$ 13,618**	$ 11,445
Restricted cash	**5,065**	238
Trade accounts receivable – net	**23,768**	19,753
Trade notes receivable - current portion – net	**7,594**	6,994
Inventories	**855**	869
Income tax receivable	**1,228**	-
Prepaid selling expenses	**909**	-
Other current assets	**3,285**	2,857
Total current assets	**56,322**	42,156
Property and equipment – net	**19,858**	18,710
Prepaid selling expenses – less current portion	**6,932**	-
Accounts receivable from affiliates	**-**	765
Trade notes receivable – less current portion - net	**22,073**	21,164
Intangible assets – net	**780,567**	777,781
Goodwill	**334,536**	324,612
Deferred tax assets	**16**	19
Other noncurrent assets	**111**	559
	$ 1,220,415	$ 1,185,766

TDG Group Holding Company and Subsidiaries

Consolidated Balance Sheets (continued)
($000's)

As of December 31,	**2019**	2018
Liabilities and Stockholder's Equity		
Current liabilities		
Trade accounts payable	**$ 6,765**	$ 11,656
Accrued liabilities	**31,162**	17,604
Income taxes payable	**-**	376
Deferred revenue - current	**10,234**	1,385
Current portion of long-term debt	**2,909**	2,653
Current portion of capital lease obligations	**693**	697
Total current liabilities	**51,763**	34,371
Long-term debt - less current portion	**514,635**	498,047
Capital lease obligations – less current portion	**827**	854
Deferred tax liabilities	**136,725**	139,643
Deferred revenue - less current portion	**30,077**	-
Commitments and Contingencies (Notes 9, 10 and 13)		
Stockholder's equity		
Common stock-par value $.01 per share authorized, issued and outstanding – 100 shares	**-**	-
Additional paid-in capital	**521,350**	521,264
Retained loss	**(34,609)**	(6,423)
Accumulated other comprehensive loss	**(353)**	(1,990)
Total stockholder's equity	**486,388**	512,851
	$ 1,220,415	$ 1,185,766

See accompanying notes to consolidated financial statements.

TDG Group Holding Company and Subsidiaries

Consolidated Statements of Operations and Comprehensive Income (Loss)
($000's)

	For the Year Ended December 31, 2019	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)
Revenues and income			
Franchise service fees	**$ 109,813**	$ 57,924	$ 35,967
Franchise sales fees	**5,289**	15,241	8,175
Sales of products and services	**75,508**	35,514	21,612
Advertising and promotional fund revenue	**29,718**	1,270	900
Interest and other	**17,692**	8,794	5,764
Total revenues and income	**238,020**	118,743	72,418
Costs and expenses			
Cost of products and services	**37,882**	17,250	9,801
Selling expense	**15,922**	10,776	7,059
General and administrative expense	**87,282**	48,341	32,281
Advertising and promotional fund expense	**30,686**	957	571
Equity-based compensation expense	**780**	522	34,005
Depreciation and amortization	**18,524**	9,934	4,208
Management and board fees and expenses	**3,662**	2,304	54
Transaction costs	**8,233**	8,236	32,151
Loss on impairment	**9,388**	-	-
Bad debt expense	**2,504**	1,586	1,823
Total costs and expenses	**214,863**	99,906	121,953
Operating income (loss)	**23,157**	18,837	(49,535)
Other expenses			
Interest	**46,666**	24,975	12,614
Total other expenses	**46,666**	24,975	12,614
Net loss before income taxes	**(23,509)**	(6,138)	(62,149)
Income tax expense (benefit)	**(4,120)**	285	(13,002)
Net loss	**(19,389)**	(6,423)	(49,147)
Other comprehensive income (loss) -			
Foreign currency translation adjustment	**1,637**	(1,990)	(757)
Comprehensive loss	**$ (17,752)**	$ (8,413)	$ (49,904)

See accompanying notes to consolidated financial statements.

TDG Group Holding Company and Subsidiaries

Consolidated Statements of Changes in Stockholder's Equity
($000's)

	Common Stock		*Paid - In*	*Retained*	*Accumulated Other Comprehensive*	
	Shares	*Amount*	*Capital*	*Earnings*	*Income (Loss)*	*Total*
Balance - December 31, 2017 (Predecessor)	1,000	$ -	$ 114,910	$ 24,816	$ (1,457)	$ 138,269
Equity based compensation	-	-	34,005	-	-	34,005
Foreign currency translation	-	-	-	-	(757)	(757)
Net income	-	-	-	(49,147)	-	(49,147)
Balance - June 1, 2018 (Predecessor)	1,000	-	148,915	(24,331)	(2,214)	122,370
Acquisition	(1,000)	-	(148,915)	24,331	2,214	(122,370)
Equity contribution for acquisition	100	-	503,717	-	-	503,717
Equity rollover for acquisition	-	-	17,675	-	-	17,675
Treasury stock, at cost	-	-	(650)	-	-	(650)
Stock based compensation	-	-	522	-	-	522
Foreign currency translation	-	-	-	-	(1,990)	(1,990)
Net loss	-	-	-	(6,423)	-	(6,423)
Balance - December 31, 2018 (Successor)	100	-	521,264	(6,423)	(1,990)	512,851
Adoption of accounting standard	-	-	-	(8,797)	-	(8,797)
Equity contribution for acquisition	-	-	262		-	262
Treasury stock, at cost	-	-	(956)	-	-	(956)
Stock based compensation	-	-	780	-	-	780
Foreign currency translation	-	-	-	-	1,637	1,637
Net loss	-	-	-	(19,389)	-	(19,389)
Balance - December 31, 2019	100	$ -	$ 521,350	$ (34,609)	$ (353)	$ 486,388

See accompanying notes to consolidated financial statements.

TDG Group Holding Company and Subsidiaries

Consolidated Statements of Cash Flows
($000's)

	For the Year Ended December 31, 2019	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)
Operating activities			
Net loss	**$ (19,389)**	$ (6,423)	$ (49,147)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	**18,524**	9,934	4,208
Amortization of deferred financing costs	**2,465**	1,356	711
Loss on impairment	**9,388**	-	-
Bad debt expense	**2,504**	1,586	1,823
Notes received for franchise sales	**(12,893)**	(8,896)	(3,418)
Notes received other than for franchise sales	**(2,787)**	(902)	(1,807)
Deferred income taxes	**(4,582)**	(800)	(12,458)
Equity-based compensation	**780**	522	34,005
Changes in assets and liabilities, net of business acquisitions:			
Accounts receivable	**(4,679)**	1,250	(2,040)
Interest receivable	**9**	14	(20)
Inventories	**17**	167	(69)
Prepaid expenses and other assets	**(4,301)**	(308)	(25)
Other intangible assets	**(41)**	(532)	(559)
Accounts payable	**(5,708)**	3,702	(44)
Accrued liabilities	**12,923**	935	32,459
Income taxes payable	**(2,153)**	836	(1,550)
Deferred franchise revenue	**18,665**	(46)	391
Net cash provided by operating activities	**8,742**	2,395	2,460
Investing activities			
Acquisitions, net of cash received	**(28,077)**	(632,285)	(26,439)
Purchase of property, equipment and other assets	**(6,667)**	(3,326)	(2,982)
Collections of notes receivable	**13,119**	6,206	4,786
Net cash used in investing activities	**(21,625)**	(629,405)	(24,635)
Financing activities			
Adoption of accounting standard	**6,033**	-	-
Contribution of equity	**262**	503,717	-
Treasury stock purchased	**(956)**	(650)	-
Deferred financing costs paid	**(338)**	(14,137)	(191)
Payments/proceeds from related party accounts receivable	**-**	-	891
Payments on revolver	**(21,000)**	(23,300)	(6,500)
Proceeds from revolver	**11,000**	33,300	3,000
Payments on long-term borrowings	**(6,277)**	(378,662)	(1,028)
Proceeds from long-term borrowings	**30,962**	506,354	30,274
Net cash provided by financing activities	**19,686**	626,622	26,446
Effect of foreign currency translation on cash	**197**	(1,384)	(624)
Net increase (decrease) in cash and restricted cash	**7,000**	(1,772)	3,647
Cash and restricted cash - Beginning of period	**11,683**	13,455	9,808
Cash and restricted cash - End of period	**$ 18,683**	$ 11,683	$ 13,455
Supplemental cash flow disclosures:			
Cash paid for income taxes	**$ 775**	$ 109	$ 1,063
Cash paid for interest	**$ 43,946**	$ 23,998	$ 15,074

See accompanying notes to consolidated financial statements.

1. Organization and Description of Business

Organization and Description of Business

TDG Group Holding Company and Subsidiaries ("we", "our" and the "Company") is a Delaware corporation and is the parent company of a number of franchisors and related supporting businesses operating in the United States and internationally which include the following companies: Mr. Rooter, Rainbow, Mr. Electric, Aire Serv, Mr. Appliance, Glass Doctor, Grounds Guys, Molly Maid, Mr. Handyman, Five Star, Mosquito Joe, Real Property Management, Window Genie, ZorWare, Drain Doctor, Locatec, Countrywide, Bright and Beautiful, Dream Doors, and ProTradeNet.

In addition, the Company owns Portland Glass, which offers auto, home, and business glass repair and replacement through company owned stores located in Maine, Vermont, and New Hampshire.

Acquisition of the Company

On May 31, 2018, Harvest Partners VII, L.P., and associated affiliates and co-investors, formed TDG Investments Holdings, LLC which, through other wholly-owned subsidiaries acquired 100% of the shares of the Company. The consideration paid consisted of $515,569 of cash to the sellers, $380,732 to repay outstanding debt, $4,176 of assumed debt and equity rollover with a fair value of $17,675. The transaction was effected through a merger in which we continued as the surviving entity. The purchase price has been allocated to the assets acquired and liabilities assumed by the Company and its subsidiaries based on third-party valuation studies and management estimates of their fair value in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 805, Business Combinations, on May 31, 2018 (the "Date of Acquisition").

The purchase price was allocated as follows:

Working capital	$	**11,426**
Debt assumed-net		**(1,749)**
Notes receivable		**25,637**
Property and equipment		**18,255**
Trademarks		**469,650**
Systems-in-place		**95,540**
Franchise relationships		**158,983**
National account relationships		**14,786**
Insurance company relationships		**1,890**
Goodwill		**263,701**
Other assets		**490**
Deferred income taxes, net		**(140,457)**
Total consideration	$	**918,152**

The Company does not expect to deduct any of the goodwill for tax purposes.

Throughout this document we refer to Successor and Predecessor. The term "Successor" refers to the Company following the Date of Acquisition, and the term "Predecessor" refers to the Company prior to the Date of Acquisition. As a result of the application of purchase accounting to this transaction, the Company's financial statements for the Successor Periods are not comparable to the Predecessor Period, which is from January 1, 2018 through May 31, 2018.

Acquisition costs and equity-based compensation incurred by the Company of $9,939 and $34,005, respectively, are included in the accompanying consolidated statement of operations and comprehensive income (loss) for the period from January 1, 2018 through May 31, 2018 (Predecessor). In addition, the Company recorded expenses of $21,300 which were contingent upon the closing of the acquisition for the period from January 1, 2018 through May 31, 2018 (Predecessor). Transaction expenses incurred on behalf of the Company of $4,100 are included in the period from June 1, 2018 through December 31, 2018 (Successor). Transaction expenses for the year ended December 31, 2019 includes $6,806 associated with the revaluation of contingent consideration associated with this transaction.

Acquisitions

During 2019, the Company acquired Dream Doors. The purchase price of the acquisition of $30,632 has been allocated to the assets acquired and liabilities assumed by the Company based on third-party valuation studies and management estimates of their fair value in accordance with FASB ASC Topic 805, Business Combinations, on the date of acquisition.

The total purchase price was allocated as follows:

Working capital	$	**1,491**
Property and equipment		**320**
Tradename		**13,500**
Systems-in-place		**2,600**
Franchise relationships		**7,500**
Goodwill		**9,596**
Deferred tax liability		**(4,375)**
Total consideration	$	**30,632**

The Company does not expect to deduct the resulting goodwill for tax purposes. Transaction costs totaling $1,427 were paid at closing and are included in the accompanying consolidated statement of operations.

During 2018, the Company acquired Real Property Management and Mosquito Joe brands. The purchase price of the acquisitions of $132,559 has been allocated to the assets acquired and liabilities assumed by the Company based on third-party valuation studies and management estimates of their fair value in accordance with FASB ASC Topic 805, Business Combinations, on the dates of the respective acquisitions.

The total purchase price was allocated as follows:

Working capital	$	**1,741**
Property and equipment		**213**
Tradename		**39,000**
Systems-in-place		**9,600**
Franchise relationships		**10,540**
National account relationships		**1,240**
Goodwill		**70,225**
Total consideration	$	**132,559**

The Company expects to deduct the resulting goodwill for tax purposes. Transaction costs totaling $5,588 were paid at closing and are included in the accompanying consolidated statement of operations.

2. Summary of Significant Accounting Policies

Recent Accounting Pronouncements

In January 2017, the FASB issued Accounting Standards Update ("ASU") 2017-04, Intangibles – Goodwill and Other, which simplifies the test for goodwill impairment by removing the second step of the two-step impairment test. A goodwill impairment will now be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. All other goodwill impairment guidance will remain largely unchanged. Entities will continue to have the option to perform a qualitative assessment to determine if a quantitative impairment test is necessary. The same one-step impairment test will be applied to goodwill at all reporting units, even those with zero or negative carrying amounts. Entities will be required to disclose the amount of goodwill at reporting units with zero or negative carrying amounts. For nonpublic entities, the standard is effective for annual periods beginning after December 15, 2022 with early application permitted for tests performed after January 1, 2017. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in ASU 2016-02 (as subsequently amended by ASU 2018-01, ASU 2018-10, ASU 2018-11 and ASU 2018-20) requires that a lessee recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. As with previous guidance, there continues to be a differentiation between finance leases and operating leases, however this distinction now primarily relates to differences in the manner of expense recognition over time and in the classification of lease payments in the statement of cash flows. Lease assets and liabilities arising from both finance and operating leases will be recognized in the statement of financial position. ASU 2016-02 leaves the accounting for leases by lessors largely unchanged from previous GAAP. The transitional guidance for adopting the requirements of ASU 2016-02 calls for a modified retrospective approach that includes a number of optional practical expedients that entities may elect to apply. In addition, ASU 2018-11 provides for an additional (and optional) transition method by which entities may elect to initially apply the transition requirements in Topic 842 at that Topic's effective date with the effects of initially applying Topic 842 recognized as a cumulative effect adjustment to the opening balance of retained earnings in the period of adoption and without retrospective application to any comparative prior periods presented. Also, ASU 2018-20 provides certain narrow-scope improvements to Topic 842 as it relates to lessors. The ASU is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 amends the impairment model by requiring entities to use a forward-looking approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade receivables. In November 2018, the FASB issued ASU No. 2018-19, Codification Improvements to Topic 326, Financial Instruments - Credit Losses ("ASU 2018-19"), which clarifies that receivables arising from operating leases are accounted for using lease guidance and not as financial instruments. In April 2019, the FASB issued ASU No.

2019-04, Codification Improvements to Topic 326, Financial Instruments - Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments ("ASU 2019-04"), which clarifies the treatment of certain credit losses. In May 2019, the FASB issued ASU No. 2019-05, Financial Instruments - Credit Losses (Topic 326): Targeted Transition Relief ("ASU 2019-05"), which provides an option to irrevocably elect to measure certain individual financial assets at fair value instead of amortized cost. In November 2019, the FASB issued ASU No. 2019-11, Codification Improvements to Topic 326, Financial Instruments - Credit Losses ("ASU 2019-11"), which provides guidance around how to report expected recoveries. ASU 2016-13, ASU 2018-19, ASU 2019-04, ASU 2019-05 and ASU 2019-11 (collectively, "ASC 326") are effective for fiscal years beginning after December 15, 2022, with early adoption permitted. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

In December 2019, the FASB released ASU 2019-12, Income Tax (Topic 740): Simplifying the Accounting for Income Taxes, which affects general principles within Topic 740, Income Taxes. The amendments of ASU 2019-12 are meant to simplify and reduce the cost of accounting for income taxes. The FASB has stated that the ASU is being issued as part of its Simplification Initiative, which is meant to reduce complexity in accounting standards by improving certain areas of GAAP without compromising information provided to users of financial statements. The standard is effective for annual periods beginning after December 15, 2021 with early adoption permitted. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

Principles of Consolidation

The accompanying consolidated financial statements as of December 31, 2019 and 2018 include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Reclassifications

Certain reclassifications have been made to conform prior year balances to the current year presentation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition, Accounts Receivable, Notes Receivable, and Allowances

Effective January 1, 2019, we adopted Accounting Standards Update 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all subsequent ASUs that modified Topic 606. The new guidance clarifies the principles used to recognize revenue for all entities and requires companies to recognize revenue when it transfers goods or services to a customer in an amount that reflects the consideration to which a company expects to be entitled. We elected to apply the modified retrospective method of adoption to those contracts which were entered into subsequent to the Date of Acquisition and not completed as of January 1, 2019. Results for reporting periods beginning after January 1, 2019 are presented under Topic 606. Prior period amounts are not adjusted and continue to be reported in accordance with our historical accounting under ASC Topic 605, Revenue Recognition (previous standard). Our transition to Topic 606 represents a change in accounting principle.

The Company's primary sources of revenues are as follows:

- Franchise service fees from existing franchise owners based on a percentage of each franchise owner's gross sales. These fees generally range from 2% to 15% of the franchise owner's weekly sales, depending upon the particular franchise concept and upon various other factors;

- Franchise fees generated from the sale of new franchise territories and the sale of additional franchise territories to existing franchise owners;

- Rebate income from purchases from vendors;

- Sales of products and services to unrelated third parties;

- Interest generated from notes receivable;

- Marketing, advertising and promotional ("MAP") fund fees are collected from existing franchise owners. These fees are typically a percentage of each franchise owners gross sales and vary depending upon the particular franchise concept and various other factors.

Typically, franchise agreements are granted to franchise owners for an initial term of ten years with an option to renew. Our performance obligations under franchise agreements consist of providing a license of our brand's intellectual property, a list of approved suppliers, certain training programs, an operations manual, and to maintain the MAP fund. These performance obligations are highly interrelated so we do not consider them to be individually distinct, and therefore account for them under Topic 606 as a single performance obligation. Revenue related to franchise agreements are recognized evenly over the term of the agreement with the exception of sales-based royalties, MAP fund fees and revenue allocated to goods and services distinct from the franchise right.

Under Topic 606, recognition of these fees is deferred and recognized over time based on the term of the underlying franchise agreement. In the event a franchise agreement is terminated, any remaining deferred fees are recognized in the period of termination. Under the previous guidance, initial franchise fees were recognized upon execution of the contract, receipt of the franchise fee or executed promissiory note and completion of initial training.

The Company extends credit to entities for the purchase of franchises. These entities are typically controlled by individuals who operate their businesses as an owner/manager. Generally, the loans are collateralized by the related franchise territory rights. The Company also extends unsecured credit to its franchise owners for unpaid franchise service fees. The Company places notes receivable on nonaccrual status when payment is ninety days past due. Interest on trade notes receivable is recorded as income when earned. The adoption of Topic 606 did not materially impact the recognition of these sources of revenue. Each entity's ability to perform is dependent upon the economic condition of the business. The Company maintains ongoing credit evaluations of its franchise owners. Allowances for doubtful accounts and notes receivable are provided based upon past loss experience, known and inherent risks in the accounts, adverse situations that may affect a franchise owner's ability to repay, and current economic conditions.

Franchise service fee revenues represent sales-based royalties that are related entirely to our performance obligation under the franchise agreement and are recognized in the period in which the sales occur. Sales-based royalties are variable consideration related to our performance obligations to our franchise owners to maintain the intellectual property being licensed. The adoption of Topic 606 did not impact the recognition of franchise service fees.

The adoption of Topic 606 revised the principal versus agent determination of these arrangements. When we are determined to be the principal in these arrangements, advertising fund contributions and expenditures are reported on a gross basis in the consolidated statements of operations. Our obligation related to these funds is to administer the MAP fund, keep unused MAP fees in segregated bank accounts and use MAP fees for certain activities related to the marketing and promotion of the individual brands. In North America, any unspent fees collected must be refunded to franchise owners if the MAP fund is terminated. Therefore MAP fees in North America are deemed earned and recorded when the expenses of the MAP fund are incurred. While this change materially impacts the gross amount of reported franchise and license revenue and costs of franchise and license revenue, the impact is generally an offsetting increase to both revenue and expense with little, if any, impact on operating income and net income. The Company's European Brands do not have the same restrictions on the MAP funds and these revenues are recognized in the period in which the sales occur. Topic 606 did not have a significant impact on advertising fees for our European brands as they generally were already included in our consolidated results.

Revenues from product sales are recognized upon transfer of title, when the work is performed (percentage of completion for long term construction contracts) or orders are shipped. Rebate income is recognized as purchases are made by franchise owners from vendors and rebates are earned. Revenues from services are recognized upon completion of the service. The adoption of Topic 606 did not materially impact the recognition of these sources of revenue.

