FRANCHISE DISCLOSURE DOCUMENT

HEAVYWEIGHT WASTE®

Heavyweight Waste Franchise Partners, LLC
an Indiana limited liability company
535 W. Carmel Drive
Carmel, Indiana 46032
(844) 762-7400
franchise@heavyweightwaste.com
www.heavyweightwaste.com

As a franchisee, you will own and operate a Heavyweight Waste® business featuring mobile, non-hazardous commercial, industrial and construction waste removal services. The total investment necessary to begin operation of a Heavyweight Waste® business is $634,250 to $887,000. This includes $260,000 to $384,000 that must be paid to the franchisor or affiliate. We and you may choose to sign a Development Rights Agreement under which you will develop a number of Heavyweight Waste Businesses. We expect the Development Rights Agreement to cover between 2 and 10 Heavyweight Waste Businesses. The total investment necessary to begin operation under a Development Rights Agreement is $654,250 to $1,029,500. This includes $280,000 to $526,500 that must be paid to the franchisor or affiliate.

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 for you. To discuss the availability of disclosures in different formats contact Daphne Lippott, our Executive Assistant, at 535 W. Carmel Drive, Carmel, Indiana 46032, (844) 762-7400.

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. 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 of this Franchise Disclosure Document: April 28, 2023

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 F and G.
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 H 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 Heavyweight Waste 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 Heavyweight Waste franchisee?	Item 20 or Exhibits F and G list 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 A.

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 arbitration or litigation only in Indiana. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Indiana than in your own state.

2. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

3. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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.

(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 transferee 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.

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

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa, Lansing, Michigan 48909
(517) 335-7567

Despite subparagraph (f) above, we intend to enforce fully the provisions of the arbitration section contained in our Franchise Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration section. You acknowledge that we will seek to enforce that section as written, and you will agree in the Franchise Agreement to abide by its terms.

TABLE OF CONTENTS

ITEM **PAGE**

ITEM 1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES .1
ITEM 2 BUSINESS EXPERIENCE 4
ITEM 3 LITIGATION 5
ITEM 4 BANKRUPTCY 6
ITEM 5 INITIAL FEES 6
ITEM 6 OTHER FEES 8
ITEM 7 ESTIMATED INITIAL INVESTMENT 16
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 22
ITEM 9 FRANCHISEE'S OBLIGATIONS 26
ITEM 10 FINANCING 27
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING 27
ITEM 12 TERRITORY 40
ITEM 13 TRADEMARKS 45
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION 46
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 48
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 49
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION 51
ITEM 18 PUBLIC FIGURES 54
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS 54
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION 55
ITEM 21 FINANCIAL STATEMENTS 57
FINANCIAL STATEMENTS 57
ITEM 22 CONTRACTS 58
ITEM 23 RECEIPT 58

Exhibits

A List of State Agencies/Agents for Service of Process
B Franchise Agreement
C Development Rights Agreement
D Current Form of Release
E Operations Manual Table of Contents
F List of Franchisees
G List of Franchisees Who Have Left the System
H Financial Statements
I Additional Disclosures and Riders Required by State Franchise Laws

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

Us and Our Related Companies

To simplify the language in this disclosure document, "**we**" or "**us**" means Heavyweight Waste Franchise Partners, LLC, the franchisor. "**You**" means the person or entity that acquires the franchise. If you are a corporation, limited liability company or other entity, your owners must sign either the Guaranty or Key Personnel Agreement attached to the "**Franchise Agreement**" (Exhibit B), which means that all or some of the provisions of the Franchise Agreement also will apply to your owners.

We are a limited liability company organized in Indiana on March 22, 2021. We do business under the name Heavyweight Waste®. We first started offering franchises in May 2021. We have never operated Heavyweight Waste Businesses or offered franchises in any other line of business but certain of our affiliates have operated Heavyweight Waste Businesses since 2021. We have no other business activities except those described here. Our principal business address is at 535 W. Carmel Drive, Carmel, Indiana 46032. Our agent for service of process in Indiana is Taft Stettinius & Hollister LLP, and the agent's principal business address is One Indiana Square, Suite 3500, Indianapolis, IN 46204. If we have an agent for service of process in your state, we disclose that agent in Exhibit A.

We have no predecessors. Our parent company is SMT Holdings, LLC ("**SMT Holdings**"). SMT Holdings has never offered franchises in any line of business and has never operated a Heavyweight Waste Business. SMT Holdings shares our principal business address.

Our affiliate, Smash Franchise Partners, LLC ("**SFP**"), offers franchises for "Smash My Trash®" businesses that offer mobile waste compaction services. SFP has offered franchises since August 2018. As of December 31, 2022, there were approximately 516 Smash My Trash businesses in the United States. SFP and its franchisees are approved suppliers of waste compaction services for your Business's customers. SFP has never operated a Heavyweight Waste Business nor offered franchises in any other line of business. SFP shares our principal business address. None of our other affiliates have ever offered franchises in any line of business.

Our affiliate, Rearden Taggart, LLC ("**Rearden Taggart**"), is the designated supplier of containers that our franchisees use in the operation of their Heavyweight Waste Businesses. Rearden Taggart shares our principal business address.

Our affiliate, Custom Hydraulics, LLC ("**Custom Hydraulics**"), is an approved supplier of truck parts for our franchisees. Custom Hydraulics shares our principal business address.

Our affiliate, TCMC, LLC ("**TCMC**"), is the designated supplier of technology devices and software that our franchisees use in the operation of their Heavyweight Waste Businesses. TCMC shares our principal business address.

Our affiliate, Innovative Waste Technologies, LLC ("**Innovative Waste**"), coordinates Truck purchases and Truck assembly services with our designated third-party dealer for our franchisees. Innovative Waste is the designated supplier of these coordination services. Innovative Waste shares our principal business address.

Except as described above, we have no other parents or affiliates that are required to be disclosed in this Item.

Franchise Opportunity

We grant franchises for the establishment and operation of non-hazardous commercial, industrial and construction waste removal services businesses utilizing custom roll-off trucks ("**Trucks**") and custom open-top containers ("**Containers**"), and other products and services which are primarily identified by the Marks (defined below) and use the Franchise System (defined below) (collectively, "**Heavyweight Waste Businesses**"). Heavyweight Waste Businesses operate under certain trademarks, service marks, and other commercial symbols, and we may periodically create, use and license or sublicense other trademarks, service marks and commercial symbols for use in operating Heavyweight Waste Businesses, such as HEAVYWEIGHT WASTE, all of which we may periodically modify (collectively, the "**Marks**"). "**Franchise System**" means our business system, business formats, product preparation techniques and processes, methods, procedures, signs, designs, layouts, trade dress, standards, specifications and Marks, all of which we may improve, further develop and otherwise modify periodically.