Financial Statement Impact of Adoption

The following tables summarize the impact of adopting Topic 606 on our financial statement line items as of December 31, 2019 and for the year ended December 31, 2019:

Consolidated Balance Sheet	As Reported	Adjustments	Balances without adoption of Topic 606
Restricted cash	$ 5,065	$ (4,835)	$ 230
Accounts receivable from affiliates	-	1,162	1,162
Income tax receivable	1,228	(139)	1,089
Prepaid selling expenses – current	909	(909)	-
Prepaid selling expenses – less current portion	6,932	(6,932)	-
Deferred revenue - current	10,234	(8,354)	1,880
Deferred tax liabilities	136,725	6,316	143,041
Deferred revenue – less current portion	30,077	(30,077)	-
Retained earnings (loss)	(34,609)	20,446	(14,163)
Accumulated other comprehensive income (loss)	(353)	15	(338)

Consolidated Statement of Operations	As Reported	Adjustments	Balances without adoption of Topic 606
Franchise sales fees	$ 5,289	$ 19,743	$ 25,032
Advertising and promotional fund revenue	29,718	(27,225)	2,493
Sale of products and services	75,508	224	75,732
Selling expenses	15,922	4,514	20,436
General and administrative expenses	87,282	104	87,386
Advertising and promotional fund expenses	30,686	(27,225)	3,461
Provision for income taxes	(4,120)	3,700	(420)
Net loss	(19,389)	11,649	(7,740)

Contract Balances

The contract liabilities which we classify as "deferred revenue" consists primarily of the unamortized portion of initial franchise fees that are currently being amortized into revenue, amounts related to pending agreements, deferred MAP fees that have not yet been spent, or other deferred revenues not related to franchise agreements. Contract deferred franchise revenue represents our remaining performance obligations to our franchise owners, excluding amounts of variable consideration related to sale-based royalties and advertising. The deferred MAP fees and other deferred revenues not related to the franchise agreements are included in current deferred revenue.

The components of the change in deferred revenue are as follows:

Balance, December 31, 2018	$	1,385
Cumulative effect MAP Fund revenue adjustment recognized upon adoption of Topic 606		5,696
Cumulative effect franchise agreement adjustment recognized upon adoption of Topic 606		14,228
Change in deferred MAP fund revenue		(1,479)
Fees received from franchise owners		25,106
Franchise sales revenue recognized		(5,289)
Other changes in deferred revenue		664
Balance, December 31, 2019		40,311
Less current portion		10,234
Deferred revenue noncurrent	$	30,077

As of December 31, 2019, the deferred revenue expected to be recognized for each of the next five years and in the aggregate is as follows:

Years ending December 31,	
2020	**$ 10,234**
2021	**3,970**
2022	**3,928**
2023	**3,842**
2024	**3,700**
Thereafter	**14,637**
	$ 40,311

Selling expenses paid when the franchise agreement is executed are recorded as a contract asset and amortized over the life of the agreement consistent with the recognition of the deferred revenue. Contract assets are included in prepaid selling expenses. The cumulative effect adjustment to these assets upon adoption of Topic 606 was $3,324. In 2019, $5,950 of costs were paid and expense of $1,391 was recognized. The ending asset for deferred contract costs as of December 31, 2019 was $7,841, of which $909 was current.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was $7,142 for the year ended December 31, 2019, $2,449 for the period from June 1, 2018 through December 31, 2018 (successor) and $1,648 for the period from January 1, 2018 through May 31, 2018 (predecessor).

Inventories

Inventories consist of products to be sold and are stated at the lower of cost (first-in, first-out method) or market.

Property and Equipment

Property and equipment is stated at cost and is depreciated using the straight-line method over the estimated useful lives of the respective assets as follows: buildings and improvements (30 years), machinery, equipment, and vehicles (3-5 years), and furniture and fixtures (5 years). Additions, renewals, and betterments are capitalized; maintenance and repairs which do not extend the useful life of the asset are expensed as incurred. Management evaluates long-lived assets used in operations for impairment when indications of impairment are present. Impairment losses are recorded in the amount that carrying value exceeds fair market value when the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of the assets. No impairment losses were recorded during the years ended December 31, 2019 and 2018.

Goodwill

Goodwill represents the excess of acquisition cost over the fair value of assets acquired, including specifically identifiable intangibles. The Company tests goodwill annually for impairment, or earlier if events or changes in circumstances indicate that impairment may exist. Management's annual impairment tests were performed as of October 1, 2019 and 2018, and Management determined that there was no impairment of goodwill in the consolidated financial statements.

Intangible Assets

Intangible assets consist of trademarks, systems-in-place, franchise relationships, national accounts, and insurance company relationships. Franchise relationships, insurance company relationships, and national accounts are stated at their estimated fair value at the date of acquisition, less amortization. National accounts relationships and insurance company relationships are amortized over their estimated useful lives of 15 years using the straight-line method. Franchise relationships are amortized over their estimated useful life of 10-15 years using the straight-line method. Trademarks and systems-in-place, which are each stated at their estimated fair value at the date of acquisition less any recognized impairment losses, and trademarks acquired subsequent thereto, are not amortized, as their useful lives are considered indefinite, but are subject to annual impairment testing. Management's annual impairment test for indefinite lived intangibles was performed as of October 1. Impairment expense of $9,388 was recorded in 2019. Management determined that no impairment occurred in 2018.

Whenever events or changes in circumstances indicate that the carrying amount for an asset may not be recoverable, the Company evaluates, for impairment, the carrying value of acquired definite lived intangible assets by comparing the carrying value to the anticipated future undiscounted cash flows expected to be generated from the use of the intangible assets. If the carrying amount is not recoverable, a loss is recorded in the amount the carrying value exceeds the fair market value of the assets.

Income Taxes

Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the consolidated financial statement carrying amounts of assets and liabilities and their respective tax basis. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in tax expense in the period that includes the enactment date.

The Company establishes valuation allowances in accordance with the provisions of FASB ASC Topic 740, *Income Taxes*. The Company reviews the adequacy of any valuation allowance and recognizes tax benefits only when it is more likely than not that the benefits will be realized.

The Company measures, classifies, and discloses uncertain tax benefits in accordance with FASB ASC Topic 740-10, *Income Taxes-Overall*. The Company has elected to classify interest and penalties related to uncertain tax benefits as a component of income tax expense.

Equity-based Compensation

The Company accounts for equity-based compensation under FASB ASC Topic 718, *Compensation-Stock Compensation*. This pronouncement requires the measurement of all equity-based payments to employees using a fair-value-based method and the recording of such expense in the accompanying consolidated statements of operations and comprehensive income (loss). The Company participates in an equity-based employee compensation plan, which is described more fully in Note 5.

Consolidation of Variable Interest Entities

FASB ASC Topic 810-10, *Consolidation,* applies to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. Such an entity is referred to as a variable interest entity ("VIE"). FASB ASC Topic 810-10 requires the consolidation of a VIE by its primary beneficiary. The primary beneficiary is the entity, if any, that has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The Company evaluates its franchise arrangements and has concluded that it is not the primary beneficiary of any of its franchise owners.

Foreign Currency Translation

Assets and liabilities of foreign subsidiaries are translated into U.S. dollars at the rates in effect at the balance sheet date. Revenues and expenses are translated at average rates for the period. The net exchange differences resulting from these translations are recorded in accumulated other comprehensive loss in the accompanying consolidated balance sheets. Where amounts denominated in a foreign currency are converted into U.S. dollars by remittance or repayment, the realized exchange differences are included in the accompanying consolidated statements of operations and comprehensive income (loss).

Cash and Cash Equivalents

The Company considers all cash and highly liquid investments purchased with an initial maturity of three months or less to be cash or cash equivalents.

Cash consists primarily of cash on hand and cash on deposit. Restricted cash includes funds held for the MAP funds.

Cash at December 31, consists of the following:

		2019		2018
Cash	**$**	**13,618**	$	11,445
Restricted cash		**5,065**		238
Total cash and restricted cash	**$**	**18,683**	$	11,683

The Company maintains its cash in banks in which deposits may, from time to time, exceed federally insured limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks related to cash.

Fair Value of Financial Instruments

In accordance with FASB ASC 820, *Fair Value Measurements,* certain assets and liabilities are carried at fair value and are categorized based on the level of judgment associated with the inputs used to measure their fair value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

Level 3 - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The Company believes the carrying amounts of financial instruments as of December 31, 2018, including cash, restricted cash, accounts receivable and accounts payable, approximate their fair values due to their short maturities. The Company's long-term debt and trade notes receivable bear interest at market rates. Thus, Management believes their carrying amounts approximate fair value (Level 3).

The Company's non-financial assets measured at fair value on a non-recurring basis include goodwill and other intangible assets reported in connection with business combinations and impairment evaluations. If the Company deems a quantitative impairment assessment necessary, goodwill and other indefinite life intangible assets are measured for impairment on an annual basis. The trade names and systems in place were valued using the relief from royalty method and the franchise relationships, national account relationships, and insurance company relationships were valued using the multi-period excess earnings method. The future projections and estimates used for the valuations are considered Level 3 inputs.

3. Debt Agreements

At the Date of Acquisition, the Company paid off its existing debt agreements and entered into a new debt facility (the "Credit Agreement") to facilitate the acquisition. As of December 31, 2019 the Credit Agreement and its subsequent amendments provide for, among other things, (a) a term loan with a commitment of $505,822 ("Term Loan"), (b) a revolver of $40,000 ("Revolver"), and (c) a Delayed Draw Term Loan Commitment ("DDTL") of $100,000, all of which are due May 31, 2024.

Interest on all borrowings under the Credit Agreement is paid quarterly. The Credit Agreement bears interest at a rate per annum equal to the Adjusted Eurocurrency Rate for the applicable Interest Period plus the Applicable Margin or the Alternate Base Rate ("ABR") plus the Applicable Margin, as elected by the Company. The applicable margin varies dependent upon the Total Net Leverage Ratio of the Company. The premium on the Term Loan, DDTL and Revolver was 5.5% for Eurocurrency based loans as of December 31, 2019. The effective interest rate at December 31, 2019 and 2018, was 7.60% and 7.87%, respectively, for the Term Loan and DDTL. No balance was outstanding on the revolver as of December 31, 2019. The Revolver had a $10 million balance

outstanding at December 31, 2018, consisting of two draws of $4 million and $6 million, and the interest rates were 9.75% and 7.84%, respectively.

The Credit Agreement is secured by substantially all assets of the Company and its subsidiaries. The agreement requires, among other things, maintenance by the Company of minimum levels of leverage to EBITDA ratio. As of December 31, 2019, the Company was in compliance with all covenants.

In 2019, the Company made a draw of $30,000 on the Delayed Draw Term Loan Commitment. In conjunction with the new borrowings in 2019 and 2018, transaction fees of $338 and $14,137, respectively, were capitalized as deferred financing costs, to be amortized over the term of the debt agreement using the effective interest method. A total of $2,465 of capitalized costs were expensed in 2019. A total of $2,332 of previously capitalized deferred financing costs were expensed in the accompanying consolidated statement of operations and comprehensive income (loss) for the period from June 1, 2018 through December 31, 2018 (Successor).

Debt at December 31, consists of the following:

		2019		2018
Term Loan	**$**	**528,197**	$	503,481
Revolver		**-**		10,000
Deferred financing costs – net		**(10,653)**		(12,781)
Total debt		**517,544**		500,700
Less current portion		**2,909**		2,653
Long-term debt	**$**	**514,635**	$	498,047

Future maturities of long-term debt at December 31, 2019, are as follows:

Years ending December 31,	
2020	**$ 5,358**
2021	**5,358**
2022	**5,358**
2023	**5,358**
2024	**506,765**
Thereafter	**-**
	$ 528,197

4. Intangible Assets and Goodwill

Intangible assets at December 31, 2019, consist of the following:

	Useful Life	**Gross Amount**	**Accumulated Amortization**	**Net Amount**
Franchise relationships	10-15 years	**$ 172,362**	**$ 17,965**	**$ 154,397**
Insurance company relationships	15 years	**1,890**	**200**	**1,690**
National accounts	15 years	**14,842**	**1,567**	**13,275**
Total definite-lived intangibles		**$ 189,094**	**$ 19,732**	**$ 169,362**

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Trademarks	Indefinite	$ 514,909	$ 7,214	$ 507,695
Systems-in-place	Indefinite	105,684	2,174	103,510
Total indefinite-lived intangibles		$ 620,593	$ 9,388	$ 611,205

Intangible assets at December 31, 2018, consist of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Franchise relationships	15 years	$ 164,583	$ 6,328	$ 158,255
Insurance company relationships	15 years	1,890	74	1,816
National accounts	15 years	14,786	575	14,211
Total definite-lived intangibles		$ 181,259	$ 6,977	$ 174,282

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Trademarks	Indefinite	$ 500,559	$ -	$ 500,559
Systems-in-place	Indefinite	102,940	-	102,940
Total indefinite-lived intangibles		$ 603,499	$ -	$ 603,499

Amortization expense was $12,699 for the year ended December 31, 2019, $6,947 for the period from June 1, 2018 through December 31, 2018 (Successor) and $2,380 for the period from January 1, 2018 through May 31, 2018 (Predecessor). Estimated amortization expense for the subsequent five years is as follows:

Years ending December 31,	
2020	$ 12,860
2021	12,860
2022	12,860
2023	12,860
2024	12,860
Thereafter	105,062
	$ 169,362

Goodwill

The Company has three reporting units with goodwill assigned based on the studies completed for the acquisition of the Company and subsequent acquisitions.

The changes in the carrying amount of goodwill for the year ended December 31, 2019 are as follows:	
Balance as of January 1, 2019	$ 324,612
Goodwill recorded from acquisitions	9,849
Adjustment recorded for unrealized gain/loss on foreign currency	75
Balance as of December 31, 2019	$ 334,536

5. Equity-based Compensation

In May 2018, TDG Management Holdings, LP ("TDGMH"), a co-investor with Harvest Partners, created a Profits Interest Program which provides for profits interest awards to be granted to officers, employees, or consultants of TDGMH or its subsidiaries. A total of 1,197,608 profits interest units are available for grant.

In May 2018, TDGMH granted certain employees common stock units under the Profits Interest Program. The profits interest are exercisable only to the extent they are vested, and do not expire. Generally, vesting of a portion of the profits interests (25%) is subject to the passage of time; the balance (75%) vest based on TDG Investment Holdings, LP achieving defined financial goals upon a sale of TDG Investment Holdings, LP. Based on continuous employment, time-based profits interest units vest 20% eighteen months after grant with the remainder of each grant vesting 20% per year at the second, third, fourth and fifth anniversaries of the grant. At December 31, 2019 the weighted average remaining contractual life is 3.5 years. Equity-based compensation expense recorded for the year ended December 31, 2019 and the period from June 1, 2018 through December 31, 2018 (Successor) was $780 and $522, respectively.

	Number of Underlying Units
Outstanding – May 31, 2018	-
Granted	966,469
Forfeited	(15,569)
Redeemed	-
Outstanding – December 31, 2018	950,900
Granted	54,233
Forfeited	(155,090)
Redeemed	-
Outstanding – December 31, 2019	850,043
Vested and Exercisable – December 31, 2019	46,976

In August 2014, the Company established the 2014 Equity and Performance Incentive Plan which provides for stock option awards to be granted to officers, employees, or consultants of the Company or its subsidiaries. A total of 163,081 options were available for grant.

In 2017, the Company granted certain employees options to purchase shares of common stock under the 2014 Equity and Performance Plan. The options were exercisable only to the extent they were vested, and expired 10 years after the date of grant. Generally, vesting of a portion of the options (10%) was subject to the passage of time; the balance (90%) vested based on the Company achieving defined financial goals upon a sale of the Company. Based on continuous employment, the 2014 time-based options vested at 25% per year on each of the first four anniversaries from grant with the 2015-2017 time-based options vesting 20% per year on each of the first five anniversaries from grant. Accelerated vesting of all unvested options occurred upon a sale of the Company.

The 2014 Equity and Performance Plan was terminated in connection with the sale of the Company on the Date of Acquisition. All issued and outstanding options became fully vested resulting in $34,005 of expense being recognized in the accompanying consolidated statement of operations and

comprehensive income (loss) for the period from January 1, 2018 through May 31, 2018 (Predecessor).

6. Trade Notes Receivable

The Company receives notes from the sale of new franchises. The rights to the related franchise territory sold generally collateralize these notes. The Company also from time-to-time receives notes for delinquent franchise service fees. Such notes, at December 31, 2019 and 2018, bear interest at rates typically ranging from 7% to 12% and generally require equal monthly installments over a life of one to ten years.

A summary of notes receivable as of December 31 is as follows:

	2019	2018
Amounts due within one year, net of allowance for doubtful accounts of $850 in 2019 and $1,271 in 2018	$ 7,594	$ 6,994
Amounts due after one year, net of allowance for doubtful accounts of $2,426 in 2019 and $3,906 in 2018	22,073	21,164
Total notes receivable, net	$ 29,667	$ 28,158

An analysis of the changes in notes receivable for the years ended December 31 is as follows:

	2019	2018
Gross notes receivable, beginning of year	$ 33,335	$ 30,763
Notes receivable from acquisitions	-	234
Principal payments received	(13,128)	(11,024)
Notes issued	15,686	15,046
Net write-offs	(3,027)	(1,540)
Foreign currency translation	77	(144)
Gross notes receivable, end of year	32,943	33,335
Allowance for doubtful accounts	(3,276)	(5,177)
Net notes receivable, end of year	$ 29,667	$ 28,158

An analysis of the changes in the notes receivable allowance for doubtful accounts for the years ended December 31 is as follows:

	2019	2018
Allowance, beginning of year	$ 5,177	$ 4,142
Allowance, notes receivable from acquisitions	-	206
Provisions for bad debts	1,109	2,413
Net write-offs	(3,027)	(1,540)
Foreign currency translation	17	(44)
Allowance, end of year	$ 3,276	$ 5,177

Scheduled future maturities of notes receivable are as follows:

Years ending December 31,	
2020	**$ 8,444**
2021	**6,580**
2022	**5,659**
2023	**4,826**
2024	**3,918**
Thereafter	**3,516**
	$ 32,943

7. Trade Accounts Receivable

An analysis of the changes in the trade accounts receivable allowance for doubtful accounts for the years ended December 31 is as follows:

		2019		2018
Allowance, beginning of year	**$**	**1,955**	$	2,188
Allowance from acquisitions		**253**		147
Provision for bad debts		**1,395**		996
Net write-offs		**(1,536)**		(1,338)
Foreign currency translation		**14**		(38)
Allowance, end of year	**$**	**2,081**	$	1,955

8. Property and Equipment

A summary of property and equipment at December 31 is as follows:

		2019		2018
Land	**$**	**1,126**	$	1,126
Building and improvements		**9,686**		8,660
Machinery and equipment		**784**		624
Hardware		**4,758**		2,908
Software		**8,297**		5,629
Furniture and fixtures		**864**		580
Vehicles under capital lease		**2,912**		2,167
Total property and equipment		**28,427**		21,694
Less accumulated depreciation		**8,569**		2,984
Property and equipment – net	**$**	**19,858**	$	18,710

Depreciation expense was $5,826 for the year ended December 31, 2019, $2,987 for the period from June 1, 2018 through December 31, 2018 (Successor) and $1,828 for the period from January 1, 2018 through May 31, 2018 (Predecessor).

9. Operating Lease Commitments

The Company leases office and retail space for its company-owned stores and office space for certain of its corporate employees. The Company also subleases certain properties. Rent expense is recognized on a straight-line basis over the terms of the leases.

Future minimum rental payments under all operating leases, net of subleases, with initial or remaining non-cancelable terms in excess of one year as of December 31, 2019, are as follows:

Years ending December 31,	Lease Obligations	Sublease Rentals	Net Obligation
2020	$ 2,685	$ (30)	$ 2,655
2021	2,012	-	2,012
2022	1,724	-	1,724
2023	1,476	-	1,476
2024	817	-	817
Thereafter	804	-	804
Total	$ 9,518	$ (30)	$ 9,488

Rent expense was $2,686 for the year ended December 31, 2019, $1,519 for the period from June 1, 2018 through December 31, 2018 (Successor), and $1,024 for the period from January 1, 2018 through May 31, 2018 (Predecessor), which amount was net of sublease rental income of $81, $26 and $18, respectively.

10. Capital Lease Commitments

The Company leases vehicles under capital lease agreements expiring at various dates through 2019. The Company had $1,520 and $1,551 in leased property under capital leases as of December 31, 2019 and 2018, respectively.

As of December 31, 2019, the future minimum rental payments under capital leases are as follows:

Years ending December 31,	
2020	$ 810
2021	451
2022	351
2023	147
2024	5
Thereafter	-
	$ 1,764

The obligations under capital leases were recorded at the fair market value of the leased property and have imputed interest rates ranging from a fixed rate between 4.99% and 7.86%. Obligations under capital leases at December 31, 2019 and 2018, are as follows:

	2019	2018
Future minimum payments due under capital leases	**$ 1,764**	$ 2,080
Less amounts representing interest	**244**	529
Present value of obligations under capital leases	**1,520**	1,551
Current portion of obligations under capital leases	**693**	697
Long-term portion of obligations under capital leases	**$ 827**	$ 854

11. Income Taxes

The provision for income taxes for the years ended December 31 is as follows:

	For the Year Ended December 31, 2019	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)
Current:			
Federal	**$ 150**	$ 400	$ 79
State	**184**	73	(859)
Foreign	**395**	612	236
Total current	**729**	1,085	(544)
Deferred:			
Federal	**(3,623)**	(761)	(10,189)
State	**(359)**	(19)	(2,496
Foreign	**(867)**	(20)	227
Total deferred	**(4,849)**	(800)	(12,458)
Total tax expense (benefit)	**$ (4,120)**	$ 285	$ (13,002)

A reconciliation of the provision for income taxes at statutory rates to the provision for income taxes at effective rates at December 31 is as follows:

	For the Year Ended December 31, 2019	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)
Federal income taxes at statutory rate	**$ (4,937)**	$ (1,350)	$ (13,105)
State taxes	**(201)**	42	(2,370)
Permanent differences	**1,026**	1,203	2,429
Foreign taxes	**(988)**	56	(35)
Uncertain benefit reversal	**-**	-	(996)
Valuation allowance	**1,017**	250	392
Transition tax	**-**	-	358
Rate changes	**-**	-	161
Other	**(37)**	84	164
Total tax expense (benefit)	**$ (4,120)**	$ 285	$ (13,002)

The components of deferred income tax assets and liabilities at December 31 are as follows:

	2019	2018
Deferred tax assets:		
Accounts receivable allowance	**$ 425**	$ 410
Accrued expenses	**1,029**	904
Notes receivable allowance	**885**	1,328
Net operating loss carryforwards	**4,964**	10,048
Interest expense limitation	**12,372**	5,754
Deferred revenue	**6,399**	-
Other	**401**	968
Total deferred tax assets	**26,475**	19,412
Less: valuation allowance	**(2,009)**	(991)
Total deferred tax assets, net of valuation allowance	**24,466**	18,421
Deferred tax liabilities:		
Prepaid expenses	**(608)**	(581)
Property and equipment	**(1,375)**	(1,103)
Intangible assets	**(159,192)**	(156,361)
Total deferred tax liabilities	**(161,175)**	(158,045)
Net deferred tax liabilities	**$ (136,709)**	$ (139,624)

For the period ended December 31, 2019, no change was recorded to the unrecognized tax benefits liability. As of December 31, 2019, no interest or penalty has been accrued or recognized by the Company related to ASC 740-10.

The statute of limitations for Federal purposes is open for the 2016, 2017, and 2018 fiscal years and for state income tax purposes the open statutes range from the 2014 through 2018 fiscal years. The Company underwent a federal income tax audit for the year ended December 31, 2014. The audit was closed during June 2018 with no adjustments reported.

The Company reported net operating losses in the following jurisdictions.

Jurisdiction		**2019**		2018	Expiration
US Federal	**$**	**2,367**	$	6,970	Indefinite
US State		**782**		1,833	Various
United Kingdom		**1,799**		1,226	Indefinite
Austria		**16**		19	20 Years
Total	**$**	**4,964**	$	10,048	

As of December 31, 2019 and 2018, the Company maintained a valuation allowance of $2,009 and $991, respectively. The valuation allowance represents a reserve against certain United Kingdom net deferred tax assets that the Company believes the "more likely than not" criterion for recognition purposes could not be met.

12. Related-Party Transactions

At the Date of Acquisition, a Management Agreement was entered into with Harvest Partners under which the Company will pay certain fees and expenses under the terms of the Management Agreement. During 2019, the Company paid fees of $3,823. During the period from June 1, 2018 through December 31, 2018 (Successor), the Company paid fees of $3,978. During the period from January 1, 2018 through May 31, 2018 (Predecessor), the Company paid fees of $18,300.

In 2015, the Company entered into an Expense Reimbursement Agreement with Riverside Global Partners L.L.C. under which the Company would reimburse for expenses incurred while providing operational, financial, and management advice to the Company. For the period from January 1, 2018 through May 31, 2018 (Predecessor), the Company incurred costs of $23 associated with this agreement. This agreement was cancelled at the Date of Acquisition.

A subsidiary of the Company is a party to a property lease agreement with officers of the Company. Lease payments associated with this agreement totaled $209 and $207 in 2019 and 2018, respectively.

13. Contingencies

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that it is not probable that the Company has incurred any loss contingencies as defined in FASB ASC Topic 450, *Contingencies*. Accordingly, no liabilities have been accrued for these matters at December 31, 2019 and 2018. Management believes that the outcome of such matters will not have a material effect on the Company's consolidated financial statements.

14. Employee Benefit Plan

The Company sponsors a 401(k) plan covering the majority of its employees. Plan participants may contribute up to 70% (subject to Internal Revenue Service limitations) of their annual compensation before taxes for investment in several specified alternatives. Employees are fully vested with respect to their contributions. The Company may match a percentage of employee contributions as determined at the discretion of the Board of Directors. Total Company contributions to this plan totaled $1,446 and $1,011 in 2019 and 2018, respectively.

15. Subsequent Events

On February 21, 2020, the Company acquired Dryer Vent Wizard. The transaction was financed by a draw on the Delayed Draw Term Loan and cash on hand. The Company has not yet completed the valuation of the assets acquired and liabilities assumed under ASC Topic 805.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Company's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2020. However, we have identified the following risk factors associated with the COVID–19 outbreak:

- The Company is dependent on its workforce to support its franchise owners who are in turn dependent upon their employees to deliver services to customers. Developments such as social distancing and shelter-in-place directives will impact how the Company deploys its workforce effectively. While expected to be temporary, prolonged workforce disruptions may negatively impact sales in fiscal year 2020 and the Company's overall liquidity.
- The adverse economic effects of the COVID-19 outbreak could materially decrease demand for the services offered by our franchise owners based on the restrictions in place by governments trying to curb the outbreak and/or changes in consumer behavior. This may lead to the Company not achieving its sales goals in fiscal year 2020 and the Company's overall liquidity.
- The adverse economic effects of the COVID-19 outbreak have decreased demand for our franchise owner's services based on the restrictions in place by governments trying to curb the outbreak and/or changes in consumer behavior. This may lead to the inability of some franchise owners to fulfil their requirements under the franchise agreements and satisfy amounts owed to the Company as accounts receivable or notes receivable.
- The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown, which may depress the Company's asset values, including long-lived assets, intangible assets and goodwill.
- The Company and its franchise owners have decreased operations to curtail the spread of the COVID-19 outbreak globally. At this time, the Company and its franchisees have temporarily closed 267 of our approximately 3,900 locations to protect its employees and

customers from the spread of this virus, consistent with governmental restrictions and guidance. Many of our franchise brands have been deemed "essential services" by local, state and federal governments and therefore continue to deliver services even in markets where the responsible governmental agency has issued restrictions on other business activity.

- The Company has significant interest/debt payments due at the end of each quarter, which if sales decline materially due to the impact of the COVID-19 outbreak on consumers, could lead to the Company seeking debt forbearance and additional sources of debt and/or equity financing. As of the date of these financial statements the Company has in excess of $115 million of availability from its existing cash, revolver and DDTL facilities. We anticipate this liquidity being sufficient to manage through the downturn in our business.

Although the Company cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have a material adverse effect on the Company's results of future operations, financial position, and liquidity in fiscal year 2020.

In preparation of its financial statements, the Company considered subsequent events through March 27, 2020, which was the date the Company's financial statements were available to be issued.

TDG Group Holding Company and Subsidiaries

Consolidated Financial Statements

As of December 31, 2018 (Successor) and December 31, 2017 (Predecessor) and for the period from June 1, 2018 to December 31, 2018 (Successor), January 1, 2018 to May 31, 2018 (Predecessor) and for the year ended December 31, 2017 (Predecessor)

The report accompanying these financial statements was issued by **BDO USA, LLP, a** Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

TDG Group Holding Company and Subsidiaries

Consolidated Financial Statements

As of December 31, 2018 (Successor) and December 31, 2017 (Predecessor) and for the period from June 1, 2018 to December 31, 2018 (Successor), January 1, 2018 to May 31, 2018 (Predecessor) and for the year ended December 31, 2017 (Predecessor)

TDG Group Holding Company and Subsidiaries

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Independent Auditor's Report

To the Board of Directors and Stockholder of
TDG Group Holding Company and Subsidiaries
Waco, Texas

We have audited the accompanying consolidated financial statements of TDG Group Holding Company and Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2018 (Successor) and December 31, 2017 (Predecessor), and the related consolidated statements of operations and comprehensive income (loss), changes in stockholder's equity, and cash flows for the periods from June 1, 2018 to December 31, 2018 (Successor), January 1, 2018 to May 31, 2018 (Predecessor) and for the year ended December 31, 2017 (Predecessor), and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of TDG Group Holding Company and Subsidiaries as of December 31, 2018 (Successor) and December 31, 2017 (Predecessor), and the results of its operations and its cash flows for the period from June 1, 2018 to December 31, 2018 (Successor), January 1, 2018 to May 31, 2018 (Predecessor) and for the year ended December 31, 2017 (Predecessor), in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of a Matter

As discussed in Note 1 to the financial statements, on May 31, 2018 certain investors acquired 100% of the shares of the Company. The transaction was effected through a merger in which the Company continued as the surviving entity. In connection with the transaction, the Company became a new entity for financial reporting purposes and applied purchase accounting. The Company's assets and liabilities were recorded at their estimated fair values, which differed materially from the previously recorded amounts. As a result, the financial sattements of the Successor period are not comparable to the Predecessor periods. Our report is not modified in respect to this matter.

BDO USA LLP

Dallas, Texas
March 28, 2019

Consolidated Financial Statements

TDG Group Holding Company and Subsidiaries

Consolidated Balance Sheets
($000's)

As of December 31,		**2018**		2017
		(Successor)		(Predecessor)
Assets				
Current assets				
Cash	**$**	**11,683**	$	9,808
Trade accounts receivable – net		**19,753**		16,947
Accrued interest receivable		**166**		160
Trade notes receivable - current portion – net		**6,994**		6,173
Inventories		**869**		967
Prepaid expenses		**2,691**		1,996
Total current assets		**42,156**		36,051
Property and equipment – net		**18,710**		17,025
Accounts receivable from affiliates		**765**		35
Trade notes receivable – less current portion - net		**21,164**		20,448
Intangible assets – net		**777,781**		343,005
Goodwill		**324,612**		153,557
Deferred tax assets		**19**		-
Other assets		**559**		493
	$	**1,185,766**	$	570,614

TDG Group Holding Company and Subsidiaries

Consolidated Balance Sheets (continued)
($000's)

As of December 31,		**2018**		2017
		(Successor)		(Predecessor)
Liabilities and Stockholder's Equity				
Current liabilities				
Trade accounts payable	**$**	**11,656**	$	7,216
Accrued liabilities		**17,604**		18,128
Income taxes payable		**376**		1,549
Deferred franchise sales revenue		**1,385**		1,047
Current portion of long-term debt		**2,653**		4,230
Current portion of capital lease obligations		**697**		652
Total current liabilities		**34,371**		32,822
Long-term debt - less current portion		**498,047**		343,000
Capital lease obligations – less current portion		**854**		860
Deferred tax liabilities		**139,643**		55,663
Commitments and Contingencies (Notes 9, 10 and 13)				
Stockholder's equity				
Common stock-par value $.01 per share authorized, issued and outstanding – 100 shares (successor) and 1,000 shares (predecessor)		**-**		-
Additional paid-in capital		**521,264**		114,910
Retained earnings (loss)		**(6,423)**		24,816
Accumulated other comprehensive income (loss)		**(1,990)**		(1,457)
Total stockholder's equity		**512,851**		138,269
	$	**1,185,766**	$	570,614

See accompanying notes to consolidated financial statements.

TDG Group Holding Company and Subsidiaries

Consolidated Statements of Operations and Comprehensive Income (Loss)
($000's)

	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)	Year Ended December 31, 2017 (Predecessor)
Revenues and income			
Franchise service fees	**$ 57,924**	**$ 35,967**	$ 79,419
Franchise sales fees	**15,241**	**8,175**	19,631
Sales of products and services	**35,514**	**21,612**	50,305
Interest and other	**10,064**	**6,664**	14,465
Total revenues and income	**118,743**	**72,418**	163,820
Costs and expenses			
Cost of products and services	**17,250**	**9,801**	24,937
Selling expense	**10,776**	**7,059**	15,881
General and administrative expense	**50,139**	**32,883**	66,057
Equity-based compensation expense	**522**	**34,005**	131
Depreciation and amortization	**9,934**	**4,208**	9,267
Management fees and expenses	**1,463**	**23**	198
Transaction costs	**8,236**	**32,151**	874
Bad debt expense	**1,586**	**1,823**	3,039
Total costs and expenses	**99,906**	**121,953**	120,384
Operating income (loss)	**18,837**	**(49,535)**	43,436
Other expenses			
Interest	**24,975**	**12,614**	25,420
Total other expenses	**24,975**	**12,614**	25,420
Net income (loss) before income taxes	**(6,138)**	**(62,149)**	18,016
Income tax expense (benefit)	**285**	**(13,002)**	(21,695)
Net income (loss)	**(6,423)**	**(49,147)**	39,711
Other comprehensive income (loss) –			
Foreign currency translation adjustment	**(1,990)**	**(757)**	2,483
Comprehensive income (loss)	**$ (8,413)**	**$ (49,904)**	$ 42,194

See accompanying notes to consolidated financial statements.

TDG Group Holding Company and Subsidiaries

Consolidated Statements of Changes in Stockholder's Equity
($000's)

	Common Stock Shares	Common Stock Amount	Paid - In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance - December 31, 2016 (Predecessor)	1,000	$ -	$ 171,275	$ 730	$ (3,940)	$ 168,065
Dividend	-	-	-	(15,625)	-	(15,625)
Distribution	-	-	(56,496)	-	-	(56,496)
Equity based compensation	-	-	131	-	-	131
Foreign currency translation	-	-	-	-	2,483	2,483
Net income	-	-	-	39,711	-	39,711
Balance - December 31, 2017 (Predecessor)	1,000	-	114,910	24,816	(1,457)	138,269
Equity based compensation	-	-	34,005	-	-	34,005
Foreign currency translation	-	-	-	-	(757)	(757)
Net income	-	-	-	(49,147)	-	(49,147)
Balance - June 1, 2018 (Predecessor)	1,000	-	148,915	(24,331)	(2,214)	122,370
Acquisition	(1,000)	-	(148,915)	24,331	2,214	(122,370)
Equity contribution for acquisition	100	-	503,717	-	-	503,717
Equity rollover for acquisition	-	-	17,675	-	-	17,675
Treasury stock, at cost	-	-	(650)	-	-	(650)
Stock based compensation	-		522	-	-	522
Foreign currency translation	-	-	-	-	(1,990)	(1,990)
Net loss	-	-	-	(6,423)	-	(6,423)
Balance - December 31, 2018 (Successor)	100	$ -	$ 521,264	$ (6,423)	$ (1,990)	$ 512,851

See accompanying notes to consolidated financial statements.

TDG Group Holding Company and Subsidiaries

Consolidated Statements of Cash Flows
($000's)

	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)	Year Ended December 31, 2017 (Predecessor)
Operating activities			
Net income (loss)	**$ (6,423)**	**$ (49,147)**	$ 39,711
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	**9,934**	**4,208**	9,267
Amortization of deferred financing costs	**1,356**	**711**	1,422
Bad debt expense	**1,586**	**1,823**	3,039
Notes received for franchise sales	**(8,896)**	**(3,418)**	(12,092)
Notes received other than for franchise sales	**(902)**	**(1,807)**	(2,243)
Deferred income taxes	**(800)**	**(12,458)**	(27,290)
Equity-based compensation	**522**	**34,005**	131
Changes in assets and liabilities, net of business acquisitions:			
Accounts receivable	**1,250**	**(2,040)**	(3,690)
Interest receivable	**14**	**(20)**	(2)
Inventories	**167**	**(69)**	(211)
Prepaid expenses and other assets	**(308)**	**(25)**	(555)
Other intangible assets	**(532)**	**(559)**	(24)
Accounts payable	**3,702**	**(44)**	(1,658)
Accrued liabilities	**935**	**32,459**	3,098
Income taxes payable	**836**	**(1,550)**	2,762
Deferred franchise sales revenue	**(46)**	**391**	(327)
Net cash provided by operating activities	**2,395**	**2,460**	11,338
Investing activities			
Acquisitions, net of cash received	**(632,285)**	**(26,439)**	(31,508)
Purchase of property, equipment and other assets	**(3,326)**	**(2,982)**	(7,134)
Collections of notes receivable	**6,206**	**4,786**	9,652
Net cash used in investing activities	**(629,405)**	**(24,635)**	(28,990)
Financing activities			
Contribution of equity	**503,717**	**-**	-
Distributions paid	**-**	**-**	(56,496)
Treasury stock purchased	**(650)**	**-**	-
Dividend	**-**	**-**	(15,625)
Deferred financing costs paid	**(14,137)**	**(191)**	(1,544)
Payments/proceeds from related party accounts receivable	**-**	**891**	1,489
Payments on revolver	**(23,300)**	**(6,500)**	(955)
Proceeds from revolver	**33,300**	**3,000**	4,455
Payments on long-term borrowings	**(378,662)**	**(1,028)**	(2,643)
Proceeds from long-term borrowings	**506,354**	**30,274**	87,190
Net cash provided by financing activities	**626,622**	**26,446**	15,871
Effect of foreign currency translation on cash	**(1,384)**	**(624)**	(435)
Net (decrease) increase in cash	**(1,772)**	**3,647**	(2,216)
Cash - Beginning of period	**13,455**	**9,808**	12,024
Cash - End of period	**$ 11,683**	**$ 13,455**	$ 9,808
Supplemental cash flow disclosures:			
Cash paid for income taxes	**$ 109**	**$ 1,063**	$ 3,451
Cash paid for interest	**$ 23,998**	**$ 15,074**	$ 23,667

See accompanying notes to consolidated financial statements.

1. Organization and Description of Business

Organization and Description of Business

TDG Group Holding Company and Subsidiaries ("we", "our" and the "Company") is a Delaware corporation and is the parent company of a number of franchisors and related supporting businesses operating in the United States and internationally which include the following companies: Mr. Rooter, Rainbow, Mr. Electric, Aire Serv, Mr. Appliance, Glass Doctor, Grounds Guys, Molly Maid, Mr. Handyman, Five Star, Drain Doctor, Window Genie, ZorWare, Locatec, Countrywide, Bright and Beautiful, Mosquito Joe, Real Property Management and ProTradeNet.

In addition, the Company owns Portland Glass, which offers auto, home, and business glass repair and replacement through company owned stores located in Maine, Vermont, and New Hampshire.

Acquisition of the Company

On May 31, 2018, Harvest Partners VII, L.P., and associated affiliates and co-investors, formed TDG Investments Holdings, LLC which, through other wholly-owned subsidiaries acquired 100% of the shares of the Company. The consideration paid consisted of $515,569 of cash to the sellers, $380,732 to repay outstanding debt, $4,176 of assumed debt and equity rollover with a fair value of $17,675. The transaction was effected through a merger in which we continued as the surviving entity. The purchase price has been allocated to the assets acquired and liabilities assumed by the Company and its subsidiaries based on third-party valuation studies and management estimates of their fair value in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 805, Business Combinations, on May 31, 2018 (the "Date of Acquisition").

The purchase price was allocated as follows:

Working capital	$	**11,426**
Debt assumed-net		**(1,749)**
Notes receivable		**25,637**
Property and equipment		**18,255**
Trademarks		**469,650**
Systems-in-place		**95,540**
Franchise relationships		**158,983**
National account relationships		**14,786**
Insurance company relationships		**1,890**
Goodwill		**263,701**
Other assets		**490**
Deferred income taxes, net		**(140,457)**
Total consideration	$	**918,152**

The Company does not expect to deduct any of the goodwill for tax purposes.

Throughout this document we refer to Successor and Predecessor. The term "Successor" refers to the Company following the Date of Acquisition, and the term "Predecessor" refers to the Company prior to the Date of Acquisition. As a result of the application of purchase accounting to this transaction, the Company's financial statements for the Successor Period are not comparable to the Predecessor Periods, which are from January 1, 2018 through May 31, 2018, and for the year ended December 31, 2017.

Acquisition costs and equity-based compensation incurred by the Company of $9,939 and $34,005, respectively, are included in the accompanying consolidated statement of operations and comprehensive income (loss) for the period from January 1, 2018 through May 31, 2018 (Predecessor). In addition, the Company recorded expenses of $21,300 which were contingent upon the closing of the acquisition for the period from January 1, 2018 through May 31, 2018 (Predecessor). Transaction expenses incurred on behalf of the Company of $4,100 are included in the period from June 1, 2018 through December 31, 2018 (Successor).

Acquisitions

During 2018, the Company acquired Real Property Management and Mosquito Joe brands. The purchase price of the acquisitions of $132,559 has been allocated to the assets acquired and liabilities assumed by the Company based on third-party valuation studies and management estimates of their fair value in accordance with FASB ASC Topic 805, Business Combinations, on the dates of the respective acquisitions.