In this disclosure document, we call your Heavyweight Waste Business that you will operate under the Franchise Agreement your "**Business**." You must operate the Business from a location that satisfies our System Standards (defined below) (the "**Business Location**"). You must also lease or purchase a secure parking space or facility to store the equipment that you use in the Business (the "**Parking Location**"). You will operate your Business in a geographical territory (the "**Territory**"), which will be set forth on Exhibit A to your Franchise Agreement.

You must operate the Business according to the operating manual and/or other manuals (collectively, the "**Operations Manual**"). The Operations Manual contains mandatory and suggested specifications, standards, operating procedures and rules that we periodically specify for establishing and/or operating a Heavyweight Waste Business ("**System Standards**") and information on your other obligations under the Franchise Agreement.

Before signing or at the same time as signing a Franchise Agreement, we and you may sign a "**Development Rights Agreement**" (Exhibit C) under which you and/or any company of which you own 100% of the ownership interests (a "**Controlled Affiliate**") will sign franchise agreements for and develop a specified number of Heavyweight Waste Businesses to be located within a specifically described geographic territory (the "**Development Area**"). Before you sign the Development Rights Agreement, we and you will agree to the Development Area, the number of Heavyweight Waste Businesses you must open in the Development Area, and the timeframe within which you must sign franchise agreements for and open each Heavyweight Waste Business (the "**Development Schedule**"). We will grant Heavyweight Waste Business franchises under the Development Rights Agreement only to you or your Controlled Affiliates, and franchises that we grant to your Controlled Affiliates will count toward your Development Schedule. You (or your

Controlled Affiliates) will sign our then current form of franchise agreement, which may differ from the Franchise Agreement included in this disclosure document, for each Heavyweight Waste Business developed under the Development Rights Agreement.

Market and Competition

The general market for roll-off waste removal services is broad and in high demand in many, but not all, geographies. The market is highly developed and highly fragmented. Sales are generally not seasonal; however, sales may be cyclical in some markets due to seasonality of other industries, such as construction. You will compete against local independent waste service companies in most markets, as well as larger regional and national waste service companies. In some markets, you may compete against municipal-owned waste service companies. The primary competition consists of waste removal services offered by local, regional, or national commercial and industrial waste companies, some of which may be franchises.

Industry Regulations

Many federal, state and local laws govern the waste removal industry. Municipalities, counties, states, and federal agencies may require that you have applicable permits for waste removal services and/or trucking services. Some jurisdictions have unique container requirements that you may be required to follow. These permitting requirements are managed by the county, city, or state in which you operate the Business, in addition to federal agencies. Some municipalities have adopted, or may at any time in the future adopt, "franchise zones," whereby the municipalities enter into a contract with an exclusive waste provider to perform certain waste services within a specified geographic area. These franchise zones may include residential, commercial and/or industrial areas. If one or more municipalities in your Territory enter into these types of contracts, you will likely be prevented from operating your Business within those municipalities. If that happens, you could apply for our approval to relocate your Business or otherwise cease operations and liquidate your Business's Trucks, Containers, and other equipment.

In all markets, your business will be required to have proper permitting to operate or drive the vehicle. You should review the county, state, city, and federal regulations which relate to the operation of a waste removal truck and comply with all regulatory and safety requirements, including driver drug tests, travel log compliance and Department of Transportation inspection requirements.

You must comply with these laws and other laws and regulations that apply to businesses generally, such as those relating to site location and building construction, like the Americans with Disabilities Act. You should research and consider these and other laws and regulations when evaluating your purchase of a franchise.

Item 2

BUSINESS EXPERIENCE

Justin Haskin, President

Mr. Haskin has served as our President since March 2021. He has also served as President of SFP in Carmel, Indiana since May 2018. He has also served as the President and Managing Member of our affiliates, as follows: Rearden Taggart since September 2020; Custom Hydraulics since August 2019; TCMC since October 2020; and Innovative Waste since June 2015. He has also served as President of Grace Legacy Capital in Westfield, Indiana since May 2014. Mr. Haskin is located at our headquarters in Carmel, Indiana.

Charles Sullivan, Chief Marketing Officer

Mr. Sullivan has served as our Chief Marketing Officer since March 2021. He has also served as Chief Marketing Officer of SFP in Carmel, Indiana since September 2020. From February 2018 to May 2020, he served as Chief Marketing Officer for Senior Helpers in Towson, Maryland. Mr. Sullivan is located at our headquarters in Carmel, Indiana.

Brian Reeve, Chief Financial Officer

Mr. Reeve has served as our Chief Financial Officer since June 2021. He has also served as the Chief Financial Officer of SFP in Carmel, Indiana since June 2021. From December 2015 to June 2021, he served as Chief Financial Officer of Hotel Capital, LLC in Indianapolis, Indiana. Mr. Reeve is located at our headquarters in Carmel, Indiana.

Pavel Nejezchleb, VP of Operations

Mr. Nejezchleb has served as our VP of Operations since March 2021. He has also served as VP of Operations for SFP since January 2021. From September 2011 to December 2020, he served as Director of Accounts for Mervis Industries in Indianapolis, Indiana. Mr. Nejezchleb is located at our headquarters in Carmel, Indiana.

David Cernich, VP of Franchise Development

Mr. Cernich has served as our VP of Franchise Development since April 2023. He has also served as VP of Franchise Development for SFP since April 2023. From September 2022 to March 2023, he was in between positions. From November 2019 to August 2022, he was SVP Global Development for Corcoran in Madison, New Jersey. Before that, he served as SVP of Franchise Sales for Better Homes and Gardens Real Estate from January 2017 to November 2019. Mr. Cernich is located in Pittsburgh, Pennsylvania.

Kara Nugent-Garcia, Director of Learning and Development

Ms. Nugent-Garcia has served as our Director of Learning and Development since September 2021. She has also served as the Director of Learning and Development for SFP since September 2021. From January 2021 to September 2021, she served as one of our Franchise Business Consultants. From August 2015 to January 2021, Ms. Nugent-Garcia served as a Director of Franchise Development for iCRYO Franchise Systems in Houston, Texas. Ms. Nugent-Garcia is located in Houston, Texas.

David Jeremy Dunlap, Chief Political Affairs and Communications Officer

Mr. Dunlap has served as our and SFP's Chief Political Affairs and Communications Officer since May 2021. Before that, he served as Co-Owner of Whole Training Solutions Institute, LLC in Washington, West Virginia from January 2016 to April 2021. Mr. Dunlap splits his time between Carmel, Indiana and Washington, West Virginia.

Item 3

LITIGATION

Kevin Blanchat, Christopher Blanchat, Shilpi Blanchat, Gordon Rupp, and Smash Hit LLC v. Smash Franchise Partners, LLC, Justin Haskin, and Franchise FastLane, Inc. (Case No. 2:20-CV0380); AAA Case No. 01-20-0015-7924. On October 16, 2020, the plaintiffs, former "Smash My Trash®" franchisees of our affiliate, SFP, filed a lawsuit in the Eastern District of Washington alleging violations of the Washington Franchise Investment Protection Act and Washington Consumer Protection Act, negligent misrepresentation, intentional misrepresentation, unjust enrichment, and a violation of the Lanham Act. The plaintiffs sought rescission of the Smash My Trash franchise agreement and damages in excess of $450,000. The Court compelled the matter to arbitration, in which SFP filed a claim against the plaintiffs for breach of contract and the plaintiffs asserted counterclaims against SFP, Justin Haskin, and Franchise FastLane, Inc., SFP's sales representative at the time, identical to their prior claims plus violations of Indiana's Franchise Act and Deceptive Franchise Practices Act (collectively, the "**Indiana Acts**") and fraud. Franchise FastLane, Inc. filed a crossclaim against SFP for indemnification, which was denied. The plaintiffs alleged, and the arbitrator found, that the defendants made misrepresentations during the franchise sales process in violation of the Washington Franchise Investment Protection Act. The arbitrator denied the plaintiffs' claims under the Indiana Acts and the Lanham Act. On May 3, 2022, the arbitrator awarded the plaintiffs $2,875,182.51 in restitution and benefit of the bargain damages, and attorneys' fees and costs, for which the defendants were found to be jointly and severally liable.

Ryan A. Haskin, Little Business, LLC v. Justin R. Haskin, WIJG LLC, SMT Holdings, LLC (Case No 29D03-2204-PL-002654). The plaintiffs in this action sold their interests in our parent company, SMT Holdings, to Justin Haskin and an entity controlled by him in 2020. The plaintiffs filed this lawsuit in Superior Court in Hamilton County, Indiana on April 14, 2022, alleging that Justin Haskin had misrepresented to the plaintiffs the value of SMT Holdings and its subsidiaries prior to the transaction. The plaintiffs allege claims of breach of fiduciary duty, actual fraud, constructive fraud, fraudulent inducement, violation of the Indiana Securities Act, and unjust

enrichment and are seeking an unspecified amount of money. The court dismissed the action on March 15, 2023 but permitted the plaintiffs to move for leave to file an amended complaint. On March 28, 2023, the court granted an unopposed motion filed by the plaintiffs to submit an amended complaint on or before April 26, 2023. The defendants subsequently filed a Motion to Seal and a Motion for Summary Judgment, both which are currently pending. The hearing date for the Motion to Seal is May 31, 2023. Defendants have moved for the court to also hear the Motion for Summary Judgment on May 31, 2023 and that motion is currently pending. The plaintiffs have filed a motion to extend the deadline to file an amended complaint until after the conclusion of the hearing scheduled for May 31, 2023. The defendants' motion to extend is currently pending. Justin Haskin, SMT Holdings, and WIJG LLC will defend themselves vigorously in this action.

Rebecca and Thomas Voss v. Smash Franchise Partners, LLC, (Case No. 1-22-0005-2244). On December 15, 2022, Rebecca and Thomas Voss, former franchisees of SFP, filed this arbitration proceeding against SFP alleging claims for fraud related to their purchase of the SFP franchise and breach of contract related to SFP's decision to terminate the parties' franchise agreement. The claimants later amended their arbitration demand to name Justin Haskin as an additional respondent. The amended arbitration demand seeks rescission of the franchise agreement, restitution of all franchise fees, royalties and other monies paid to SFP, benefit of the bargain damages in an unspecified amount, and attorneys' fees and costs. On February 6, 2023, SFP filed a counterclaim for breach of contract based on the claimants' abandonment of the franchised business. SFP's counterclaim seeks damages in an unspecified amount as well as attorneys' fees and costs. The matter is currently pending. Justin Haskin and SFP will defend themselves vigorously in this action.

Other than as described above, no litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5

INITIAL FEES

Franchise Agreement

Initial Franchise Fee

When you sign the Franchise Agreement, you must pay us a lump sum initial franchise fee of $49,500, less any amount credited toward the initial franchise fee under a Development Rights Agreement between us and you or your affiliate. The initial franchise fee is uniform and not refundable under any circumstances.

If you sign a Development Rights Agreement, the initial franchise fee for your second Heavyweight Waste Business will be $40,000, the initial franchise fee for your third Heavyweight

Waste Business will be $35,000, and the initial franchise fee for your fourth and each subsequent Heavyweight Waste Business will be $30,000 but these fees may change in the future.

Veterans Discount

We will reduce the initial franchise fee by 10% for all honorably discharged veterans of the United States armed forces and their spouses. The discount is for the first franchise only. To qualify for the veterans' discount, the Business must be at least 51% owned by a veteran who otherwise meets our requirements to purchase a Heavyweight Waste Business.

Containers

You must purchase from our affiliate, Rearden Taggart, at least 20 Containers consistent with the make, model, and custom specifications required by us.

Before you open for business, you must possess at least 20 Containers for your Business. The initial cost for 20 Containers is $180,000 to $300,000, not including taxes or shipping and delivery costs. The cost of Containers will vary based on size and the cost of steel.

Currently, Containers are built in multiple sizes; any combination of the container sizes is permitted, subject to your compliance with our System Standards. When you sign the Franchise Agreement, you must pay Rearden Taggart a $1,000 deposit for each Container you order. When you receive the Containers, you must pay the remaining balance of the purchase price to Rearden Taggart or, at our direction, the manufacturer directly. You must receive at least 20 Containers before you will be permitted to open your Business.

Truck Deposits

You must purchase at least 1 Truck from our designated third-party dealer. When you sign the Franchise Agreement, you must currently pay our affiliate, Innovative Waste, a $30,000 deposit for each Truck you order (but this amount could increase if our affiliate's costs increase). Innovative Waste will coordinate the purchase and assembly of the Truck(s) from our designated third-party dealer. You must pay the designated third-party dealer the balance of the cost of the Truck(s) when you receive the Truck(s). You must possess at least 1 Truck before you open for Business.