The total purchase price was allocated as follows:

Working capital	**$**	**1,741**
Property and equipment		**213**
Tradename		**39,000**
Systems-in-place		**9,600**
Franchise relationships		**10,540**
National account relationships		**1,240**
Goodwill		**70,225**
Total consideration	**$**	**132,559**

The Company expects to deduct the resulting goodwill for tax purposes. Transaction costs totaling $5,588 were paid at closing and are included in the accompanying consolidated statement of operations.

During 2017, the Company acquired the Countrywide, Bright and Beautiful, and Window Genie Brands. The purchase price of the acquisitions of $30,503 has been allocated to the assets acquired and liabilities assumed based on third-party valuation studies and management estimates of their fair value in accordance with FASB ASC Topic 805 on the dates of the respective acquisitions.

The total purchase price was allocated as follows:

Working capital	**$**	**(22)**
Favorable lease		**293**
Tradename		**10,676**
Systems-in-place		**1,532**
Franchise relationships		**1,897**
National account relationships		**4,634**
Goodwill		**14,703**
Deferred tax liability		**(3,210)**
Total consideration	**$**	**30,503**

Transaction costs totaling $874 were paid at closing.

The Company does not expect to deduct the resulting goodwill for tax purposes.

2. Summary of Significant Accounting Policies

Recent Accounting Pronouncements

In January 2017, the FASB issued Accounting Standards Update ("ASU") 2017-04, *Intangibles – Goodwill and Other*, which simplifies the test for goodwill impairment by removing the second step of the two-step impairment test. A goodwill impairment will now be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. All other goodwill impairment guidance will remain largely unchanged. Entities will continue to have the option to perform a qualitative assessment to determine if a quantitative impairment test is necessary. The same one-step impairment test will be applied to goodwill at all reporting units, even those with zero or negative carrying amounts. Entities will be required to disclose the amount of goodwill at reporting units with zero or negative carrying amounts. For nonpublic entities, the standard is effective for annual periods beginning after December 15, 2021 with early application permitted for tests performed after January 1, 2017. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases*, which requires entities to recognize right-of-use assets and lease liabilities on its balance sheet and disclose key information about leasing arrangements. This standard offers specific accounting guidance for a lessee, a lessor and sale and leaseback transactions. Lessees and lessors are required to disclose qualitative and quantitative information about leasing arrangements to enable a user of the financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. The standard is effective for annual reporting periods beginning after December 15, 2019. The Company is in the process of evaluating the future impact of ASU 2016-02 on its consolidated financial position, results of operations and cash flows.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*, which supersedes previous revenue recognition guidance. The new standard requires that a company recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration the company expects to receive in exchange for those goods or services. As a result, the Company may need to use more judgment and estimates than under the guidance currently in effect. Additional disclosures about the nature, amount and timing of revenue and cash flows arising from contracts will be required. In July 2015, the FASB approved a one-year deferral of the effective date. This standard will now become effective for annual reporting periods beginning after December 15, 2018 and can be adopted either retrospectively to each prior reporting period presented or as a cumulative effect adjustment as of the date of adoption. The Company is currently evaluating the impact of adopting this new guidance on its consolidated financial position, results of operations and cash flows and has determined it will adopt the standard using the modified retrospective approach as of January 1, 2019.

Principles of Consolidation

The accompanying consolidated financial statements as of December 31, 2018 (Successor) and 2017 (Predecessor) include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Reclassifications

Certain reclassifications have been made to conform prior year balances to the current year presentation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition, Accounts Receivable, Notes Receivable, and Allowances

The Company's primary sources of revenues are as follows:

- Franchise service fees from existing franchisees based on a percentage of each franchisee's gross sales. These fees generally range from 2% to 15% of the franchisee's weekly sales, depending upon the particular franchise concept and upon various other factors;
- Franchise fees generated from the sale of new franchise territories and the sale of additional franchise territories to existing franchisees;
- Sales of glass repair and replacement services and related products;
- Rebate income from purchases from vendors;
- Sales of other products and services to unrelated third parties;
- Interest generated from notes receivable.

Revenues from the sale of individual franchises in the United States, Canada, Germany, Austria and the United Kingdom, along with master license franchise agreements in foreign countries, are generally recognized when substantially all significant services to be provided by the Company related to the sale have been performed. Notes receivable are generally amounts due from franchisees for the purchase of franchises, or for service fees.

Revenues from franchise service fees are recognized in the period such revenues are earned. Revenues from product sales are recognized upon transfer of title when orders are shipped. Revenues from services are recognized upon completion of the service. Interest on trade notes receivable is recorded as income when earned.

The Company extends credit to entities for the purchase of franchises. These entities are typically controlled by individuals who operate their businesses as an owner/manager. Generally, the loans are collateralized by the related franchise territory rights. The Company also extends unsecured credit to its franchisees for unpaid franchise service fees. Each entity's ability to perform is dependent upon the economic condition of the business. The Company maintains ongoing credit evaluations of its franchisees. Allowances for doubtful accounts and notes receivable are provided based upon past loss experience, known and inherent risks in the accounts, adverse situations that may affect a franchisee's ability to repay, and current economic conditions. The calculation of the allowance for doubtful accounts includes an increasingly larger reserve as individual account balances age. After all collection attempts have failed, receivables are written off against the allowance. The Company places notes receivable on nonaccrual status when payment is ninety days past due.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was $1,648 for the period from January 1, 2018 through May 31, 2018 and $2,449 for the period from June 1, 2018 through December 31, 2018. Advertising expense was $2,880 for the year ended December 31, 2017.

Inventories

Inventories consist of products to be sold and are stated at the lower of cost (first-in, first-out method) or market.

Property and Equipment

Property and equipment is stated at cost and is depreciated using the straight-line method over the estimated useful lives of the respective assets as follows: buildings and improvements (30 years), machinery, equipment, and vehicles (3-5 years), and furniture and fixtures (5 years). Additions, renewals, and betterments are capitalized; maintenance and repairs which do not extend the useful life of the asset are expensed as incurred. Management evaluates long-lived assets used in operations for impairment when indications of impairment are present. Impairment losses are recorded in the amount that carrying value exceeds fair market value when the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of the assets. No impairment losses were recorded during the years ended December 31, 2018 and 2017.

Goodwill

Goodwill represents the excess of acquisition cost over the fair value of assets acquired, including specifically identifiable intangibles. The Company tests goodwill annually for impairment, or earlier if events or changes in circumstances indicate that impairment may exist. Management's annual impairment tests were performed as of October 1, 2018 and 2017, and Management determined that there was no impairment of goodwill in the consolidated financial statements.

Intangible Assets

Intangible assets consist of trademarks, systems-in-place, franchise rights, master license agreements, franchise relationships, national accounts, insurance company relationships, customer relationships, software and a favorable lease asset. Franchise relationships, insurance company relationships, master license agreements, national accounts, franchise rights, customer relationships, software, and the favorable lease asset are stated at their estimated fair value at the date of acquisition, less amortization. Franchise relationships, national accounts relationships, master license agreements, franchise rights, and insurance company relationships are amortized over their estimated useful lives of 15 years using the straight-line method. Software is amortized over its estimated useful life of 2-5 years using the straight-line method. Trademarks and systems-in-place, which are each stated at their estimated fair value at the date of acquisition less any recognized impairment losses, and trademarks acquired subsequent thereto, are not amortized, as their useful lives are considered indefinite, but are subject to annual impairment testing. Management's annual impairment test for indefinite lived intangibles was performed as of October 1, 2018 and 2017, and Management has determined that no impairment occurred.

Whenever events or changes in circumstances indicate that the carrying amount for an asset may not be recoverable, the Company evaluates, for impairment, the carrying value of acquired definite lived intangible assets by comparing the carrying value to the anticipated future undiscounted cash flows expected to be generated from the use of the intangible assets. If the carrying amount is not

recoverable, a loss is recorded in the amount the carrying value exceeds the fair market value of the assets.

Income Taxes

Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the consolidated financial statement carrying amounts of assets and liabilities and their respective tax basis. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in tax expense in the period that includes the enactment date.

The Company establishes valuation allowances in accordance with the provisions of FASB ASC Topic 740, *Income Taxes*. The Company reviews the adequacy of any valuation allowance and recognizes tax benefits only when it is more likely than not that the benefits will be realized.

The Company measures, classifies, and discloses uncertain tax benefits in accordance with FASB ASC Topic 740-10, *Income Taxes-Overall*. The Company has elected to classify interest and penalties related to uncertain tax benefits as a component of income tax expense.

Equity-based Compensation

The Company accounts for equity-based compensation under FASB ASC Topic 718, *Compensation-Stock Compensation*. This pronouncement requires the measurement of all equity-based payments to employees using a fair-value-based method and the recording of such expense in the accompanying consolidated statements of operations and comprehensive income (loss). The Company participates in an equity-based employee compensation plan, which is described more fully in Note 5.

Consolidation of Variable Interest Entities

FASB ASC Topic 810-10, *Consolidation,* applies to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. Such an entity is referred to as a variable interest entity ("VIE"). FASB ASC Topic 810-10 requires the consolidation of a VIE by its primary beneficiary. The primary beneficiary is the entity, if any, that has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The Company evaluates its franchise arrangements and has concluded that it is not the primary beneficiary of any of its franchisees.

Foreign Currency Translation

Assets and liabilities of foreign subsidiaries are translated into U.S. dollars at the rates in effect at the balance sheet date. Revenues and expenses are translated at average rates for the period. The net exchange differences resulting from these translations are recorded in accumulated other comprehensive loss in the accompanying consolidated balance sheets. Where amounts denominated in a foreign currency are converted into U.S. dollars by remittance or repayment, the realized exchange differences are included in the accompanying consolidated statements of operations and comprehensive income.

Cash and Cash Equivalents

The Company considers all cash and highly liquid investments purchased with an initial maturity of three months or less to be cash or cash equivalents.

Cash consists primarily of cash on hand and cash on deposit.

The Company maintains its cash in banks in which deposits may, from time to time, exceed federally insured limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks related to cash.

Fair Value of Financial Instruments

In accordance with FASB ASC 820, *Fair Value Measurements,* certain assets and liabilities are carried at fair value and are categorized based on the level of judgment associated with the inputs used to measure their fair value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

Level 3 - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The Company believes the carrying amounts of financial instruments as of December 31, 2018, including cash equivalents, accounts receivable, and accounts payable, approximate their fair values due to their short maturities. The Company's long-term debt and trade notes receivable bear interest at market rates. Thus, Management believes their carrying amounts approximate fair value (Level 3).

The Company's estimates of the fair value of assets acquired, liabilities assumed and consideration paid in the acquisitions during 2018 and 2017 were recorded in accordance with FASB ASC Topic 805, Business Combinations. The trade names and systems in place were valued using the relief from royalty method and the franchise relationships, national account relationships, and insurance company relationships were valued using the multi-period excess earnings method. The future projections and estimates used for the valuations are considered Level 3 inputs.

3. Debt Agreements

At the Date of Acquisition, the Company paid off its existing debt agreements and entered into a new debt facility (the "Credit Agreement") to facilitate the acquisition. As of December 31, 2018 the Credit Agreement and its subsequent amendments provide for, among other things, (a) a term loan with a commitment of $505,822 ("Term Loan"), (b) a revolver of $40,000 ("Revolver"), and (c) a Delayed Draw Term Loan Commitment ("DDTL") of $100,000, all of which are due May 31, 2024.

Interest on all borrowings under the Credit Agreement is paid quarterly. The Credit Agreement bears interest at a rate per annum equal to the Adjusted Eurocurrency Rate for the applicable Interest Period plus the Applicable Margin or the Alternate Base Rate ("ABR") plus the Applicable Margin, as elected by the Company. The applicable margin varies dependent upon the Total Net Leverage Ratio of the Company. The premium on the Term Loan, DDTL and Revolver was 5.5% for Eurocurrency based loans and 4.5% for ABR Loans, respectively, as of December 31, 2018. The effective interest rate at December 31, 2018, was 7.87%, for the Term Loan and DDTL. The Revolver had a $10 million balance outstanding at December 31, 2018, consisting of two draws of $4 million and $6 million and the interest rates were 9.75% and 7.84%, respectively.

The Credit Agreement is secured by substantially all assets of the Company and its subsidiaries. The agreement requires, among other things, maintenance by the Company of minimum levels of leverage to EBITDA ratio. As of December 31, 2018, the Company was in compliance with all covenants.

In conjunction with the new borrowings, $14,137 in transaction fees were capitalized as deferred financing costs, to be amortized over the term of the debt agreement using the effective interest method. A total of $2,332 of previously capitalized deferred financing costs were expensed in the accompanying consolidated statement of operations and comprehensive income (loss) for the period from June 1, 2018 through December 31, 2018 (Successor).

Debt at December 31, consists of the following:

		2018		2017
		(Successor)		(Predecessor)
Term Loan	**$**	**503,481**	$	
Revolver		**10,000**		-
Senior Term A		**-**		235,133
Senior Subordinated Loan		-		107,645
Senior Term Revolver		**-**		3,500
Note Payable, secured by real estate, due in monthly installments at an interest rate of LIBOR plus 2.25% (3.80% at December 31, 2017)		-		3,396
Unsecured Note Payable, due in monthly installments at an interest rate of 8.00%		-		123
Unsecured Note Payable, due in monthly installments at an interest rate of 4.50%		-		285
Deferred financing costs – net		**(12,781)**		(2,852)
Total debt		**500,700**		347,230
Less current portion		**2,653**		4,230
Long-term debt	**$**	**498,047**	$	343,000

In 2014, the Company entered into a senior credit facility ("Senior Debt Agreement") and a senior subordinated loan agreement ("Senior Subordinated Loan Agreement").

On May 1, 2017, the Company amended the existing credit facilities to obtain an additional $63,000 in senior debt and $23,475 in additional subordinated debt. The incremental debt was utilized to fund an equity distribution of $56,496 and a dividend of $15,625, in addition to funding an acquisition. In conjunction with the new borrowings, $1,544 in transaction fees were capitalized as deferred financing costs, to be amortized over the term of the debt agreement using the effective interest method.

The Senior Debt Agreement provided for, among other things, (a) a term loan with an initial balance of $106,000 ("Senior Term A"), with two amendments increasing the total borrowings by $127,900, and (b) a revolver of $8,500 ("Senior Term Revolver"), due August 15, 2019. The Senior Debt Agreement was paid off at the Date of Acquisition.

Interest on all borrowings under the Senior Debt Agreement was at either the prime rate or the London Interbank Offering Rate ("LIBOR"), as elected by the Company (in each case subject to a minimum rate), plus a premium.

The premium on the Senior Term A and Revolver was 3.50% and 4.50% for prime based and LIBOR based borrowings, respectively. The effective interest rate at December 31, 2017, was 5.83% for both the Revolver and Senior Term A loan borrowings.

The Senior Subordinated Loan Agreement provided for, among other things, the issuance of $107,645 in 11% senior subordinated notes due February 15, 2020. Interest was payable quarterly. This debt facility was paid off at the Date of Acquisition.

Future maturities of long-term debt at December 31, 2018, are as follows:

Years ending December 31,	
2019	**$ 2,653**
2020	**2,674**
2021	**2,694**
2022	**2,715**
2023	**2,736**
Thereafter	**487,228**
	$ 500,700

4. Intangible Assets and Goodwill

Intangible assets at December 31, 2018 (Successor), consist of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Franchise relationships	15 years	**$ 164,583**	**$ 6,328**	**$ 158,255**
Insurance company relationships	15 years	**1,890**	**74**	**1,816**
National accounts	15 years	**14,786**	**575**	**14,211**
Total definite-lived intangibles		**$ 181,259**	**$ 6,977**	**$ 174,282**

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Trademarks	Indefinite	**$ 500,559**	**$ -**	**$ 500,559**
Systems-in-place	Indefinite	**102,940**	**-**	**102,940**
Total indefinite-lived intangibles		**$ 603,499**	**$ -**	**$ 603,499**

Intangible assets at December 31, 2017 (Predecessor), consist of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Franchise relationships	8-20 years	$ 82,387	$ 12,698	$ 69,689
Insurance company relationships	20 years	1,960	331	1,629
Master license agreements	20 years	3,671	620	3,051
National accounts	10-20 years	6,562	566	5,996
Customer relationships	11 years	309	73	236
Software	2 years	306	306	-
Franchise rights	10-17.5 years	5,706	775	4,931
Favorable lease	7 years	305	29	276
Total definite-lived intangibles		$ 101,206	$ 15,398	$ 85,808

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Trademarks	Indefinite	$ 228,929	$ 12,791	$ 216,138
Systems-in-place	Indefinite	43,469	2,410	41,059
Total indefinite-lived intangibles		$ 272,398	$ 15,201	$ 257,197

Amortization expense was $2,380 for the period from January 1, 2018 through May 31, 2018 (Predecessor) and $6,947 for the period from June 1, 2018 through December 31, 2018 (Successor). Amortization expense was $5,078 for the year ended December 31, 2017 (Predecessor). Estimated amortization expense for the subsequent five years is as follows:

Years ending December 31,	
2019	$ 12,084
2020	12,084
2021	12,084
2022	12,084
2023	12,084
Thereafter	113,862
	$ 174,282

Goodwill

The Company has four reporting units with goodwill assigned based on the studies completed for the acquisition of the Company and subsequent acquisitions.

The changes in the carrying amount of goodwill for the year ended December 31, 2018 are as follows:	
Balance as of January 1, 2018 (Predecessor)	$ 153,557
Goodwill recorded from acquisitions	70,225
Predecessor goodwill written off related to acquisition of Company	(162,741)
Successor goodwill recorded related to sale of the Company	263,701
Adjustment recorded for unrealized gain/loss on foreign currency	(130)
Balance as of December 31, 2018 (Successor)	$ 324,612

5. Equity-based Compensation

In May 2018, TDG Management Holdings, LP ("TDGMH"), a co-investor with Harvest Partners, created a Profits Interest Program which provides for profits interest awards to be granted to officers, employees, or consultants of TDGMH or its subsidiaries. A total of 1,197,608 profits interest units are available for grant.

In May 2018, TDGMH granted certain employees common stock units under the Profits Interest Program. The profits interest are exercisable only to the extent they are vested, and do not expire. Generally, vesting of a portion of the profits interests (25%) is subject to the passage of time; the balance (75%) vest based on TDG Investment Holdings, LP achieving defined financial goals upon a sale of TDG Investment Holdings, LP. Based on continuous employment, time-based profits interest units vest 20% eighteen months after grant with the remainder of each grant vesting 20% per year at the second, third, fourth and fifth anniversaries of the grant. At December 31, 2018 the weighted average remaining contractual life is 4.4 years. Equity-based compensation expense recorded for the period from June 1, 2018 through December 31, 2018 (Successor) was $522.

During the period from June 1, 2018 through December 31, 2018 (Successor) TDGMH granted 966,469 units and 15,569 units were forfeited. 950,900 units were outstanding as of December 31, 2018.

In August 2014, the Company established the 2014 Equity and Performance Incentive Plan which provides for stock option awards to be granted to officers, employees, or consultants of the Company or its subsidiaries. A total of 163,081 options were available for grant.

In 2017, the Company granted certain employees options to purchase shares of common stock under the 2014 Equity and Performance Plan. The options were exercisable only to the extent they were vested, and expired 10 years after the date of grant. Generally, vesting of a portion of the options (10%) was subject to the passage of time; the balance (90%) vested based on the Company achieving defined financial goals upon a sale of the Company. Based on continuous employment, the 2014 time-based options vested at 25% per year on each of the first four anniversaries from grant with the 2015-2017 time-based options vesting 20% per year on each of the first five anniversaries from grant. Accelerated vesting of all unvested options occurred upon a sale of the Company.

In April 2017, a distribution of $43.80 per share was made to all the Company shareholders. The strike price of all then outstanding options was reduced by the same amount as the distribution.

The 2014 Equity and Performance Plan was terminated in connection with the sale of the Company on the Date of Acquisition. All issued and outstanding options became fully vested resulting in $34,005 of expense being recognized in the accompanying consolidated statement of operations and comprehensive income (loss) for the period from January 1, 2018 through May 31, 2018 (Predecessor).

6. Trade Notes Receivable

The Company receives notes from the sale of new franchises. The rights to the related franchise territory sold generally collateralize these notes. The Company also from time-to-time receives notes for delinquent franchise service fees. Such notes, at December 31, 2018 and 2017, bear interest at rates typically ranging from 7% to 12% and generally require equal monthly installments over a life of one to ten years.