Technology

You must purchase from us or our affiliate required or recommended proprietary software or technology before opening the Business. We estimate that these costs will range from $500 to $3,500, depending on your number of employees. We estimate that you will have between 1 to 6 employees.

Initial Training Program

Before you open the Business, we will provide an initial brand standard training program for your Principal Executive (defined in Item 15) and your General Manager (defined in Item 15), if different from the Principal Executive (the "**Initial Training Program**"). However, if the

Principal Executive has attended and completed the Initial Training Program to our satisfaction under an existing franchise agreement with us, we will not require the Principal Executive to attend the Initial Training Program. At your option, additional personnel for the Business may attend the Initial Training Program. Except as otherwise described below, we provide the Initial Training Program to 3 individuals associated with the Business at no charge. Additional members of the Business staff may participate, but we may charge a fee for each additional participant. We currently charge $500 per day per each additional staff member. If we determine that you or any of your personnel cannot complete the Initial Training Program to our satisfaction, then we may require you or your personnel to attend additional training programs at your expense for which we may charge fees (currently $500 per day). Training fees are not refundable under any circumstance.

Range of Initial Fees

During our 2022 fiscal year, Heavyweight Waste franchisees signing our franchise agreement paid total initial fees to us and/or our affiliates ranging from $75,200 to $100,000.

Development Rights Agreement

If you sign a Development Rights Agreement, you must pay us a development fee equal to 100% of the initial franchise fee for the first Business and 50% of the initial franchise fee for each subsequent Heavyweight Waste Business you commit to develop (based on the initial franchise fees in effect at the time you execute the Development Rights Agreement). Currently, the development fee will range between $69,500 to $192,000 if you commit to develop between 2 to 10 Heavyweight Waste Businesses (based on $49,500 for the first Heavyweight Waste Business, 50% of $40,000 for the second Heavyweight Waste Business, 50% of $35,000 for the third Heavyweight Waste Business, and 50% of $30,000 for the fourth and each subsequent Heavyweight Waste Business). You must pay us this fee in a lump sum when you sign the Development Rights Agreement. We will not refund the development fee under any circumstances, but we will credit the development fee towards the initial franchise fee for each Heavyweight Waste Business developed under the Development Rights Agreement (which will be based on the then-current initial franchise fee, which may be more than the current fees for additional Heavyweight Waste Businesses). We expect the Development Rights Agreements to cover between 2 and 10 Heavyweight Waste Businesses.

Item 6

OTHER FEES

Column 1 Type of Fee[(1)]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty	8% of Gross Sales[(2)]	Monthly, on the 5th day of the following month	See Note (1).

Column 1 **Type of Fee[(1)]**	**Column 2** **Amount**	**Column 3** **Due Date**	**Column 4** **Remarks**
Brand Fund[(3)] contribution	The amount we periodically specify up to 5% of Gross Sales, subject to the Marketing Spending Requirement[(4)] Currently, 1% of Gross Sales	Monthly, on the 5th day of the following month	See Note (1).
National Account Fee	10% of the Gross Sales earned for services performed by the Business for any and all National Accounts[(5)]	Monthly, on the 5th day of the following month	See Note (1).
Technology Fee	Currently, none. If we implement a fee for technology services, we may increase the fee annually by up to 10% each year.	Monthly, on the 5th day of the following month	The Technology Fee will reimburse our costs to provide you Vonigo, HubSpot, G-Suite, truck monitoring and routing software, other software subscriptions, email services, and other technology for your Business. We may implement and increase this fee upon 30 days' written notice to you.
Custom parts inventory	Our affiliate's costs plus a reasonable administrative charge (currently, up to 30% of our affiliate's costs but may increase if our affiliate's costs increase[(8)])	As arranged	We may require you to purchase custom parts for your Truck(s) through us or our affiliate. We may charge you a reasonable administrative fee for our or our affiliate's services in acquiring and providing such parts to you.
Advertising Cooperative contributions	If established, the amount the cooperative periodically establishes, subject to the Marketing Spending Requirement[(4)]	As the cooperative determines	See Note (7).
Marketing Spending Requirement shortfall	Difference between Marketing Spending Requirement and amount you spent	As incurred	See Note (4).
Ongoing training fees	Currently none but we may charge a fee in the future	As incurred	Payable only if we require additional training courses and we charge a fee for those courses.

Column 1 Type of Fee[(1)]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
National Annual Meeting	Currently $1,500 per attendee per year, but could increase if our costs increase[(8)]	As incurred	You must send your Principal Executive to attend our National Annual Meeting each year. You are responsible for all of your personnel's travel and lodging costs. You must pay this fee even if your Principal Executive fails to attend the National Annual Meeting.
Regional Annual Meeting	Currently $500 per attendee per year, but could increase if our costs increase[(8)]	As incurred	You must send your Principal Executive to attend our Regional Annual Meeting each year. You are responsible for all of your and your personnel's travel and lodging costs. You must pay this fee even if your Principal Executive fails to attend the Regional Annual Meeting.
Additional Container purchases	You may purchase additional Containers at any time during the Franchise Agreement's term. Each Container costs approximately $9,000 to $15,000, not including taxes or shipping and delivery costs.	As incurred	See Note (6)
Customer complaint resolution fee	Our expenses	As incurred	We may take any action we deem appropriate to resolve a customer complaint about your Business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Supplier review fees	Our costs	As incurred	Payable only if you ask us to review a new supplier.
Special guidance fee	Our then current fee. Currently $500 per day, plus reimbursement of our personnel's travel and living expenses	As incurred	Payable if you request and we provide additional or special guidance, assistance or training.
Transfer fee – non-control transfer	$10,000	Before transfer if completed	Payable on proposed non-control transfer.