A summary of notes receivable as of December 31 is as follows:

		2018		2017
		(Successor)		(Predecessor)
Amounts due within one year, net of allowance for doubtful accounts of $1,271 in 2018 and $818 in 2017	**$**	**6,994**	$	6,173
Amounts due after one year, net of allowance for doubtful accounts of $3,906 in 2018 and $3,324 in 2017		**21,164**		20,448
Total notes receivable, net	**$**	**28,158**	$	26,621

An analysis of the changes in notes receivable for the years ended December 31 is as follows:

		2018		2017
Gross notes receivable, beginning of year	**$**	**30,763**	$	28,191
Notes receivable from acquisitions		**234**		-
Principal payments received		**(11,024)**		(9,670)
Notes issued		**15,046**		14,318
Net write-offs		**(1,540)**		(2,242)
Foreign currency translation		**(144)**		166
Gross notes receivable, end of year		**33,335**		30,763
Allowance for doubtful accounts		**(5,177)**		(4,142)
Net notes receivable, end of year	**$**	**28,158**	$	26,621

An analysis of the changes in the notes receivable allowance for doubtful accounts for the years ended December 31 is as follows:

		2018		2017
Allowance, beginning of year	**$**	**4,142**	$	3,952
Allowance, notes receivable from acquisitions		**206**		-
Provision for bad debts		**2,413**		2,357
Net write-offs		**(1,540)**		(2,242)
Foreign currency translation		**(44)**		75
Allowance, end of year	**$**	**5,177**	$	4,142

Scheduled future maturities of net notes receivable are as follows:

Years ending December 31,	
2019	**$ 6,994**
2020	**5,097**
2021	**5,055**
2022	**4,062**
2023	**3,025**
Thereafter	**3,925**
	$ 28,158

7. Trade Accounts Receivable

An analysis of the changes in the trade accounts receivable allowance for doubtful accounts for the years ended December 31 is as follows:

		2018		2017
Allowance, beginning of year	**$**	**2,188**	$	2,256
Allowance from acquisitions		**147**		-
Provision for bad debts		**996**		683
Net write-offs		**(1,338)**		(820)
Foreign currency translation		**(38)**		69
Allowance, end of year	**$**	**1,955**	$	2,188

8. Property and Equipment

A summary of property and equipment at December 31 is as follows:

	2018 (Successor)	2017 (Predecessor)
Land	**$ 1,126**	$ 1,126
Building and improvements	**8,660**	8,529
Machinery and equipment	**624**	840
Hardware	**2,908**	3,187
Software	**5,629**	9,713
Furniture and fixtures	**580**	1,016
Vehicles under capital lease	**2,167**	3,625
Total property and equipment	**21,694**	28,036
Less accumulated depreciation	**2,984**	11,011
Property and equipment – net	**$ 18,710**	$ 17,025

Depreciation expense was $2,987 for the period from June 1, 2018 through December 31, 2018 (Successor) and $1,828 for the period from January 1, 2018 through May 31, 2018 (Predecessor). Depreciation expense was $4,122 for the year ended December 31, 2017 (Predecessor).

9. Operating Lease Commitments

The Company leases office and retail space for its company-owned stores and office space for certain of its corporate employees. The Company also subleases certain properties. Rent expense is recognized on a straight-line basis over the terms of the leases.

Future minimum rental payments under all operating leases, net of subleases, with initial or remaining non-cancelable terms in excess of one year as of December 31, 2018, are as follows:

Years ending December 31,	Lease Obligations	Sublease Rentals	Net Obligation
2019	**$ 2,511**	**$ (45)**	**$ 2,466**
2020	**2,052**	**(30)**	**2,022**
2021	**1,170**	**-**	**1,170**
2022	**975**	**-**	**975**
2023	**905**	**-**	**905**
Thereafter	**774**	**-**	**774**
Total	**$ 8,387**	**$ (75)**	**$ 8,312**

Rent expense was $1,519 for the period from June 1, 2018 through December 31, 2018 (Successor), and $1,024 for the period from January 1, 2018 through May 31, 2018 (Predecessor), which amount was net of sublease rental income of $26 and $18, respectively. Rent expense was $2,273 for the year ended December 31, 2017 (Predecessor), which amount was net of sublease rental income of $43.

10. Capital Lease Commitments

The Company leases vehicles under capital lease agreements expiring at various dates through 2019. The Company had $1,551 and $1,512 in leased property under capital leases as of December 31, 2018 (Successor) and 2017 (Predecessor), respectively.

As of December 31, 2018, the future minimum rental payments under capital leases are as follows:

Years ending December 31,		
2019	**$**	**811**
2020		**502**
2021		**398**
2022		**196**
2023		**42**
Thereafter		**131**
	$	**2,080**

The obligations under capital leases were recorded at the fair market value of the leased property and have imputed interest rates ranging from a variable rate of 0.95% to a fixed rate between 3.00% and 5.58%. Obligations under capital leases at December 31, 2018 (Successor) and 2017 (Predecessor), are as follows:

		2018		2017
		(Successor)		(Predecessor)
Future minimum payments due under capital leases	**$**	**2,080**	$	1,720
Less amounts representing interest		**529**		208
Present value of obligations under capital leases		**1,551**		1,512
Current portion of obligations under capital leases		**697**		652
Long-term portion of obligations under capital leases	**$**	**854**	$	860

11. Income Taxes

The provision for income taxes for the years ended December 31 is as follows:

	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)	Year ended December 31, 2017 (Predecessor)
Current:			
Federal	**$ 400**	**$ 79**	$ 4,969
State	**73**	**(859)**	732
Foreign	**612**	**236**	438
Total current	**1,085**	**(544)**	6,139
Deferred:			
Federal	**(761)**	**(10,189)**	(27,710)
State	**(19)**	**(2,496)**	166
Foreign	**(20)**	**227**	(290)
Total deferred	**(800)**	**(12,458)**	(27,834)
Total tax expense (benefit)	**$ 285**	**$ (13,002)**	$ (21,695)

A reconciliation of the provision for income taxes at statutory rates to the provision for income taxes at effective rates at December 31 is as follows:

	June 1, 2018 through December 31, 2018 (Successor)	January 1, 2018 through May 31, 2018 (Predecessor)	Year ended December 31, 2017 (Predecessor)
Federal income taxes at statutory rate	**$ (1,350)**	**$ (13,105)**	$ 6,333
State taxes	**42**	**(2,370)**	783
Permanent differences	**1,203**	**2,429**	306
Foreign taxes	**56**	**(35)**	(330)
Uncertain benefit reversal	**-**	**(996)**	-
Rate change from Tax Act	**-**	**-**	(29,324)
Valuation allowance	**250**	**392**	349
Transition tax	**-**	**358**	220
Rate changes	**-**	**161**	-
Other	**84**	**164**	(32)
Total tax expense (benefit)	**$ 285**	**$ (13,002)**	$ (21,695)

On December 22, 2017, the Tax Cuts and Jobs Act ("Tax Act") was signed into law. As part of Tax Act, there was a one-time repatriation tax on deemed repatriation of historical earnings of foreign subsidiaries. These transitional impacts resulted in a provisional net charge of $358 for the year ended December 31, 2017. During 2018, the Company completed its analysis of the Tax Act and determined that no material adjustments were required to be reported.

The Tax Act requires complex computations to be performed that were not previously required in U.S. tax law, significant judgments to be made in interpretation of the provisions of the Tax Act and significant estimates in calculations, and the preparation and analysis of information not previously relevant or regularly produced. The U.S. Treasury Department, the IRS, and other standard-setting bodies could interpret or issue guidance on how provisions of the Tax Act will be applied or otherwise administered that is different from our interpretation.

The components of deferred income tax assets and liabilities at December 31 are as follows:

		2018		2017
		(Successor)		(Predecessor)
Deferred tax assets:				
Accounts receivable allowance	**$**	**410**	$	305
Accrued expenses		**904**		1,071
Equity compensation		**-**		759
Notes receivable allowance		**1,328**		993
Net operating loss carryforwards		**10,048**		540
Interest expense limitation		**5,754**		-
Other		**968**		90
Total deferred tax assets		**19,412**		3,758
Less: valuation allowance		**(991)**		(349)
Total deferred tax assets, net of valuation allowance		**18,421**		3,409
Deferred tax liabilities:				
Prepaid expenses		**(581)**		(131)
Property and equipment		**(1,103)**		(424)
Intangible assets		**(156,361)**		(58,517)
Total deferred tax liabilities		**(158,045)**		(59,072)
Net deferred tax liabilities	**$**	**(139,624)**	$	(55,663)

The Company reported net operating losses in the following jurisdictions.

Jurisdiction		**2018**		2017	Expiration
		(Successor)		(Predecessor)	
US Federal	$	**6,970**	$	-	Indefinite
US State		**1,833**		-	Various
United Kingdom		**1,226**		540	Indefinite
Austria		**19**		-	20 Years
Total	$	**10,048**	$	540	

As of December 31, 2018 and 2017, the Company maintained a valuation allowance of $991 and $349, respectively. The valuation allowance represents a reserve against certain United Kingdom net deferred tax assets that the Company believes the "more likely than not" criterion for recognition purposes could not be met.

The Company has adopted the provisions of FASB ASC 740-10, *Income Taxes,* related to uncertain tax benefits. For the period from June 1, 2018 through December 31, 2018 (Successor), no change was recorded to the uncertain tax benefits liability. For the period from January 1, 2018 through May 31, 2018 (Predecessor), a change of ($996) was recorded as a decrease to the uncertain tax benefits liability. For the year ended December 31, 2017, an additional $103, was recorded as an increase to the uncertain tax benefits liability. The Company recognizes interest and penalties related to the uncertain tax benefits and classifies such as a component of income taxes. For the twelve months ended December 31, 2018, no interest and penalty has been accrued by the Company related to FASB ASC 740-10. As of December 31, 2017, $503 of interest and penalty has been accrued by the Company related to FASB ASC 740-10, of which none was recognized in 2017.

The statute of limitations for Federal purposes is open for the 2015, 2016, and 2017 fiscal years and for state income tax purposes the open statutes range from the 2013 through 2017 fiscal years. The Company underwent a federal income tax audit for the year ended December 31, 2014. The audit was closed during June 2018 with no adjustments reported.

12. Related-Party Transactions

At the Acquisition Date, a Management Agreement was entered into with Harvest Partners under which the Company will pay certain fees and expenses under the terms of the Management Agreement. During the period from January 1, 2018 through May 31, 2018 (Predecessor), the Company paid fees of $18,300. During the period from June 1, 2018 through December 31, 2018 (Successor), the Company paid fees of $3,978.

In 2015, the Company entered into an Expense Reimbursement Agreement with Riverside Global Partners L.L.C. under which the Company would reimburse for expenses incurred while providing operational, financial, and management advice to the Company. For the year ended December 31, 2017 (Predecessor), the Company incurred costs of $194 associated with this agreement. For the period from January 1, 2018 through May 31, 2018 (Predecessor), the Company incurred costs of $23 associated with this agreement. This agreement was cancelled at the Date of Acquisition.

The Company purchases promotional materials from entities affiliated with management. Such purchases totaled $148 and $188 in 2018 and 2017, respectively.

A subsidiary of the Company is a party to a property lease agreement with officers of the Company. Lease payments associated with this agreement totaled $207 and $204 in 2018 and 2017, respectively.

13. Contingencies

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that it is not probable that the Company has incurred any loss contingencies as defined in FASB ASC Topic 450, *Contingencies.* Accordingly, no liabilities have been accrued for these matters at December 31, 2018 and 2017. Management believes that the outcome of such matters will not have a material effect on the Company's consolidated financial statements.

14. Employee Benefit Plan

The Company sponsors a 401(k) plan covering the majority of its employees. Plan participants may contribute up to 70% (subject to Internal Revenue Service limitations) of their annual compensation before taxes for investment in several specified alternatives. Employees are fully vested with respect to their contributions. The Company may match a percentage of employee contributions as determined at the discretion of the Board of Directors. Total Company contributions to this plan totaled $1,011 and $705 in 2018 and 2017, respectively.

15. Subsequent Events

On February 26, 2019, the Company acquired Dream Doors Limited. The transaction amount of $31,956 was financed primarily by a draw on the Delayed Draw Term Loan and cash on hand. The Company has not yet completed the valuation of the assets acquired and liabilities assumed under ASC Topic 805.

In preparation of its financial statements, the Company considered subsequent events through March 28, 2019, which was the date the Company's financial statements were available to be issued.

UNAUDITED FINANCIAL STATEMENTS OF OUR PARENT

TDG Group Holding Company and Subsidiaries
Consolidated Balance Sheet
For the month ended January 31, 2020
(Unaudited)
('000's)

ASSETS

Current assets:		
Cash and cash equivalents	$	15,791
Restricted cash		4,308
Trade accounts receivable, net of allowance for doubtful account of $2055		23,454
Trade notes receivable, current portion, net of allowance for doubtful accounts of $545		7,390
Inventories		1,002
Income tax receivable		1,800
Prepaid selling expenses		909
Other current assets		3,620
Total current assets		**58,274**
Property and equipment, at cost, net		19,890
Prepaid selling expenses - less current portion		6,931
Trade notes receivable, net of allowance for doubtful notes of $2,716		21,350
Intangible assets - net		790,220
Goodwill		334,507
Deferred tax assets		16
Other noncurrent assets		110
TOTAL ASSETS	**$**	**1,231,298**

LIABILITIES AND MEMBER'S EQUITY

Current liabilities:		
Accounts payable	$	6,014
Accrued liabilities		34,851
Deferred revenue		9,929
Current portion of long term debt		6,147
Total current liabilities		**56,941**
Deferred revenue - less current portion		30,068
Long term debt		523,513
Deferred tax liabilites		136,706
Total liabilities		**747,228**
Stockholder's Equity:		
Common stock - par value $.01 per share authorized, issued and outstanding - 100 shares		-
Additional paid-in capital		521,350
Retained earnings		(36,115)
Accumulated other comprehensive loss		(1,165)
Total stockholder's equity		**484,070**
TOTAL LIABILITIES & MEMBER'S EQUITY	**$**	**1,231,298**

The accompanying unaudited consolidated financial statements should be read in conjunction with the Company's December 31, 2019 audited consolidated financial statements.

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED OR REVIEWED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

TDG Group Holding Company and Subsidiaries
Statement of Operations
For the month ended January 31, 2020
(Unaudited)
('000's)

		January 31, 2020
REVENUES AND INCOME:		
Franchise service fees	$	8,488
Franchise fees		885
Sales of products and services		5,559
Advertising and promotional fund revenue		2,315
Interest and other		1,562
Total revenues and income		**18,809**
COSTS AND EXPENSES:		
Cost of products and services		2,941
Selling expense		1,499
General and administrative expense	$	8,215
Depreciation and amortization		1,557
Management and board fees and expenses		309
Advertising and promotional fund expense		2,315
Interest expense		3,782
Bad debt expense		263
Total costs and expenses		**20,881**
Net loss before income taxes		**(2,072)**
Income tax benefit		(567)
Net loss		**$ (1,505)**

The accompanying unaudited consolidated financial statements should be read in conjunction with the Company's December 31, 2019 audited consolidated financial statements.

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED OR REVIEWED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

EXHIBIT D

PARENT GUARANTEE

GUARANTEE OF PERFORMANCE

For value received, TDG GROUP HOLDING COMPANY, a Delaware corporation, (the "Guarantor"), located at 1010-1020 North University Parks Drive, Waco, Texas 76707, absolutely and unconditionally guarantees to assume the duties and obligations of **Dryer Vent Wizard International LLC**, a Delaware limited liability company, located at 1010-1020 North University Parks Drive, Waco, Texas 76707 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2020 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Waco, Texas on the 31 day of July, 2020.

Guarantor: TDG GROUP HOLDING COMPANY

By: _____

Jon Shell, Chief Financial Officer

EXHIBIT E

CURRENT FRANCHISEES IN THE UNITED STATES
AS OF DECEMBER 31, 2019

Note: This list is arranged alphabetically by state and then alphabetically by cities in each state.

State	Last Name	Telephone	Address	City, State and Zip Code
California	Nole, Rhonda: Nole Enterprises, Inc.	707-326-7171	313 E. Railroad Avenue	Cotati, CA 94931
California	Smith, James: A & J Enterprises, LLC	209-568-3834	1940 Sequoia Street	Ceres, CA 95307
California	Smith, James: A & J Enterprises, LLC	209-568-3834	1940 Sequoia Street	Ceres, CA 95307
California	Fazil, Gina: Ventasia All Professional, LLC	916-519-4569	5979 Radmere Drive	Elk Grove, CA 95757
California	Fazil, Gina: Ventasia All Professional, LLC	916-519-4569	5979 Radmere Drive	Elk Grove, CA 95757
California	Parisi, Edward: JAEDS Enterprises, LLC	760-297-1020	29777 Nandina Drive	Escondido, CA 92026
California	Perry, Jon: BarJon Enterprises, Inc.	559-434-4458	760 E. Wood Duck Circle	Fresno, CA 93730
California	Herbert, Micah: Herbert & Raya Partnership	(530) 738-5180	5555 Waterhole Loop	Marysville, CA 95901
California	Bryan, Carla: 2821, Inc.	415-796-5343	1728 Ocean Avenue #260	San Francisco, CA 94112
Connecticut	Bullock, Damian: Bullnimor LLC	203-345-0650	169 Hale Terrace	Bridgeport, CT 06610
Connecticut	Marino, Gary: DMG Ventures	203-313-1295	802 Larson Drive	Danbury, CT 06810
Connecticut	Moffat, John: TobyJames Enterprises	860-558-0395	44 Desmond	Wethersfield, CT 06109
District of Columbia	Butler, Eric: Lomar Enterprises, LLC	571-213-8467	11607 Elkin Street, Unit 1	Silver Spring, MD 20902
Florida	Taylor, Thomas and Marion: MTVS Taylor, Inc.	941-405-6611	3309 56th Drive E	Bradenton, FL 34203

State	Last Name	Telephone	Address	City, State and Zip Code
Florida	Moore, Robert: Purpose Driven Ventures, Inc.	352-396-1246	12853 Fish Lane	Clermont, FL 34711
Florida	Perez, George: Herminian Group Inc.	772- 626-5921	798 SW Sarazen Avenue	Port St. Lucie, FL 34953
Florida	Gibson, Quintin: QP81, Inc.	904-794-0724	6725 Hidden Creek Boulevard	St. Augustine, FL 32086
Georgia	Perez, Juan and Maria: ISHI Services, LLC	770-331-7470	154 Diamond Ridge Avenue	Canton, GA 30114
Georgia	Jackson, Orin: O & A Jackson Enterprises Inc.	(803) 800-7055	3218 Woodlands Drive	Hephzibah, GA 30815
Idaho	Alder, Mike: M and K Alder, LLC	208-286-0865	2885 N. Roughstone Way	Meridian, ID 83646
Illinois	Sanchez, Reynaldo: RS Vent, LLC	224-386-9137	764 Highland Avenue	Barrington, IL 60010
Illinois	Matias, Mory: Hot Dog Holdings	773-388-0573	5248 N. Laramie Avenue	Chicago, IL 60630
Illinois	Diesman, Manuel and Joyce: Diesman Enterprises, Inc.	708-921-9265	534 Barnsdale Road	LaGrange Park, IL 60526
Illinois	Enzenberger, Joe: Hartland Business Venture, Inc.	312-848-4146	1505 Cherrywood Lane	New Lenox, IL 60451-2367
Indiana	Mayfield, Glen: Vanmar Enterprises, Inc.	317-417-3490	7887 Beechwood Farms Drive	Avon, IN 46123
Indiana	Mayfield, Glen: Vanmar Enterprises, Inc.	317-417-3490	7887 Beechwood Farms Drive	Avon, IN 46123
Kansas	Bert, Harold and Ruth: HGB Enterprises Inc.	913-649-6808	6109 West 127th Terrace	Overland Park, KS 66209
Kentucky	Olds, Katie and Josh: Olds Enterprises, Inc.	502-341-2957	7735 Independence Place #13	Crestwood, KY 40014
Maryland	Kraycik, Theodore: TEDK Real, LLC	443-261-3366	8364 Country Life Road	Pasadena, MD 21122
Maryland	Banton, Crystal: Crystal Vents, LLC	(301) 795-4440	5797 Suitland Road	Suitland, MD 20746

State	Last Name	Telephone	Address	City, State and Zip Code
Massachusetts	Dalimonte, Robert: PKBD, Inc.	781- 267-2112	27 Sherwood Road	Hingham, MA 02043
Massachusetts	Lavalle, Michael: Dryer Vent Wizard of Central MA, LLC	508-556-1500	2429 Main Street	Lancaster, MA 01423
Massachusetts	Dickson, Arthur Webb: Widget & Bread, Inc.	978-692-2276	26 Poplar Road	Westford, MA 01886
Massachusetts	McCarthy, Jerry: A Safe Dryer Vent, Inc.	978- 875-1670	P.O. Box 320548	West Roxbury, MA 02132
Michigan	Butterfield, Larry: Virtucon, Inc.	734-453-7583	44464 Penney Court	Canton, MI 48187
Michigan	Domke, Paul & Maria: RLHM Services LLC	248-991-1000	16078 Berry Lane	Macomb, MI 48044
Michigan	Walker, Alan: Flippin Enterprises & Distributing, LLC	616-574-0080	12971 Theris	Wayland, MI 49348
Minnesota	Hein, Carl: CPH Investment Company	651-460-2232	19456 Ellington Trail	Farmington, MN 55024
Minnesota	Hein, Carl: CPH Investment Company	651-460-2232	19456 Ellington Trail	Farmington, MN 55024
Missouri	Boyer, Bryan: DVW STL, LLC	(314) 881-1917	4567 West Pine Boulevard, Apartment 628	St. Louis, MO 63108
Nevada	Knudtzon, Jeff and Lori: 684 Incorporated	775-971-1639	9990 Rising Sun Court	Reno, NV 89506
New Hampshire	Dickson, Arthur Webb: Widget & Bread, Inc.	978-692-2276	26 Poplar Road	Westford, MA 01886
New Jersey	Porter, Damon: Damport44, Inc.	732-702-0770	21 Koenig Lane	Freehold, NJ 07728
New Jersey	Bellis, Robert: CRBR, Inc.	732-682-5221	92 Periwinkle Circle	Tinton Falls, NJ 07712
New York	Ryley, John: Belle Terre Enterprises, Inc.	631-744-1552	7 Clover Lane	Brookhaven, NY 11719