Column 1 Type of Fee[(1)]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Transfer fee – control transfer	$5,000 plus 50% of then-current initial franchise fee, plus reimbursement of our broker fees or commissions if we assist you in finding the transferee for your business and we incur such costs	Before transfer is completed	Payable on proposed control transfer, in addition to any transfer fee under Development Rights Agreement and other franchise agreements.
Successor franchise fee	$10,000	Upon signing successor franchise agreement	
Management fee	3% of Gross Sales[(2)] plus direct costs and expenses	As incurred	Due only if we manage the Business while we consider whether to exercise purchase option.
Costs and attorneys' fees	Will vary under circumstances	As incurred	Payable under Franchise Agreement and Development Rights Agreement by non-prevailing party if we or you initiate legal proceedings.
Indemnification	Will vary under circumstances	As incurred	You must indemnify and reimburse us and our affiliates under Franchise Agreement and Development Rights Agreement if we or they incur costs for claims arising from the Business's development or operation, your business, your breach of the agreement or your noncompliance with any law.
Interest	1.5% per month or highest interest rate the law allows, whichever is less	As incurred	Due on all overdue amounts and dishonored payments.
Insufficient Funds Fee	$30 or the amount the bank charges us due to the insufficient funds, whichever is greater	As incurred	Payable if an electronic funds transfer payment request is returned due to insufficient funds.
Insurance costs	Premiums plus our costs and expenses	As incurred	Due only if you fail to maintain (or prove you have) insurance and we, at our option, obtain insurance for you.

Column 1 Type of Fee[(1)]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Audit expenses	Cost of audit, including legal fees and, independent accountants' fees, plus travel expenses and compensation for our employees and representatives	As incurred	Due only if you fail to timely furnish reports or understate Royalty or Brand Fund contributions by 3% or more.
Inspections	Currently $1,000 plus travel expenses, but could increase if costs increase[(8)]	As incurred	If you fail to satisfy our System Standards in any quality assurance inspection or evaluation, we may charge a reasonable fee for any additional inspections or evaluations.
Customer Services fees	Currently none but we may, upon notice to you, implement certain customer services for the Business and charge you reasonable fees for such services	Monthly	See Note (9).
Non-Compliance Fee	$500 per notice of violation	As incurred	We may assess a non-compliance fee for violations of the Franchise Agreement and/or the System Standards. We reserve all other rights and remedies.
Equipment Restocking Fee	5% of the fair market value of the equipment	As incurred	If we repurchase any equipment from you, we will subtract 5% of the fair market value from the purchase price as a restocking fee.
Liquidated damages	Average monthly Royalties and Brand Fund contributions that you owed during the 12 months before the month of termination (or the shorter period during which the Business operated) multiplied by 36 or the number of months remaining in the term, whichever is less	As incurred	Covers certain damages due if we terminate the Franchise Agreement before the term expires.
Deadline extension fee under Development Rights Agreement	$5,000	Before the deadline for selecting a territory, signing a franchise agreement or opening a business	

Explanatory Notes

(1) All fees in this Item 6 are non-refundable. These fees are imposed and collected by, and payable to, us. These fees are uniform for franchisees and developers signing the Franchise Agreement and Development Rights Agreement included in this disclosure document. There are currently no franchisee advertising cooperatives in the Heavyweight Waste Business network.

You must sign and deliver to us the documents we periodically require authorizing us to debit your bank account automatically for the Royalty, Brand Fund contribution, National Account Fee (defined below), and other amounts due under the Franchise Agreement or any related agreement between us (or our affiliates) and you. Under our current automatic debit program for Heavyweight Waste Businesses, we will debit your account on or after the Payment Day for the Royalty, Brand Fund contributions, National Account Fee, and any other amounts due under the Franchise Agreement or any related agreement between us (and our affiliates) and you. You must make the funds available for withdrawal by electronic transfer before each due date. If you fail to report the Business's Gross Sales, we may debit your account for 120% of the last Royalty and Brand Fund contribution that we debited. If the amounts that we debit from your account are less than the amounts you actually owe us (once we have determined the Business's actual Gross Sales), we will debit your account for the balance, plus interest, on the day we specify. If the amounts that we debit from your account are greater than the amounts you actually owe us (once we have determined the Business's actual Gross Sales), we will credit the excess (without interest) against the amounts we otherwise would debit from your account during the following month(s). We may periodically change the mechanism for your payments of Royalties, Brand Fund contributions and other amounts you owe to us and our affiliates under the Franchise Agreement or any related agreement upon written notice to you.

In addition to any sales, use and other transaction taxes that applicable law requires or permits us to collect from you for providing goods or services under the Franchise Agreement, you must pay us all federal, state, local or foreign (a) sales, use, excise, privilege, occupation or any other transactional taxes, and (b) other taxes or similar exactions, no matter how designated, that are imposed on us or that we are required to withhold relating to the receipt or accrual of Royalties or any other amounts you pay us under the Franchise Agreement, excluding only taxes imposed on us for the privilege of conducting business and calculated based on our net income, capital, net worth, gross receipts, or some other basis or combination of those factors, but not excluding any gross receipts taxes imposed on us or our affiliates for your payments intended to reimburse us or our affiliates for expenditures incurred for your benefit and on your behalf. You must make these additional required payments in an amount necessary to provide us with after-tax receipts (taking into account any additional required payments) equal to the same amounts that we would have received if the additional tax liability or withholding had not been imposed or required.

(2) "**Gross Sales**" means all revenue that you receive or otherwise derive directly or indirectly from operating the Business, whether from cash, check, credit and debit card, barter, exchange, trade credit, or other credit transactions, including any implied or imputed Gross Sales from any business interruption insurance. However, "Gross Sales" excludes (a) sales taxes, use taxes, and other similar taxes added to the sales price, collected from the customer and paid to the appropriate taxing authority; (b) any bona fide refunds and credits that are actually provided to customers; (c) the face value of coupons or discounts that customers redeem; and (d) any revenue that you receive from the provision of waste compaction services by SFP and/or its franchisees, to the extent such revenue is remitted to SFP and/or its franchisees. Each charge or sale upon credit constitutes a sale for the full price on the day during which such charge or sale is made, regardless of when you receive payment (whether full or partial, or at all) on that sale. Gift certificate, gift card, stored value card or similar program payments count as Gross Sales when the gift certificate, other instrument or applicable credit is redeemed.

(3) We currently administer and control the "**Brand Fund**," which is a marketing and brand fund for the advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs, tools and materials for all or a group of Heavyweight Waste Businesses that we periodically deem appropriate. We currently collect Brand Fund contributions equal to 1% of Gross Sales from all franchised Heavyweight Waste Businesses. Each Heavyweight Waste Business that we or our affiliates operate will contribute to the Brand Fund at either the same rate as you or a rate similar to the rate at which other Heavyweight Waste franchisees contribute.

(4) The "**Marketing Spending Requirement**" is the maximum amount that we can require you to spend on Brand Fund contributions, Cooperative (defined below) contributions and approved Local Marketing for the Business during each calendar month and is an amount we periodically specify up to 5% of the Business's Gross Sales during that calendar month. "**Local Marketing**" means the approved advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs, tools and materials that you or your agents or representatives develop or implement relating to the Business. We will not count towards your Marketing Spending Requirement the cost of free or discounted products or services, coupons, special offers or price reductions that you provide as a promotion, signs, personnel salaries, administrative costs, employee incentive programs, or other amounts that we, in our reasonable judgment, deem inappropriate for meeting the Marketing Spending Requirement. We may periodically review your books and records and require you to submit reports periodically to determine your Cooperative contributions and Local Marketing expenses. If you fail to spend (or prove that you spent) the Marketing Spending Requirement in any month, then in addition to our other rights, we may require you to pay us the shortfall as an additional Brand Fund contribution or for us to spend on Local Marketing for the Business.

(5) You must pay us a fee in an amount equal to 10% of the Gross Sales earned for services performed by the Business for any and all National Accounts (defined below) (the "**National Account Fee**"). For each National Account, the National Account Fee will be payable for 12 months from the date you first provide services to such National

Account. The National Account Fee is in addition to the Royalty. After you have serviced a National Account for 12 months, you will only pay a Royalty (and no National Account Fee) on the Gross Sales earned for services performed by the Business for that specific National Account. After that, you will continue to pay a National Account Fee on Gross Sales earned for services performed by the Business for all other National Accounts that you have not yet serviced for 12 months. "**National Accounts**" are national, regional or other customer groups or associations who represent, or purport to represent, one or more individuals or entities (which may include one or more of our affiliates) who may (1) utilize the services of multiple Heavyweight Waste Businesses; and/or (2) require or benefit from specific terms or provisions regarding the products or services that Heavyweight Waste Businesses provide, including special insurance, experience, equipment, pricing, payment terms, turnaround requirements, or approvals. If we establish a National Accounts program, you must participate in that program in the manner that we periodically specify. You must comply with all National Accounts program 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 National Account.

(6) You must operate at least 20 Containers in the Territory during the Franchise Agreement's term. You may, at your election, purchase additional Containers at any time during the Franchise Agreement's term. You must purchase the Containers from our affiliate, Rearden Taggart. Each Container costs approximately $9,000 to $15,000, not including taxes or shipping and delivery costs.

(7) We may designate a geographic area in which 2 or more Heavyweight Waste Businesses are located as an area for an advertising or marketing cooperative (a "**Cooperative**"). The Cooperative's members in any area are the owners of all of the Heavyweight Waste Businesses located and operating in that area (including us and our affiliates, if applicable) that we can require to participate in the Cooperative. If we have established a Cooperative for the geographic area in which the Business is located when you sign the Franchise Agreement, or if we establish a Cooperative in that area during the Franchise Agreement's term, you must sign the documents that we require to become a member of the Cooperative and participate in the Cooperative as those documents require. You must contribute to the Cooperative the amounts that the Cooperative determines, subject to our approval and the Marketing Spending Requirement. All material decisions of the Cooperative, including contribution levels (which also require our approval), will require the affirmative vote of more than 50% of all Heavyweight Waste Businesses participating in the Cooperative (including, if applicable, those that we or our affiliate operate), with each Heavyweight Waste Business receiving one vote.

(8) Some fees and payments might vary depending on our (or our affiliate's) costs to provide the applicable products or services or any additional products or services that we (or our affiliate) provide. If those costs increase or we (or our affiliate) offer additional products or services, we will provide you with written notice.

(9) If established, the customer services fee covers costs associated with the back-of-house customer service center for the Business, which may include the Booking Systems

(defined below), a back-of-house customer service center, and remote payment processing (as we may periodically modify them, collectively, the "**Customer Services**"), for which we may charge you reasonable fees. "**Booking Systems**" means any customer booking processes that we periodically specify in which all or certain Heavyweight Waste Businesses participate, including call-center, web-based and app-based booking processes, and any other program or system that we may periodically specify. You must accept and fulfill all bookings the Business receives through the Booking Systems according to the Franchise Agreement and all applicable System Standards to the maximum extent the law allows. We may periodically modify any Customer Services, including the services provided, and may periodically stop providing any or all Customer Services upon notice to you.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 **Type of Expenditure (1)**	**Column 2** **Amount**	**Column 3** **Method of Payment**	**Column 4** **When Due**	**Column 5** **To Whom Payment is to be Made**
Initial franchise fee **(2)**	$49,500	Installments if you sign Development Rights Agreement, lump sum if not	Upon signing Development Rights Agreement / Franchise Agreement	Us
Rent, Utilities and Leasehold Improvements **(3)**	$500 - $5,000	As arranged	As needed	Lessor, contractors, and vendors
Operating Assets (**4**)	$500 - $2,000	As arranged	As incurred or when billed	Vendors
Market Introduction Program (**5**)	$2,500 - $5,000	As arranged	As incurred or when billed	Vendors
Computer System (**6**)	$900 - $13,500	As arranged	As incurred or when billed	Us and/or our affiliates and third-party vendors
Insurance	$5,000 - $10,000	As arranged	As incurred	Insurance company

Column 1 Type of Expenditure (1)	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Trucks (**7**)	$290,000 - $340,000	As arranged	$30,000 per Truck deposit due to our affiliate when you sign the Franchise Agreement; balance due to our designated third-party dealer when you receive the Trucks	Our affiliate and third-party dealer
Containers (**8**)	$180,000 - $300,000	As arranged	$1,000 per container deposit due when you sign the Franchise Agreement; balance due when you receive the Containers	Our affiliate
Licenses and Permits	$500 - $3,000	As arranged	Upon application	Regulatory Agencies
Dues and Subscriptions	$350 - $1,000	As arranged	As incurred	Vendors, trade organizations
Professional Fees (lawyer, accountant, etc.)	$2,500 - $5,000	As arranged	As incurred or when billed	Professional service firms
Travel, lodging and meals for initial training **(9)**	$2,000 - $3,000	As arranged	As incurred	Airlines, hotels, and restaurants
Additional Funds – 3 months **(10)**	$100,000 - $150,000	As arranged	Varies	Employees, suppliers
TOTAL ESTIMATED INITIAL INVESTMENT (11)	$634,250 - $887,000			

Explanatory Notes:

(1) The amounts provided in the above table reflect costs you will incur to develop your Business under the Franchise Agreement. Except for a security deposit under a lease for real estate, which is typically refundable if you comply with the lease terms, all fees and payments are non-refundable. The ranges in the table above do not include optional, atypical upgrades to equipment, the Business Location or the Parking Location, such as seismic upgrades, demolition costs, signage that must conform to local codes, additional HVAC depending on climate, and other items. The costs for rent, furniture, fixtures and equipment, leasehold improvements and inventory and supplies will vary based on the Business Location's and the Parking Location's square footage, condition of the property, location, market conditions, financing costs, and other physical characteristics.