State	Last Name	Telephone	Address	City, State and Zip Code
New York	Hoehn, Christian: Magichal Velocity, Inc.	845-610-2779	1903 Whispering Hills	Chester, NY 10918
New York	Hoehn, Christian: Magichal Velocity, Inc.	845-610-2779	1903 Whispering Hills	Chester, NY 10918
New York	Martin, Jon: J & K Services, Inc.	440-453-5713	712 Willardshire Road	East Aurora, NY 14052
New York	Lapsley, Starsheema: Najee XIX LLC	(347) 322-7298	177-01 145th Drive, 2nd Floor	Jamaica, NY 11434
New York	Dougherty, Bob: Fleet Appliance Corp.	516-873-7247	427 West Main Street, Suite 1	Patchogue, NY 11722
New York	Koepke, Scott: Jarrett Sage, Inc.	585-441-7227	55 Durand Drive	Rochester, NY 14622
North Carolina	Stevens, Oliver: Stevens Enterprie LLC	919-749-0758	168 Clearwater Drive	Smithfield, NC 27577
North Carolina	Buie, Jim: GEM Buoy Inc.	252-774-9430	3004 Lansdowne Drive	Tarboro, NC 27886
North Carolina	Lavalle, Megan: Badin Dry Service LLC	704-886-7078	2020 Waxhaw Marvin Road	Waxhaw, NC 28173
North Carolina	Lavalle, Daniel: Ace Dryer Vent Inc.	704-780-0717	2170 Jones Road	Kershaw, SC 29067
Ohio	Collins, Gary: Freedom Industrial Enterprises, Inc.	440-360-0631	32807 Webber Road	Avon Lake, OH 44012
Ohio	Gutridge, Rick: GM Ventures, Inc.	614-595-0086	2967 E. Sixth Avenue	Columbus, OH 43219
Ohio	Mladonicky, Kenneth and Karen: K & KM Enterprises, Inc.	937-728-7914	12241 Darby Creek Drive	East Liberty, OH 43319
Ohio	Rauch, ED: ATHL Enterprises, Inc.	513-460-4243	6671 Liberty Court, Suite 6	Liberty Township, OH 45044
Ohio	Savage, Richard: Basic Services LLC	330-309-2824	4395 Broadway Avenue	Louisville, OH 44641

State	Last Name	Telephone	Address	City, State and Zip Code
Ohio	Mader, Chris: Rae Lynn Inc	234-706-3238	1106 Sturbridge Drive	Medina, OH 44256
Ohio	Graves, Charlie: Toledo Dryer Vent, Inc.	419-410-9061	9804 Cedarburg Drive	Monclova, OH 43542
Oregon	Spurgeon, Mark: Spurgeon Volz, Inc.	541-971-4433	1533 NE South Nebergall Loop	Albany, OR 97321
Oregon	Bates, David: Mosman Management Company	503-701-6527	6607 NW Meridian Ridge Drive	Portland, OR 97210
Pennsylvania	DeLorenzo, Joe: JWDSHER, LLC	215-970-7856	6158 Edge Avenue	Bensalem, PA 19020
Pennsylvania	Rhen, Gerry: Gelirt Enterprises, LLC	610-223-4801	680 Lincoln Gardens Road	Ephrata, PA 17522
Pennsylvania	Rhen, Gerry: Gelirt Enterprises, LLC	610-223-4801	680 Lincoln Gardens Road	Ephrata, PA 17522
Pennsylvania	Strausbaugh, Jerry: BDL Services, Inc.	717-505-8520	3886 Orchard View Drive	Glenville, PA 17329
Pennsylvania	Williams, Kirk: warrior 642 Management	724-814-9433	407 Mckean Drive	Wexford, PA 15090
Rhode Island	Dalimonte, Robert: PKBD, Inc.	781- 267-2112	27 Sherwood Road	Hingham, MA 02043
South Carolina	Burrow, Matthew: Greenville Dryervent LLC	864-238-0206	10 Berry Pine Court	Taylors, SC 29687
Tennessee	Allen, Jeffrey: JW Allen Enterprises, LLC	931-801-1451	4317 James Stone Road	Cedar Hill, TN 37032
Tennessee	Elrod, Chris: East Tennessee Innovations, LLC	423-381-6600	79 Zion Cove Lane	Engelwood, TN 37329
Tennessee	Levi, Tommy: Ventra LLC	423-661-7779	73 Smoky Hollow Road	Tullahoma, TN 37388

State	Last Name	Telephone	Address	City, State and Zip Code
Texas	Bryfogle, Bob: Bryfogle Enterprises, Inc.	512-861-4878	7205 Waldon Drive, Apartment 212	Austin, TX 78750
Texas	Reebenacker, Karl: KEReebCo, Inc.	281-296-3099	215 Fallow Buck Court	Conroe, TX 77384
Texas	Keglovits, Jason: JNLK Corporation	214-453-1922	3139 Izabella Court	Frisco, TX 75033
Texas	Espinosa, Charles: AXSE Enterprises LLC	972-839-6618	3833 Marcillia Circle	Irving, TX 75038
Texas	Cowan, Johnny: Cowcans, Inc.	210-399-4445	12027 Stoney Crown	San Antonio, TX 78247
Virginia	Patrick, Gayle: 10 Times Better LLC	850-258-8880	13249 Woodlake Drive	Carrollton, VA 23314
Virginia	Bittner, Doug: Three Bears, LLC	703-999-7521	P.O. Box 190	Cross Junction, VA 22625
Virginia	Beum, Paul: Central Virginia Dryer Vent Services LLC	434-284-0446	46 Oak Terrace Drive	Ruckersville, VA 22968
Virginia	Cunningham, Nancy: Costal Dryer Vents LLC	757-287-7439	2600 Admiral Drive	Virginia Beach, VA 23451
Washington	Lui, Peter: Purple Lake, LLC	206-412-8299	P.O. Box 5	Lynnwood, WA 98046
Wisconsin	Vandenberg, Robb: Rhys Enterprises, Inc.	920-378-0663	828 West Commercial Street	Appleton, WI 54914
Wisconsin	Emery, Joe: Romans 5 LLC	414-587-1030	N. 164 W. 20140 Juniper Street	Jackson, WI 53037
Wisconsin	Culver, Dean: D & J Culver, LLC	262-524-8993	925 Lincoln Avenue	Waukesha, WI 53186
Wisconsin	Culver, Dean: D & J Culver, LLC	262-524-8993	925 Lincoln Avenue	Waukesha, WI 53186

FRANCHISEES IN THE UNITED STATES WHO HAVE SIGNED A FRANCHISE AGREEMENT BUT ARE NOT YET OPERATIONAL AS OF DECEMBER 31, 2019

Note: This list is arranged alphabetically by state and then alphabetically by cities in each state.

Territory State	Franchisee / Principal Owner(s)	Office Phone Number	Address	City, State, Zip Code
South Carolina	Christman, Nicholas	843-238-3188	4509 Boxwood Street	Myrtle Beach, SC 29577
Texas	Ferreira, Gio	713-297-7487	10129 Valley Forge Drive	Houston, TX 77042

EXHIBIT F

FRANCHISEES IN THE UNITED STATES WHO LEFT THE SYSTEM IN THE PAST 12 MONTHS AS OF DECEMBER 31, 2019

Note: This list is arranged alphabetically by state and then alphabetically by cities in each state.

**Indicates franchisee left the system as a result of transferring their franchise agreement.*

Territory State	Franchisee / Principal Owner	Phone Number	Address	City, State, Zip Code
Florida	Chiorean, Horatio: Calimax Corp.	561-901-3464	22 Las Flores	Boynton Beach, FL 33426
New York	Horan, Timothy: Horan Industries Corp.	315-453-5713	1610 Mariner Trail	Baldwinsville, NY 13027
North Carolina	Lavalle, Dave: Charlotte Dryer Vent Corp.	704-759-6623	2020 Waxhaw Marvin Road	Waxhaw, NC 28173
Oregon*	Vennemann, Christopher: Venn E Mann LLC	503-560-1983	3216 SW 153rd Drive	Beaverton, OR 97003
Virginia	Hostetler, George: Blue Sky Green Earth, LLC	804-614-6869	403 N. Allen Avenue	Richmond, VA 23220

EXHIBIT G

OPTION TO PURCHASE AGREEMENT

This OPTION TO PURCHASE AGREEMENT (the "Option") is entered into as of _____ (the "Effective Date") by and between DRYER VENT WIZARD INTERNATIONAL LLC, a Delaware limited liability company having a principal place of business at ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor"), and _____, a _____ having an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") pursuant to which Franchisor granted Franchisee a license to use the Marks and the System to operate a DRYER VENT WIZARD® franchise in a specified geographical area more fully described in the Agreement (the "Territory"), and Franchisee desires and Franchisor is willing to grant Franchisee an Option to acquire the territory described on Exhibit "A" hereto (the "Additional Territory").

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Franchisor acknowledges that Franchisee has paid Franchisor the non-refundable sum of $_____, which shall be credited toward the initial franchise fee of $_____ for the Additional Territory upon Franchisee's exercise of this Option.

2. Franchisee is hereby granted an Option, for a period of twelve (12) months from the Effective Date (the "Option Period"), to acquire the rights to the Additional Territory; provided, however, that Franchisee must be in substantial compliance with the Agreement in order to exercise its Option hereunder. All rights created hereunder shall terminate should Franchisee at any time be in material breach of the Agreement. So long as the foregoing conditions are fulfilled:

   a. Franchisee may exercise this Option at any time during the Option Period by notifying Franchisor in writing of Franchisee's intent to purchase the Additional Territory (if Franchisee does not notify Franchisor by the end of the Option Period, this Option will expire and the consideration paid will be forfeited).

   b. If Franchisee qualifies to purchase the Additional Territory, Franchisor will deliver to Franchise a franchise agreement for the grant of the Additional Territory (or, in Franchisor's discretion, an amendment to the Agreement adding the Additional Territory) within 30 business days after receipt of Franchisee's notice.

   c. Franchisee shall sign and return the franchise agreement (or amendment, as the case may be) and pay all initial franchise fees due thereunder within the time specified by Franchisor.

3. Nothing in this Option shall be construed to grant Franchisee any ownership rights to the Additional Territory. Franchisee acknowledges that until Franchisee purchases the Additional Territory (i.e., signs the then-current franchise agreement (or an amendment, as applicable) and pays for the Additional Territory), the Additional Territory shall be considered TAFS (unless the Gross Sales in the Additional Territory are derived as part of the Key Accounts or Preferred Lead Programs (each term as defined in the Agreement)). Franchisee acknowledges that it will be subject to competition in the Additional Territory from other franchisees.

Signed this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of this _____ day of _____, 20__, in ____, _____.

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC

BY: _____
Jason Kapica, President

EXHIBIT A
TO THE OPTION TO PURCHASE AGREEMENT

Additional Territory Description	[*INSERT TERRITORY DESCRIPTION*] **Areas with Special Laws or Requirements:** To the extent any portion of the Territory includes an area designated as an Indian Reserve, a governmental territory or other territory that may have separate or additional laws, regulations or other requirements for performing work in such territory, Franchisee is granted such territory only to the extent and for so long as Franchisee is qualified under such separate or additional requirements to perform work in such territory; knowledge of and compliance with such requirements being the sole responsibility of Franchisee.

EXHIBIT H

RENEWAL ADDENDUM WITH TERMINATION OF ORIGINAL FRANCHISE AGREEMENT AND RELEASE

This RENEWAL ADDENDUM WITH TERMINATION OF FRANCHISE AGREEMENT AND RELEASE (this "Addendum") is entered into by and between DRYER VENT WIZARD INTERNATIONAL LLC, a Delaware limited liability company having a principal place of business at ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor"), and _____, individually, having an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have entered into a franchise agreement dated as of ___ (the "Original Franchise Agreement"), pursuant to which Franchisor has granted Franchisee a right and obligation to establish and operate a Dryer VENT WIZARD® franchise using the Marks and the System in and for the territory defined therein (the "Original Territory"); and

WHEREAS, on the terms set forth below, Franchisor and Franchisee desire to terminate and cancel the Original Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a franchise agreement (the "Agreement") pursuant to which Franchisor has granted Franchisee a renewal license, granting Franchisee the right and obligation to continue operation of the franchise using the Marks and the System in and for the Original Territory or a modified territory as specifically defined in the Agreement (the "Territory"); and

WHEREAS, the parties have agreed to alter the terms stated in the Agreement, as provided herein to reflect the parties' intentions and the terms of renewal stated in the Original Franchise Agreement.

NOW, THEREFORE, that for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Original Franchise Agreement is hereby terminated by mutual agreement and Franchisee hereby releases and assigns to Franchisor and Franchisor hereby accepts assignment of all rights under the Original Franchise Agreement, but assumes none of the liabilities of Franchisee arising out of or related to in any way Franchisee's operations under the Original Franchise Agreement.

2. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified specifically herein.

3. Franchisee agrees that the renewal fee will be collected via electronic ACH from Franchisee's bank account at signing of the Agreement, and Franchisee hereby represents and warrants to Franchisor that all other necessary action for the execution of this Addendum has been taken.

4. If Franchisee is executing the Agreement at least 60 days prior to the expiration date of the then-current term of the Original Franchise Agreement (such expiration date, the "Original FA Expiration Date"), then Section 4.A, Term, of the Agreement is hereby amended so that the term of the Agreement is the time period from the Effective Date of the Agreement until the Original FA Expiration Date, plus 10

years. (For example, if the Agreement was signed 12 months before the Original Franchise Agreement expires, the term of the Agreement would be 11 years).

5. Section 8.A, Initial License Fee, is amended to provide that no initial franchise fee shall be due upon execution of the Agreement.

6. Section 8.B, License Fee, is amended to provide that Franchisee must report and pay a License Fee beginning the 1st month of the Agreement at the rate stated in the Agreement. The Minimum License Fee payment obligation (in the amount provided in the Agreement) begins the 1st month of the term of the Agreement.

7. Section 8.C, MAP Fee, is amended to provide that Franchisee must report and pay a MAP Fee beginning the 1st month of the Agreement at the rate stated in the Agreement. The Minimum MAP Fee payment obligation (in the amount provided in the Agreement) begins the 1st month of the term of the Agreement.

8. Section 8.D, Call Center Fee, is amended to provide that Franchisee must report and pay a Call Center Fee beginning the 1st month of the Agreement at the rate stated in the Agreement. The Minimum Call Center Fee payment obligation (in the amount provided in the Agreement) begins the 1st month of the term of the Agreement.

9. Franchisee, for itself and each of its past and present heirs, executors, administrators, representatives, affiliates, directors, officers, owners, successors and assigns and on behalf of any other party claiming an interest through Franchisee, in their corporate and individual capacities (collectively "Releasor"), hereby releases and forever discharges Franchisor and each of its predecessors, successors, affiliates, subsidiaries, assigns, past and present officers, directors, shareholders, agents and employees, and their respective heirs, executors, administrators, representatives, successors and assigns, in their corporate and individual capacities (collectively "Releasees"), from, in respect of and in relation to any and all claims, actions, causes of action, suits, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, judgments and demands, of any kind whatsoever, joint or several, known or unknown, vested or contingent, which the Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever related to the Original Franchise Agreement and the business operated thereunder or any other agreement between Releasor and Releasees, or the relationship between Releasor and Releasees, through the Effective Date (collectively, the "Claims"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Original Franchise Agreement or any other related agreement between the Releasor and Releasees or the relationship between Releasor and Releasees through and including the Effective Date. For avoidance of doubt, the Releasor does not release Releasees from any obligations arising by virtue of the Agreement and any claims arising from the Releasees' failure to comply with those obligations or the Franchise Disclosure Document furnished to Franchisee as part of entering into the Agreement and the franchise laws that apply to the specific offer, sale and signing of the Agreement.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and

release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Addendum and to grant the releases contained herein, and needs no further information or knowledge of any kind that would otherwise influence the decision to enter into this Addendum. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor or released party."

This release is and shall be and remain a full, complete and unconditional general release. The Releasor acknowledges and agrees that this release is an essential, integral and material term of this Addendum. The Releasor further acknowledges and agrees that no violation of this Addendum shall void the release set forth herein.

10. Notwithstanding the releases contained herein, all rights and obligations created under this Addendum will specifically survive the execution of this Addendum and the releases contained herein.

11. Each person executing this Addendum on behalf of any of the parties hereto represents and warrants that he or she has been fully empowered to execute this Addendum and that all necessary action has been taken.

12. The provisions of this Addendum shall inure to the benefit of and be binding upon the heirs, successors and assigns in interest of the parties.

13. Each of the parties hereto represents and warrants to each other party that it has not heretofore assigned or transferred, or purported to assign or transfer to any person, entity or corporation whatsoever, any of the claims released hereunder. Each party agrees to indemnify and hold harmless each other party against any claim, demand, debt, obligation, liability, cost, expense, right of action or cause of action based on, arising out of, or in connection with any such transfer or assignment or purported transfer or assignment.

14. If any provision of this Addendum shall for any reason be held violative of any applicable law, governmental rule or regulation, or if said agreement is held to be unenforceable or unconscionable, then the invalidity of such specific provisions herein shall not be held to invalidate the remaining provisions of this Addendum.

< SIGNATURES APPEAR ON THE NEXT PAGE >

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in _____, _____ (the "Effective Date").

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC

BY: _____
Jason Kapica, President

EXHIBIT I

GENERAL RELEASE

This GENERAL RELEASE (this "Release") is made and executed by [NAME], individually ("you"), as of _____ ("Effective Date").

WHEREAS, you entered into a franchise agreement dated _____ with DRYER VENT WIZARD INTERNATIONAL LLC ("us"), and [*describe facts*].

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are acknowledged, you agree as follows:

You, for yourself and each of your past and present heirs, executors, administrators, representatives, affiliates, directors, officers, owners, successors and assigns and on behalf of any other party claiming an interest through you, in their corporate and individual capacities (collectively "Releasor"), hereby releases and forever discharges us and each of our predecessors, successors, affiliates, subsidiaries, assigns, past and present officers, directors, shareholders, agents and employees, and their respective heirs, executors, administrators, representatives, successors and assigns, in their corporate and individual capacities (collectively "Releasees"), from, in respect of and in relation to any and all claims, actions, causes of action, suits, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, judgments and demands, of any kind whatsoever, joint or several, known or unknown, vested or contingent, which the Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever, through the Effective Date (collectively, the "Claims"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of any agreement between the Releasor and Releasees or the relationship between Releasor and Releasees through and including the Effective Date.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Release and to grant the releases contained herein, and needs no further information or knowledge of any kind that would otherwise influence the decision to enter into this Release. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his favor at the time of

executing the release, which if known by him must have materially affected his settlement with the debtor or released party."

This Release is and shall be and remain a full, complete and unconditional general release.

_____
Name, individually

STATE OF _____ §
§
COUNTY OF _____ §

I hereby certify that before me, a notary public, personally appeared [NAME] who made oath in due form of law that s/he was executing the foregoing General Release for the purposes therein contained.

As witness, my hand and Notarial Seal on _____, 20___.

_____
Notary Public

My Commission Expires: _____

EXHIBIT J

PROTRADENET AGREEMENT

WHEREAS, _____, individually, having an address of _____ ("Franchisee," sometimes referred to as "Contractor") is a Franchisee of **DRYER VENT WIZARD INTERNATIONAL LLC** , a Delaware limited liability company, having an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor," sometimes referred to as "Trading Partner"), the trading partner of **PROTRADENET, LLC** ("PROTRADENET") having an address of 1010-1020 N. University Parks Drive, Waco, TX 76707 and Franchisee desires to participate in discounts, rebates, incentives and other benefits ("Programs") negotiated by PROTRADENET with selected vendors, manufacturers and distributors ("Vendors");

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is acknowledged by all parties, the parties hereto agree to the following terms and conditions:

1. **Term and Default.** The term of this Agreement shall commence on _____ and end on December 31 of this year and the Agreement will automatically renew for an additional one (1) calendar year period each year thereafter, commencing on January 1 of next year and each January 1st thereafter, unless earlier terminated in accordance with this Agreement. Notwithstanding the foregoing, PROTRADENET may terminate this Agreement at any time, with or without cause, for any reason whatsoever upon providing the other party written notice of intent to terminate the Agreement and this agreement will automatically terminate upon expiration or termination of the franchise agreement by and between Franchisee and Franchisor with no notice of termination required. In any case, PROTRADENET may terminate this Agreement at any time upon notice to Franchisee if Franchisee is in default of his Franchise Agreement with Franchisor or if Franchisee has failed to comply with the terms and conditions of participation in this Program as set forth in this Agreement, on the website of PROTRADENET or as specified by Franchisor. Upon any termination of this agreement neither PROTRADENET nor any of its affiliates will have any liability to Franchisee or any other party.

2. **PROTRADENET Administration.** PROTRADENET or Franchisor may, but are not required to, return a portion of the fees paid to PROTRADENET from Vendors on behalf of purchases made by Franchisee ("Rebates") directly to Franchisee if Franchisee meets certain conditions, such as Vendor terms and conditions, attendance at Franchisor annual meetings, and other criteria as established by Vendor, PROTRADENET or Franchisor. All fees or Rebates not returned to franchisees may be retained by PROTRADENET or Franchisor and used to cover administrative costs, or promote Franchisor's system and brand. The allocation of these Rebates may change at the sole discretion of PROTRADENET. Accordingly, subject to the terms and conditions set forth in this Agreement, PROTRADENET agrees to process Program Rebates when paid by Vendor within terms as agreed upon by Franchisor. PROTRADENET will pay Franchisor or Franchisee directly, at the discretion of Franchisor. Franchisor reserves the right to deny Program Rebates otherwise due to Franchisee if Franchisor deems Franchisee not qualified for a Rebate(s). PROTRADENET may also withhold or deny Program Rebates if terms of the Program are not met.

3. **Franchisee Exclusion from Vendor Program.** Franchisee acknowledges the Vendor's right to exclude Franchisee from the Program for failure to meet Vendor's terms or for other reasons at the Vendor's discretion.

4. **Access and Release of Information.** Franchisee authorizes PROTRADENET to provide information including, but not limited to, Franchisee's Federal Tax Identification Number "FTIN") and

purchase orders, invoices, payments, purchase history or other purchasing information to its Vendors regarding Franchisee, and Franchisee authorizes PROTRADENET to request, and Vendors to provide, information manually or electronically regarding purchase orders, invoices, payments, purchase history or other purchasing information from Vendors for the purpose of administration of the Program. Franchisee hereby releases PROTRADENET and its parent, affiliates, past and present members, officers, employees, agents, successors and assigns from any liability whatsoever with regard to PROTRADENET providing Franchisee's confidential information, including Franchisee's FTIN, to Vendors or Franchisor pursuant to this Agreement.

5. **Confidentiality.** Franchisee acknowledges the proprietary and confidential nature of PROTRADENET's, Franchisors' and Vendor's Program details and shall use this information only for the purposes of inquiry or purchasing of VENDOR's products and services from the Program. Franchisee shall not provide PROTRADENET's, Franchisors' and/or Vendor's confidential Program information to a third party. This section shall survive the expiration or termination of this Agreement.

6. **Vendors.** Vendors may be added or removed from the Program at any time. Franchisee will receive written, email, or website notification of a change in Vendor status from PROTRADENET or Franchisor. Franchisors have SOLE DISCRETION over whether or not they choose to participate in a Vendor Program and offer that Program to their franchisees.

7. **Miscellaneous**

7.1 **No Guarantee of Rebates.** PROTRADENET does not guarantee any Vendor rebates or payments by Vendors. If PROTRADENET does not receive payment from the Vendor, rebates will not be paid.

7.2 **No Guarantee of Accuracy.** PROTRADENET makes no guarantee of accuracy or uninterrupted delivery of the data exchanged using the e-commerce web solution software as a part of the Program. It is the responsibility of the Franchisee to notify PROTRADENET or Vendor if the purchasing information represented on the e-commerce website is incorrect. Franchisee must notify PROTRADENET within sixty (60) days of the transaction date if the purchasing information is missing or invalid.

7.3 **Effective Date.** This Agreement shall become effective on the date that it is signed by PROTRADENET.

8. **Electronic Invoicing.** Franchisee agrees by its signature below to receive invoices from any Vendor electronically that offers this service though the PROTRADENET e-commerce platform.

9. **Electronic Promotions.** Franchisee agrees by its signature below to receive electronic or email based promotions from PROTRADENET.

10. **Additional Terms and Conditions.** Franchisee agrees by its signature below to abide by all of the terms and conditions on the website of PROTRADENET, www.PROTRADENET.com, www.PROTRADENET.com and www.PROTRADENET.net, which include but are not limited to:

Terms of Use
Privacy Policy

These terms and conditions may be modified and additional terms and conditions added at the sole discretion of Franchisor or PROTRADENET.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives whose signatures appear below.

FRANCHISEE

By:_____
Authorized Signature

_____
Date

PROTRADENET, LLC

By:_____
Luke Stanton, President

_____
Date

EXHIBIT K

ASSIGNMENT AND CONSENT AGREEMENT

ASSIGNMENT AND CONSENT AGREEMENT

This Assignment and Consent Agreement (this "Agreement") is made effective as of the date Franchisor signs below (the "Effective Date") and is entered into by and among [ ] ("Franchisee"), and [ ] (a "Franchisee Principal(s)") (Franchisee and Franchisee Principal(s) collectively referred to as "Assignor"), [ ] ("Assignee"), and DRYER VENT WIZARD INTERNATIONAL LLC, a Delaware limited liability company having a principal place of business at ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor"). All capitalized terms not defined in this Agreement have the respective meanings set forth in the Old Franchise Agreement (as defined below).

RECITALS

A. Franchisor and Assignor are parties to a Dryer Vent Wizard® Franchise Agreement dated [ ] (the "Old Franchise Agreement"), pursuant to which Assignor was granted the right to operate a Dryer Vent Wizard® business in the following territory: _____ (the "Franchised Business").

B. Assignor desires to assign to Assignee all right, title and interest in the Franchised Business, including the franchise rights for the Franchised Business (the "Assignment"); Assignee wishes to accept the Assignment and, as of the Effective Date, assume all of the duties, obligations, and liabilities of Assignor related thereto by entering into a purchase and sale agreement with Assignor and by signing a franchise agreement with Franchisor.

C. Assignor represents that there is no dispute related to the offer and sale of the Old Franchise Agreement or Franchised Business, and further represents that Assignor has no claims against Franchisor under applicable laws.

D. In consideration of Assignor's request for the Assignment and the representations set forth in Recital C above, Franchisor is willing to consent to the Assignment as of the Effective Date, subject to the provisions stated below, and Assignor agrees to settle all known and unknown disputes it may have against Franchisor, if any, that exist as of the Effective Date.

AGREEMENTS

NOW, THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment and Assumption. Assignor assigns to Assignee all right, title and interest in and to the Franchised Business, including the franchise rights for the Franchised Business. Assignee unconditionally assumes and accepts the Assignment of the Franchised Business, including the franchise rights for the Franchised Business, and agrees to be bound by all duties, obligations, and liabilities of the Assignor related thereto, including without limitation all of Assignor's customer obligations, including all warranty work and service plans obligations.

2. Signing of Current Form of Franchise Agreement. As a condition of Franchisor's consent to the Assignment, Assignee agrees to sign Franchisor's then-current form of franchise agreement (the "New Franchise Agreement"). Assignee acknowledges that the terms and conditions of the New Franchise Agreement may be different from the terms and conditions of the Old Franchise Agreement. Prior to the Effective Date, Assignee shall deliver to Franchisor two signed copies of the New Franchise Agreement, along with the executed copies of this Agreement.

3. Termination of Old Franchise Agreement. All parties agree that the Old Franchise Agreement is terminated as of the effective date of the New Franchise Agreement with no further force and effect, except for the post-termination obligations identified in Section 12 below.

4. Status of Assignor Following Assignment. Upon and after the Effective Date and subject to Section 12 below, Assignor will have no interest in and will no longer be responsible or liable for (a) the Franchised Business, (b) the franchise rights for the Franchised Business, or (c) the Old Franchise Agreement. Assignor, however, will remain liable for any responsibilities, obligations, and liabilities related to the Old Franchise Agreement and the Franchised Business up to the Effective Date, including all monetary obligations due to Franchisor, its affiliates, and other third parties under the Old Franchise Agreement that have accrued as of the Effective Date and all post-termination obligations identified in Section 12 below.

5. Assignee Principals. If Assignee is an entity, Assignee represents and warrants to Franchisor and Assignor that the following individuals and/or entities are the sole owners of Assignee (the "Assignee Principals"):

Name of Principal Owner	**Percentage of Ownership in Assignee (total must equal 100%)**
Total	**100%**

6. Payment of Transfer Fee. On or before the Effective Date, Franchisor must receive a transfer fee in the amount of $[_____], as referenced in Section 10.C. of the Old Franchise Agreement.

7. Training. On or before the Effective Date, Assignee must complete Franchisor's training requirements.

8. Payment of Fees Owed to Franchisor; Delivery of Reports. On or before the Effective Date, all fees owed by Assignor to Franchisor, its affiliates or suppliers or upon which Franchisor or its affiliates have any contingent liability, under or related to the Old Franchise Agreement (the "Fees Owed") must be paid in full. Accordingly, on or before the Effective Date, Assignor or Assignee must deliver the full amount of Fees Owed to Franchisor, its affiliate(s) and/or suppliers, along with three fully executed copies of this Agreement. In addition, on or before the Effective Date, Assignor must deliver to Franchisor any and all reports required to be delivered under the Old Franchise Agreement, including without limitation reports related to any Fees Owed and any financial and other reports relating to the Franchised Business and its operations as Franchisor may request pursuant to Section 10.D.8 of the Franchise Agreement in order for Franchisor and/or assignee to evaluate the Franchised Business and the proposed transfer.

9. Personal Guarantee. Each Assignee Principal must execute a personal guarantee in the form attached to the New Franchise Agreement.

10. Representations.

A. Assignor and Assignee represent and warrant to each other that they have the authority to execute this Agreement.

B. Assignor represents and warrants to Franchisor and Assignee that it owns all right, title and interest in and to the Franchised Business and the Old Franchise Agreement, free and clear of any mortgage, lien or claims, and has not assigned any or all of its interest in the Franchised Business or the Old Franchise Agreement to any third party.

C. Assignor and Assignee represent and warrant to Franchisor that they have consummated the asset purchase and sale transaction that is related to the Assignment contemplated hereunder as of the Effective Date.

11. Indemnification.

A. Assignor, for itself, its heirs, successors and assigns, agrees to indemnify and hold harmless Franchisor, its affiliates, successors, assigns, officers, directors, employees, agents, and each of them, against any and all liabilities, damages, actions, claims, costs (including reasonable attorneys' fees), or expenses of any nature resulting, directly or indirectly, from any of the following: (i) any misrepresentations or breach of warranty by Assignor under this Agreement; (ii) the Assignment; or (iii) any claim, suit or proceeding initiated by or for a third party(s), now or in the future, that arises out of or relates to the Old Franchise Agreement or the Franchised Business operated by Assignor prior to the Effective Date.

B. Assignee, for itself, its heirs, successors and assigns, agrees to indemnify and hold harmless Franchisor, its affiliates, successors, assigns, officers, directors, employees, agents, and each of them, against any and all liabilities, damages, actions, claims, costs (including reasonable attorneys' fees) or expenses of any nature resulting, directly or indirectly, from any of the following: (i) any misrepresentations or breach of warranty by Assignee under this Agreement; or (ii) the Assignment.

12. Assignor's Post-Termination Obligations. Assignor agrees that, upon transfer of its interest in the Franchised Business to Assignee, Assignor will comply with all post-termination obligations set forth in Section 13 of the Old Franchise Agreement, which obligations shall be incorporated herein by reference. Further, Assignor shall comply with any other provisions of the Old Franchise Agreement which, by their nature, survive termination or expiration of the Old Franchise Agreement.

13. Consent to Assignment. Franchisor consents to the Assignment subject to the terms and conditions of this Agreement. Franchisor's consent to the Assignment will not result in any waiver of any rights nor a release under the Old Franchise Agreement or New Franchise Agreement, and is not a consent to any additional or subsequent transfers or assignments.

14. Release and Settlement of Claims by Assignor. Except as may be prohibited by applicable law, Franchisee and Franchisee Principals (individually and as owners of Franchisee) and each of their respective heirs, successors, assigns, affiliates, shareholders, officers, directors, employees, and agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as

the "Assignor Parties" for purposes of Sections 14, 15 and 16 hereof), release and forever discharge Franchisor, its predecessors, successors, affiliates, directors, officers, shareholders, agents, employees and assigns (collectively and individually referred to as the "Franchisor Parties" for purposes of Sections 14, 15 and 16) of and from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action (collectively, "Claims"), whether known or unknown, vested or contingent, which Assignor Parties may now or in the future own or hold, that in any way relate to the Old Franchise Agreement, any other agreement between Assignor and Franchisor, the Franchised Business, or the relationship between Assignor and Franchisor through the Effective Date (collectively, "Assignor Claims"), for known or unknown damages or other losses including, but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Old Franchise Agreement or any other agreement between Assignor and Franchisor through and including the Effective Date.

15. Release by Assignee. Except as noted in this Section 15, Assignee, Assignee Principals (if any), and their respective affiliates, successors, assigns, officers, directors, employees, agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Assignee Parties" for purposes of this Section 15 and Section 16 below), release and forever discharge the Franchisor Parties of and from any and all Claims, whether known or unknown, vested or contingent, which Assignee may now or in the future own or hold, that in any way relates to the Franchised Business or the New Franchise Agreement (collectively referred to as "Assignee Claims" for purposes of this Section 15 and Section 16).

As to the New Franchise Agreement, the Assignee Parties and Franchisor Parties acknowledge and agree that the release by the Assignee Parties does not relate to the offer and sale of the New Franchise Agreement. Further, the parties agree that the release as it relates to the New Franchise Agreement is effective as to Assignee Claims arising through the Effective Date of this Agreement, and not to any claims arising after the Effective Date.

16. Acknowledgement of Releasors. The release of Assignor Claims set forth in Section 14 and Assignee Claims in Section 15 are intended by the Assignor Parties and Assignee Parties (collectively, the "Releasors") to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of one of the Releasors against any other Releasor. In making this voluntary express waiver, the Releasors acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasors' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasors acknowledge that they have had adequate opportunity to gather all information necessary to enter into this Agreement and release, and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this Agreement. The Releasors, for themselves and their heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waive, relinquish and abandon each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasors acknowledge that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have

materially affected his settlement with the debtor or released party."

This release is and shall be and remain a full, complete, and unconditional general release. The Releasors acknowledge and agree that this release and the foregoing waiver are an essential, integral and material term of this Agreement. The Releasors further acknowledge and agree that no violation of this Agreement shall void the releases set forth in Sections 14 and 15.

17. Confidentiality. Assignor and Assignee acknowledge and agree that this Agreement and matters discussed in relation thereto are entirely confidential. It is therefore understood and agreed by Assignor and Assignee that they will not reveal, discuss, publish or in any way communicate any of the terms, amount or fact of this Agreement to any person, organization or other entity, except to their respective officers, employees or professional representatives, or as required by law.

18. Miscellaneous. This Agreement, and the documents referred to herein, constitute the entire agreement among the parties with respect to the subject matter hereof. No amendment will be binding unless in writing and signed by the party against whom enforcement is sought. All representations, warranties, agreements and all other provisions of this Agreement which by their terms or by reasonable implication are intended to survive the closing of this transaction will survive it.

19. Representation by Counsel. The parties have had adequate opportunity to consult with an attorney of their respective choice, including with respect to the release of claims set forth herein.

20. Governing Law/Venue. This Agreement will be construed and enforced in accordance with the laws of Texas, without regard to principles of conflicts of law. The parties further agree that any legal proceeding relating to this Agreement or the enforcement of any provision herein shall be brought or otherwise commenced only in the courts of Texas.

21. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall constitute an original copy.

ASSIGNOR:

[_____]

By: _____
Name:
Title:

Date: _____

ASSIGNEE:

[_____]

By: _____
Name:
Title:

FRANCHISOR:

Dryer Vent Wizard International LLC

By: _____
Name:
Title:

Effective Date: _____, 20__

EXHIBIT L

STATE ADDENDA AND FRANCHISE AGREEMENT RIDERS

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the California Franchise Investment Law, Cal. Corporations Code Sections 31000 et seq. the Franchise Disclosure Document ("FDD") for Dryer Vent Wizard International LLC for use in the State of California shall be amended as follows:

The State Cover Page is amended to add the following risk factor:

> THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA, INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR AND LIMITATION OF DAMAGES.

Item 3 of the FDD is supplemented to include the following:

> Neither the franchisor nor any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such person from membership in such association or exchange.

Item 17 of the FDD shall be supplemented to include the following:

> California Business & Professions Code Sections 20000 through 20043 provides rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the California law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement requires all disputes not subject to mediation or arbitration in Texas to be resolved in the state or federal courts located in McLennan County, Texas. This provision may not be enforceable under California law. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as the Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provision of a franchise agreement restricting venue to a forum outside the state of California.

OUR WEBSITE, WWW.DRYERVENTWIZARD.COM, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV.

The Franchise Agreement requires application of the law of the State of Texas. This provision may not be enforceable under California law.

Section 31125 of the California Corporation Code requires the franchisor to give the franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.

You must sign a general release if you renew or transfer your franchise. California Corporations Code § 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516). Business and Professions Code § 20010 voids a waiver of your rights under the Franchise Relations Act (Business Professions Code §§ 2000 through 20043).

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

For franchises and Franchisees subject to the Illinois Franchise Disclosure Act of 1987 and the Illinois General Rules and Regulations under the Franchise Disclosure Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the DRYER VENT WIZARD INTERNATIONAL LLC Illinois Franchise Disclosure Document.

Item 17 shall be supplemented to include the following disclosure:

The conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Illinois law, ILL. Rev. Stat. 1989, ch. 121 2, paras. 1719 and 1720.

The franchise agreement provides that Texas law applies. However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Illinois Franchise Disclosure Act of 1987 and the Rules and Regulations under the Act with respect to the offer and sale of a franchise and the franchise relationship. Where required under Illinois law, the laws of the State of Illinois will govern.

Any provision which designates jurisdiction or venue or requires Franchisee to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the State of Illinois.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the franchise agreement is inconsistent will Illinois law, Illinois law will control.

INDIANA ADDENDUM TO DISCLOSURE DOCUMENT

For franchises and franchisees subject to the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Dryer Vent Wizard International LLC Franchise Disclosure Document ("FDD"):

Item 8. Item 8 of the FDD is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7-1(4) prohibits provisions in a franchise agreement subject to the Law which allow the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any provision of the Franchise Agreement conflicts with Indiana Law, Indiana Law will control.

The Indiana Deceptive Franchise Practices Law, Ind. Code§ 23-2-2.7-2(6) makes it unlawful for any franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any of Dryer Vent Wizard International LLC's business practices conflicts with Indiana Law, Indiana Law will control.

Item 12. Item 12 of the FDD is amended to include the following disclosure:

Ind. Code § 23-2-2.7-1(2) prohibits any provision in the Agreement which allows Dryer Vent Wizard International LLC to establish a franchisor-owned outlet engaged in a substantially identical business to that of the Franchised Business within the Territory. Ind. Code § 23-2-2.7-2(4) prohibits any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the Franchised Business within the Territory. To the extent that any provision of the Agreement or Dryer Vent Wizard International LLC's business practices conflict with Indiana law, Indiana law will control.

Item 17. Item 17 of the FDD is amended to include the following disclosure:

To the extent you are required to execute a release in favor of Dryer Vent Wizard International LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1.

Ind. Code §23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise. To the extent that the Franchise Agreement requires a surviving spouse, heirs or an estate representative to assume liability under the Franchise Agreement and to complete training, the Franchise Agreement has been amended in accordance with Indiana Law to provide that all such conditions must be met within 6 months of the franchisee's date of death.

Ind. Code §23-2-2.7-1(10) prohibits any provision in the Agreement which limits litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Agreement conflicts with Indiana law, Indiana law will control.

The choice of law provision contained in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, the Franchise Agreement shall be governed by the Indiana Franchise Disclosure Law IC § 23-2-2.5 and the Indiana Deceptive Franchise Practices Law IC § 23-2-2.7, under Ind. Code §23-2-2.7.

Indiana franchisees are allowed access to Indiana courts. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

The post term covenant not to compete is limited to your territory under the Franchise Agreement pursuant to Ind. Code §23-2-2.7-1(9).

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

For franchises subject to the Maryland Franchise Registration and Disclosure Law, the following information replaces or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Dryer Vent Wizard International LLC FRANCHISE DISCLOSURE DOCUMENT:

Item 11

To obtain an accounting of the MAP Fund, the franchisee should contact the Franchisor's President or Vice President in writing.

Item 17

The Franchise Agreement provides that we may terminate the Franchise Agreement if you voluntarily or involuntarily file for bankruptcy, as described in the "Summary of Cause Defined. This provision may not be enforceable under federal bankruptcy law.

Any general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law.

Accordingly, the Summary of the Choice of Forum is amended to provide that you may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

For franchises and franchisees subject to the Minnesota Franchise Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the DRYER VENT WIZARD INTERNATIONAL LLC Franchise Disclosure Document.