(2) We describe the initial franchise fee in Item 5. The initial franchise fee is a $49,500 lump sum payment, less any amount credited toward the initial franchise fee under a Development Rights Agreement between us and you or your affiliate. In addition, if you develop additional Heavyweight Waste Businesses pursuant to a Development Agreement, the initial franchise fee for your second Heavyweight Waste Business will be $40,00, the initial franchise fee for your third Heavyweight Waste Business will be $35,000, and the initial franchise fee for your fourth and each subsequent Heavyweight Waste Business will be $30,000.

(3) We anticipate that your Business Location will initially be a home office or small office space located in your Territory. You are also required to lease or purchase a Parking Location. If you do rent space for the Business Location and/or the Parking Location, rent amounts can vary depending on the area in which the Business Location and the Parking Location are located, size, condition of the premises, the landlord's contribution to your leasehold improvements and other factors. You probably will also have to pay the landlord a first and last months' rent deposit and possibly a lease security deposit when you sign the lease. Because of the numerous variables that affect the value of a particular parcel of real estate, this initial investment table does not reflect the potential purchase cost of real estate for the Business Location or the Parking Location, nor the costs of constructing a building or parking facility at the Business Location or the Parking Location.

(4) These figures cover your other Operating Assets except for Trucks, Containers, and Computer System, which are addressed separately in the above table. "**Operating Assets**" means the furniture, fixtures, Trucks, Containers, Computer System (defined below) components, tools, equipment, furnishings, signs and other products and services that we periodically require for the Business. The "**Computer System**" means the computer-based, web-based application and/or other technological systems and services that we periodically specify, including hardware components, software, dedicated communication and power systems, printers, payment devices, and other computer-related accessories and peripheral equipment. Your costs for Operating Assets will vary primarily depending on the market in which the Business is located and the size of your Territory, which will determine the type and amount of Operating Assets you will need.

(5) You must conduct your market introduction program according to our standards and specifications, which may specify the nature and media of advertising and the minimum required expenditures. Currently, we do not require you to spend a minimum amount on the market introduction program, but we may implement a minimum requirement in the future.

(6) You must purchase the Computer System before opening. Your costs will depend on the number of employees you employ. The range above estimates that you will have 2 employees before opening. This estimate includes costs to obtain required or recommended proprietary software or technology from us and costs for computer(s), anti-virus software, Office365, Adobe, printer(s), and new cellular device(s). Your costs will vary depending on the quality and quantity of the hardware and devices that you choose to buy.

(7) You must purchase from our designated dealer at least 1 new Heavyweight Waste class 8 Truck, consistent with the make, model and specifications required by us. The total cost of 1 Truck is currently between $290,000 and $330,000, not including taxes or registration fees. The cost of the Truck will vary based on the costs the dealer incurs, custom modifications, flooring fees and interest, and manufacturer price increases. When you sign the Franchise Agreement, you must currently pay our affiliate a $30,000 deposit for each Truck you order (but this amount could increase if our affiliate's costs increase). You must pay our designated third-party dealer the balance of the cost for the Truck(s) when you receive the Truck(s). You may choose to pick up your Truck(s) from the designated dealer's facility (currently located in Indiana but this location may change) or you may choose to pay a third-party shipping agent for shipping and delivery of each Truck, which ranges from $2,500 to $10,000 in most of the continental United States. If shipping costs exceed this range (for example, if the Truck will be delivered to Hawaii), you will receive a detailed quote no later than 5 days before your Truck ships. You may not use any shipping agents not previously approved by us. Your Truck(s) will not be delivered, and your Business will not be permitted to open, until all costs have been paid in full. If applicable, you must also pay state and local sales tax on the purchase of the Trucks. The sales taxes may range from 1% to 30% of the purchase price. This amount does not include registration fees, which will vary depending on your local requirements. The lower range of this estimate assumes that you will pick up the Truck from our designated dealer's facility in Indiana. The upper range of this estimate assumes that the Truck will be shipped and delivered to you and that you operate your Business in a standard, accessible location in the continental United States.

(8) You must purchase from our affiliate at least 20 Containers consistent with the make, model and specifications required by us. This range includes the estimated cost for 20 Containers. When you sign the Franchise Agreement, you must pay our affiliate a $1,000 deposit for each Container you order. You must pay our affiliate or, at our direction, the manufacturer directly the balance of the cost for the Containers when you receive the Containers. The cost of Containers will vary based on size and the cost of steel. If applicable, you must also pay state and local sales tax on the purchase of the Containers. The sales taxes may range from 0% to 12% of the purchase price and are

not included in these estimates. These estimates also do not include shipping or delivery costs, which may or may not be refundable depending on the terms of the third party shipping and delivery agent's invoice.

(9) This range includes your personnel's estimated costs and expenses for lodging, transportation, and meals while they attend our Initial Training Program. We do not otherwise charge a fee for providing the Initial Training Program to three (3) individuals associated with the Business or the pre-opening training. As previously noted, additional members of the Business staff may participate in the Initial Training Program, but we may charge a fee for each additional participant. We currently charge $500 per day per each additional staff member. If we determine that you or any of your personnel cannot complete the Initial Training Program to our satisfaction, then we may require you or your personnel to attend additional training programs at your expense for which we may charge fees (currently $500 per week). Training fees are not refundable under any circumstance.

(10) This amount estimates the funds needed to cover initial operating expenses for the Business, including payroll, for a period of 3 months of operation (other than the items identified separately in the table). These figures are estimates and we cannot guarantee you will not have additional expenses starting the business. Your costs will depend on factors such as how closely you follow our recommended methods and procedures; whether you serve as the General Manager for the Business or hire another individual to serve as the General Manager; your management skill, experience and business acumen; local economic conditions; the local market for the Business's products and services; the prevailing wage rate; competition; and the sales level reached during the initial period.

(11) We relied on our affiliates' and our principals' experience in developing, operating and franchising waste management businesses to prepare the estimate for additional funds and other estimates in this table. You should review these figures carefully with a business advisor before deciding to acquire the franchise. The estimate does not include any finance charge, interest, or debt service obligation. Neither we nor our affiliates offer financing for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral and the lending policies of financial institutions from which you request a loan.