Item 13

DRYER VENT WIZARD INTERNATIONAL LLC will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or will indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the marks to the extent required by Minnesota law.

Item 17

Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this disclosure document, Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 provides that any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of Minnesota or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance or which has the effect of waiving compliance with any provision of §§ 80C.01 to 80C.22 of the Minnesota Franchises Act, or any rule or order thereunder, is void.

Minn. Stat. § 80.C.21 and Minn. Rule 2860.4400J prohibit DRYER VENT WIZARD INTERNATIONAL LLC from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

To the extent you are required to execute a general release in favor of DRYER VENT WIZARD INTERNATIONAL LLC, such release shall exclude liabilities arising under the Minnesota Franchises Act, Minn. Stat. §80C.01 et seq. as provided by Minn. Rule 2860.4400J.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION.
REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled **"Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":**

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee":**

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled **"Assignment of contract by franchisor":**

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled **"Choice of forum",** and Item 17(w), titled **"Choice of law":**

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

For franchises and franchisees subject to the North Dakota Franchise Investment Law, the following information supersedes on supplements, as the case maybe, the corresponding disclosures in the main body of the text of the DRYER VENT WIZARD INTERNATIONAL LLC Franchise Disclosure Document.

1. Item 17 is amended by the addition of the following language to the original language that appears therein;

(a) Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in North Dakota, except in certain instances as provides by law.

(b) Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

(c) Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

(d) Any provision requiring a franchisee to sign a general release upon renewal or transfer of the franchise agreement has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

(e) Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 17(v) and (w) are amended to add the following:

   Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

SOUTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

For franchises and franchisees subject to the South Dakota Franchises for Brand-Name Goods and Services Law, the following information supersedes on supplements, as the case maybe, the corresponding disclosures in the main body of the text of the DRYER VENT WIZARD INTERNATIONAL LLC Franchise Disclosure Document.

1. Item 17 is amended by the addition of the following language to the original language that appears therein:

(a) Before terminating the Franchise Agreement based upon your failure to meet performance and quality standards, and/or failure to make royalty payments, the franchisor must afford you a 30-day notice with an opportunity to cure said defaults.

(b) Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provides by law.

(c) Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

(d) The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, the franchise agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the law of Texas.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Dryer Vent Wizard International LLC for use in the Commonwealth of Virginia shall be amended as follows:

~~Item 5: The following statement is added to Item 5:~~

~~The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchisee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.~~

Item 17: The following statements are added to Item 17.h:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

To resolve an investigation by the Washington Attorney General and without admitting any liability, the franchisor has entered into an Assurance of Discontinuance ("AOD") with the State of Washington, where the franchisor affirmed that it already removed from its form franchise agreement a provision which restricted a franchisee from soliciting and/or hiring the employees of other franchisees, which the Attorney General alleges violated Washington state and federal antitrust and unfair practices laws. The franchisor has agreed, as part of the AOD, to not enforce any such provisions in any existing franchise agreement, to not include any such provisions in future franchise agreements, to request that its Washington franchisees amend their existing franchise agreements to remove such provisions, and to notify its franchisees about the entry of the AOD. In addition, the State of Washington did not assess any fines or other monetary penalties against the franchisor.

Use of Franchise Brokers. The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees and ask them about their experience with the franchisor.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF CALIFORNIA

This Addendum to the Franchise Agreement ("Franchise Agreement") dated _____ between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor"), and _____ with an address of _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (a) the offer or sale of the franchise to Franchisee was made in the State of California; (b) Franchisee is a resident of the State of California; and/or (c) the Franchised Business will be located or operated in the State of California.

2. California Business and Professions Code Sections 20000 through 20043, the California Franchise Relations Act, provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

3. Franchisor's financing program is offered pursuant to the franchise loan exemption under Section 22063 of the California Finance Lenders Law. If Franchisee decides to finance all or a portion of the initial franchise fee using Franchisor's financing program, Franchisee hereby confirms that Franchisee intends to use the financing primarily for purposes other than personal, family, or household purposes.

4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties have duly signed and delivered this Addendum as of the date first written above.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in _____, _____.

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL, LLC

BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF ILLINOIS

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor"), and _____, individually, with an address of _____ (Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and the parties wish to amend the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that you will operate under the Agreement was made in the State of Illinois (b) the Franchised Business, territory or a portion of the territory will be located in Illinois, and/or (c) Franchisee is a resident of Illinois.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. Section 14.G.1 (Applicable Law and Waiver) of the Agreement shall be supplemented as follows:

> However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Illinois Franchise Disclosure Act of 1987 and the Rules and Regulations under the Act with respect to the offer and sale of a franchise and the franchise relationship. Where required under Illinois law, the laws of the State of Illinois will govern.

2. Section 14.H (Venue) of the Agreement shall be supplemented as follows:

> Any provision which designates jurisdiction or venue or requires you to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the State of Illinois.

3. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the Franchise Agreement is inconsistent will Illinois law, Illinois law will control.

4. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

< SIGNATURES APPEAR ON THE NEXT PAGE >

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in _____, _____.

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL, LLC

BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF INDIANA

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor"), and _____, individually, with an address of _____ (Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and the parties wish to amend the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that you will operate under the Agreement was made in the State of Indiana, (b) the Franchised Business, territory or a portion of the territory will be located in Indiana, and/or (c) Franchisee is a resident of Indiana.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. Section 2.A of the Franchise Agreement entitled "Rights Granted" is supplemented by the following provision:

   Ind. Code §§ 23-2-2.7-1(2) and 23-2-2.7-2 (6) prohibit any provision in a franchise agreement allowing a franchisor to establish, and prohibit a franchisor from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the Territory granted the franchisee by the Franchise Agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area. To the extent that any provision of the Franchise Agreement conflicts with Indiana law, Indiana law will control.

3. Section 4.B of the Franchise Agreement entitled "Renewal Term and Conditions of Renewal" is supplemented by the following provision:

   To the extent you are required to execute a release in favor of Dryer Vent Wizard International LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1 (5).

4. Ind. Code § 23-2-2.7-1(10) prohibits any provision in the Franchise Agreement which limits litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Franchise Agreement conflicts with Indiana Code § 23-2-2.7-1 (10), Indiana law will control.

5. Section 9.B of the Agreement entitled "Indemnification" is supplemented by the following provision:

   ; provided, however, such indemnification obligations shall exclude liability caused by your proper reliance on or use of procedures or materials provided by Dryer Vent Wizard International LLC or caused by Dryer Vent Wizard International LLC's negligence.

6. Section 9.D entitled "Noncompetition Covenants" is amended by deleting all references to "spouse, children, parents or siblings."

7. Section 9.D.3 of the Agreement entitled "Noncompetition Covenants" is supplemented by the following provision:

   Notwithstanding the above, the covenant not to compete is limited to your territory under this Agreement.

8. Section 10.E of the Franchise Agreement entitled "Death, Disability or Incapacity" is supplemented by the following provision:

   Ind. Code § 23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise.

   Further, the term "6 months" shall replace any shorter term in Section 10.E.

9. Section 14.G of the Agreement entitled "Applicable Law and Waiver" is supplemented by the following provision:

   However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, this Agreement shall be governed by the Indiana Franchise Disclosure Law Ind. Code § 23-2-2.5 and the Indiana Deceptive Franchise Practices Law Ind. Code § 23-2-2.7.

10. Sections 14.H entitled "Venue" and 11.C entitled "Exceptions to Mediation and Arbitration" of the Agreement are both supplemented by the following provision:

    Indiana franchisees are allowed access to Indiana courts. Any provision which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

11. Section 13.B of the Agreement entitled "Claims" is supplemented by the following provision:

> Ind. Code § 23-2-2.7-1 (1) and 23-2-2.5-30 impose different time limitations on litigation brought for breach of the Franchise Agreement or violation of Indiana law in connection with the Franchise Agreement. To the extent that any provision of the Franchise Agreement conflicts with Indiana law, Indiana law will control.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in ___, ___.

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL, LLC

BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF MARYLAND

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend certain terms of the Agreement. This Addendum is being signed because (a) Franchisee is a resident of the State of Maryland, and/or (b) the Franchised Business will be located or operated in Maryland.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. Section 7.A, **MAP Fund**, is amended by adding the following language:

~~"You will be notified, in writing, of the manner in which you may obtain an accounting of the MAP Fund as required by COMAR 02.02.08.04B(5) of the Code of Maryland Regulations."~~

"To obtain an accounting of the MAP Fund, you should contact our President or Vice President in writing."

3. Section 4.B, **Renewal**, and Section 10.D.6, **Conditions of Transfer**, are amended by adding the following language:

"However, such general release will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law."

4. Section 12.B.2(vi), **Immediate Termination With No Opportunity to Cure**, is amended by adding the following language:

"(Termination upon insolvency might not be enforceable under federal insolvency law (11 U.S.C. Sections 101 et seq.), but we and you agree to enforce this provision to the maximum extent the law allows.)"

5. Section 14.G.1, **Applicable Law and Waiver**, and Section 14.H, **Venue**, are amended by adding the following language:

"Subject to your arbitration obligations, a franchisee in Maryland may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

6. Section 13.B, **Claims**, is amended to add the following:

"However, the limitation of such claims shall not act to reduce the three (3) year statute of limitations afforded to you for bringing a claim under the Maryland Franchise Registration and Disclosure Law."

7. ~~Schedule D to the~~**The Franchise** Agreement~~, **Acknowledgment Addendum**~~, is amended by adding the following language at the end **of the document**:

"~~These~~**All** representations **requiring prospective franchisees to assent to a release, estoppel or waiver of liability** are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in ___, ___.

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC

BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF MINNESOTA

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend certain terms of the Agreement. This Addendum is being signed because (a) the Business that Franchisee will operate under the Agreement will be located in Minnesota; and/or (b) any of the franchise offering or sales activity with respect to the Agreement occurred in Minnesota.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Agreement, Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of nonrenewal of the Franchise Agreement.

3. DRYER VENT WIZARD INTERNATIONAL LLC will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or will indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the marks to the extent required by Minnesota law.

4. Sections 14.G.1 (Applicable Law and Waiver) and 14.H (Venue) of the Agreement shall be supplemented by the following provision:

> Pursuant to Minn. Stat. Sec. 80C.21, this Paragraph shall not in any way abrogate or reduce any of your rights as provided in Minnesota Statutes, Chapter 80C, including but not limited to the right to submit matters to the jurisdiction of the courts of Minnesota.

5. Minn. Stat. § 80.C.21 and Minn. Rule 2860.4400J prohibit DRYER VENT WIZARD INTERNATIONAL LLC from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

6. To the extent you are required to execute a general release in favor of DRYER VENT WIZARD INTERNATIONAL LLC, such release shall exclude liabilities arising under the Minnesota Franchises Act, Minn. Stat. § 80C.01 et seq. as provided by Minn. Rule 2860.4400J.

7. Any claims brought pursuant to the Minnesota Franchises Act, § 80.C.01 et seq. must be brought within 3 years after the cause of action accrues. To the extent that any provision of the Franchise Agreement imposes a different limitations period, the provision of the Act shall control.

8. Schedule D, **Acknowledgment Addendum**, is amended by adding the following language:

"Pursuant to Minnesota Rule 2860.4400J, the foregoing acknowledgments contained in this section shall not be construed as a waiver of my rights."

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in __, ___.

FRANCHISOR:

_____
BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF NEW YORK

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously entered into a Franchise Agreement (the "Agreement") and wish to amend certain items of the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the franchised Business that you will operate under the Agreement was made in the State of New York, and/or (b) Franchisee is a resident of New York and will operate the franchised Business in New York.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties hereby agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. Section 4.B, **Renewal**, and Section 10.D.6, **General Release**, are amended by adding the following:

> "All rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law, Section 687.4 and 687.5 be satisfied."

3. Section 9.B, **Indemnification**, is amended by adding the following:

> "Notwithstanding anything contained herein to the contrary, you shall not be required to indemnify for any claims arising out of our breach of this Agreement or other civil wrongs by us."

4. Section 12.C, **Termination by You**, is amended to provide that Franchisee may terminate the Franchise Agreement on any grounds available to Franchisee pursuant to applicable law.

5. Section 14.G.1, **Applicable Law and Waiver**, and Section 14.H, **Venue**, are amended by adding:

> "The foregoing choice of law shall not be considered a waiver of any right conferred upon us or you by the provisions of Article 33 of the General Business Law of the State of New York."

6. Section 13.B, **Claims**, is amended to add the following:

> "However, to the extent required by Article 33 of the General Business Law of the State of New York, all rights and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder

shall remain in force; it being the intent of this provision that the non-waiver provisions of GBL Sections 687.4 and 687.5 be satisfied."

7. Paragraph 10.G, **Transfer**, shall be supplemented to include the following provision:

"In the event of such an assignment, Dryer Vent Wizard International LLC will ascertain that its assignee, in Dryer Vent Wizard International LLC'S reasonable judgment, possesses the economic resources to fulfill Dryer Vent Wizard International LLC'S obligations to its franchisees."

8. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under New York law.

9. Dryer Vent Wizard International LLC's termination of the Franchise Agreement because of your insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.CA. 101 et seq.).

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in ___, ____.

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC

BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF NORTH DAKOTA

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend certain terms of the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the franchised Business that Franchisee will operate under the Agreement was made in the State of North Dakota, and/or (b) Franchisee is a resident of North Dakota and the franchised Business will be located in North Dakota.

NOW, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. Section 9.D, **Noncompetition Covenants**, is amended by adding the following: "Covenants not to compete are generally considered unenforceable in the State of North Dakota pursuant to Section 9-08-06 of the North Dakota Century Code."

3. Section 4.B, **Renewal**, and Section 10.D.6, **General Release**, are amended by adding the following: "Franchise Agreements that require the franchisee to sign a general release upon renewal or transfer are hereby deleted in accordance with Section 51-19-09 of the North Dakota Franchise Investment Law."

4. Section 14.G.1, **Applicable Law and Waiver**, is amended by adding the following: "Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, this Agreement will be governed by the laws of the state of North Dakota."

5. Section 14.H, **Venue,** is amended by adding the following: "Covenants requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota may not be enforceable in North Dakota."

6. Section 11.B, **Arbitration**, is amended by adding the following: "Notwithstanding the foregoing, if and to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration proceedings will be conducted at a mutually agreeable site in North Dakota."

7. Section 13.B, **Claims**, is amended by adding the following: "Provisions requiring a franchisee to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota franchisees, the statute of limitations under North Dakota Law will apply."

8. Section 14.J, **Waiver of Punitive and Consequential Damages**, is amended by adding the following: "Provisions requiring the franchisee to consent to a waiver of exemplary and punitive damages are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law."

9. Section 14.I, **Waiver of Jury**, is amended by adding the following: "If and to the extent any provisions of this Section of the Agreement are inconsistent with the North Dakota Franchise Investment Law, then the applicable provisions of the North Dakota Franchise Investment Law shall apply."

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in ___, ____.

FRANCHISOR:

_____
BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF RHODE ISLAND

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend certain terms of the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that Franchisee will operate under the Agreement was made in the State of Rhode Island, and/or (b) Franchisee is a resident of Rhode Island and the Franchised Business will be located in Rhode Island.

NOW, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. Section 14.G.1, **Applicable Law and Waiver**, and Section 14.H, **Venue**, are amended by adding:

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in ___, _____.

FRANCHISOR:

DRYER VENT WIZARD INTERNATIONAL LLC

BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF SOUTH DAKOTA

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend certain terms of the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that Franchisee will operate under the Agreement was made in the State of South Dakota, and/or (b) Franchisee is a resident of South Dakota and the Franchised Business will be located in South Dakota.

NOW, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. Section 12.B of the Franchise Agreement is amended to provide as follows:

Before terminating the Franchise Agreement based upon your failure to meet performance and quality standards, and/or failure to make royalty payments, the franchisor must afford you 30 days written notice with an opportunity to cure said defaults prior to termination.

3. Section 9.D of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

"Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provides by law."

4. Section 14.G.1 of the Franchise Agreement is amended to reflect the following:

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this Agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the laws of the state of Texas.

5. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota. In the event that either party shall make demand for arbitration, such arbitration shall be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The undersigned does hereby acknowledge receipt of this Addendum.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in _____, ____.

FRANCHISOR:

_____
BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF VIRGINIA

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____ "Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend certain terms of the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that Franchisee will operate under the Agreement was made in the State of Virginia, (b) Franchisee is a resident of Virginia, and/or (c) the Franchised Business will be located or operated in the State of Virginia.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

~~2. Section 8.A of the Agreement is hereby amended by adding the following at the end of Section 8.A:~~

~~"The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchisee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement."~~

The undersigned does hereby acknowledge receipt of this Addendum.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in _____, ____.

FRANCHISOR:

_____
BY: _____
_____, President

ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF WASHINGTON

This ADDENDUM TO FRANCHISE AGREEMENT is entered into by and between Dryer Vent Wizard International LLC, a Delaware limited liability company with an address of ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707** ("Franchisor") and _____, individually, with an address of _____ "Franchisee").

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend certain terms of the Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that Franchisee will operate under the Agreement was made in the State of Washington, (b) Franchisee is a resident of Washington, and/or (c) the Franchised Business will be located or operated in the State of Washington.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.

2. The following paragraphs are added to the end of the Agreement:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____

_____, individually

Accepted as of the _____ day of _____, 20__, in _____, ____.

FRANCHISOR:

_____

By: _____

_____, President

EXHIBIT M

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This ~~Franchise Disclosure Document~~**document** is **effective and may be used in the following states, where the document is filed,** registered, ~~on file~~ or exempt from registration ~~in~~**as of** the ~~following states having franchise registration and disclosure laws, with the following effective dates~~**Effective Date stated below**:

California:	**April 20, 2020, amended as of [PENDING]**
Hawaii:	**April 10, 2020, amended as of [PENDING]**
Illinois:	**April 6, 2020, amended as of [PENDING]**
Indiana:	**April 7, 2020, amended as of [PENDING]**
Maryland:	**May 18, 2020, amended as of [PENDING]**
Michigan:	**April 3, 2020, amended as of August 3, 2020**
Minnesota:	**June 5, 2020, amended as of [PENDING]**
New York:	**July 23, 2020, amended as of [PENDING]**
North Dakota:	**April 14, 2020, amended as of [PENDING]**
Rhode Island:	**May 1, 2020, amended as of [PENDING]**
South Dakota:	**April 6, 2020, amended as of August 3, 2020**
Virginia:	**April 15, 2020, amended as of [PENDING]**
Washington:	**June 8, 2020, amended as of [PENDING]**
Wisconsin:	**April 1, 2020, amended as of [PENDING]**

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPTS

RECEIPT
(OUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If DRYER VENT WIZARD INTERNATIONAL LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York, if applicable, requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Iowa and Michigan, if applicable, require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If DRYER VENT WIZARD INTERNATIONAL LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agencies listed in Exhibit B.

The principal business address of the Franchise Sellers offering the franchise is ~~37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707**. The name and telephone numbers for the Sellers are: Jason Kapica~~ and LaVonna Williams~~, (~~586~~**254**) ~~619-2160~~**745-2404**. **Additional Sellers/telephone numbers:**

Name/Contact Information for Broker or Additional Franchise Seller, if any (Address for additional Franchise Seller is same as above):	_____ _____ _____ _____

ISSUANCE DATE: APRIL 1, 2020**, AMENDED AS OF AUGUST 3, 2020**

I RECEIVED A DISCLOSURE DOCUMENT, DATED APRIL 1, 2020, **AMENDED AS OF AUGUST 3, 2020,** THAT INCLUDED STATE ADDENDA AND THE FOLLOWING EXHIBITS: (A) Franchise Agreement with Schedules; (B) Agencies/Agents for Service of Process; (C) Financial Statements of our Parent; (D) Parent Guarantee; (E) Current Franchisees in the United States as of December 31, 2019; (F) Franchisees in the United States who left the System in the past 12 months as of December 31, 2019; (G) Option to Purchase Agreement; (H) Renewal Addendum; (I) General Release [sample]; (J) PROTRADENET Agreement; (K) Assignment and Consent Agreement; (L) State Addenda and (M) State Effective Dates.

_____	_____	_____
Date	Signature	Printed Name
_____	_____	_____
Date	Signature	Printed Name

RECEIPT
(YOUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If DRYER VENT WIZARD INTERNATIONAL LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York, if applicable, requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Iowa and Michigan, if applicable, require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If DRYER VENT WIZARD INTERNATIONAL LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agencies listed in Exhibit B.

The principal business address of the Franchise Sellers offering the franchise is ~~The principal business address of the Franchise Sellers offering the franchise is 37735 Enterprise Ct., Ste. 100, Farmington Hills, MI 48331~~**1010-1020 North University Parks Drive, Waco, Texas 76707**. The name and telephone numbers for the Sellers are: Jason Kapica~~ and LaVonna Williams~~, (~~586~~**254**) ~~619-2160~~**745-2404**. **Additional Sellers/telephone numbers:**

Name/Contact Information for Broker or Additional Franchise Seller, if any (Address for additional Franchise Seller is same as above):	_____ _____ _____ _____

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_____	_____	_____
Date	Signature	Printed Name
_____	_____	_____
Date	Signature	Printed Name