Development Rights Agreement

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be made
Development fee **(1)**	$69,500 - $192,000	Lump sum	Upon signing Development Rights Agreement	Us
Estimated initial investment for first Business **(2)**	$584,750 - $837,500	As incurred	As incurred	Third parties
TOTAL ESTIMATED INITIAL INVESTMENT (3)	$654,250 - $1,029,500			

Explanatory Notes

(1) Upon signing the Development Rights Agreement, you must pay us the development fee. The development fee varies based on the number of Heavyweight Waste Businesses you commit to develop. The example above assumes that you commit to develop a minimum of 2 Heavyweight Waste Businesses and a maximum of 10 Heavyweight Waste Businesses. The development fee will be credited towards the initial franchise fee for each Heavyweight Waste Business developed under the Development Rights Agreement. The development fee is not refundable. See Item 5.

(2) For each Heavyweight Waste Business that you develop under a Development Rights Agreement, you will execute a Franchise Agreement and incur the initial investment expenses for the development of a single Heavyweight Waste Business as described in the first table of this Item 7. This estimate is based on the expenses described in the first table of this Item 7. This estimate does not include the initial franchise fee, since the development fee is credited towards the initial franchise fee for each Heavyweight Waste Business.

(3) We do not provide financing to franchisees either directly or indirectly in connection with their initial investment requirements.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Franchise Agreement

System Standards

In order to strive for a uniform image and uniform quality of products and services throughout Heavyweight Waste Businesses, you must operate and maintain the Business according to our System Standards. System Standards may regulate, among other things, the brands, types, and models of Operating Assets and other products and services you use to operate the Business; required or authorized products and services or product and service categories; and designated or approved suppliers of these items, which might include or be limited to us and/or our affiliates.

We issue and modify our System Standards based on our, our affiliates' and our franchisees' experience in franchising and/or operating Heavyweight Waste Businesses. We will notify you in our Operations Manual or in other written communications of our System Standards and names of designated and approved suppliers. We also provide our relevant standards and specifications to approved suppliers. Currently, the purchases and leases that you must make from us or our affiliates, from approved suppliers, or according to our System Standards represent approximately 80% to 90% of your total purchases and leases in establishing, and approximately 30% to 50% of your total purchases and leases in operating, the Business.

Suppliers

You must purchase or lease all Operating Assets and other products and services for the Business according to the System Standards, and if we require, only from suppliers or distributors that we designate or approve, which may include or be limited to us or our affiliates. When determining whether to source-restrict a particular item or service that you must acquire, we take into account a variety of factors, including pricing, the quality and accessibility of products and/or services and the importance of uniform quality of products and services throughout Heavyweight Waste Businesses.

To maintain the quality of the goods and services that Heavyweight Waste Businesses use and sell and our network's reputation, you currently must purchase the Containers and certain components of the Computer System (including software, email services and Truck video/camera systems) from us or our affiliate. You currently must purchase the Truck(s) from our designated supplier and obtain Truck assembly services from our designated supplier. Our affiliate, Innovative Waste, coordinates the Truck purchases and Truck assembly services between you and our designated third-party dealer. Innovative Waste is the designated supplier of these coordination services. You must also purchase approved accounting software for use in the Business.

At our option, you must contract with one or more suppliers that we designate or approve (which may include or be limited to us or our affiliates) to develop and/or implement Local Marketing. In addition, our affiliates are currently approved suppliers of custom parts inventory,

training and development services, waste brokerage services, and waste compaction services. You can find the names of designated and approved suppliers, which we may periodically modify, in the Operations Manual or other written communications from us. Except as described in this Item 8, there currently are no other goods, services, supplies, fixtures, equipment, inventory, computer hardware or software, real estate, or comparable items related to establishing or operating the Business that you must purchase from us or designated or approved suppliers. In the future, we may designate us and/or our affiliates as approved suppliers or the only approved supplier for additional products and/or services.

We or our affiliates may derive revenue based on your purchases and leases, including from charging you for products and services that we or our affiliates provide to you and from promotional allowances, volume discounts and other payments made to us by suppliers and/or distributors that we designate or approve for some or all of our franchisees. We and our affiliates may use all amounts received from suppliers and/or distributors, whether or not based on your or other franchisees' actual or prospective dealings with them, without restriction for any purposes we or our affiliates deem appropriate.

We did not receive any revenue from sales of required purchases by Heavyweight Waste franchisees in 2022 but our affiliate, Rearden Taggart, collected approximately $759,698 in revenue from the sale of Containers to our franchisees and our affiliate, Innovative Waste, collected approximately $28,420 from the provision of Truck purchasing and assembly coordination services to our franchisees.

We have negotiated arrangements under which we will earn a 6.5% rebate on the sale of Containers and Trucks to franchisees. We may negotiate additional arrangements with suppliers in the future.

Our President, through his ownership in our parent company, indirectly owns interests in Custom Hydraulics, Rearden Taggart, TCMC, SFP, and Innovative Waste, all of which provide required and/or optional products and/or services to our franchisees. The above-mentioned affiliates are the only approved suppliers of the Containers, certain components of the Computer System, and Truck purchasing and assembly coordination services, and are approved suppliers of custom parts inventory, waste brokerage services, marketing services, training and development services, and waste compaction services. None of our other officers own an interest in any supplier.

If you want to use any Operating Assets or other products or services for or at the Business that we have not yet evaluated, or purchase or lease any Operating Assets or other products or services from a supplier or distributor that we have not yet approved (for Operating Assets or other products and services that we require you to purchase only from designated or approved suppliers or distributors), you first must submit sufficient information, specifications and samples for us to determine whether the product or service complies with our standards and specifications and/or the supplier or distributor meets our criteria. We may condition our approval of a supplier or distributor on requirements relating to product quality, prices, consistency, warranty, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints) and/or other criteria. We may inspect the proposed supplier's or distributor's facilities and require the proposed supplier

or distributor to deliver product or other samples, at our option, either directly to us or to any independent laboratory that we designate for testing. For each supplier, distributor, or product you submit for our review, you must reimburse us for our costs to inspect and evaluate the proposed supplier, distributor, or product. We will use commercially reasonable efforts to notify you of our approval or disapproval within 30 business days after receiving all information we require. We may periodically re-inspect the facilities, products and services of any approved supplier or distributor and, upon notice to franchisees and/or the supplier, revoke our approval of any supplier, distributor, product or service that does not continue to meet our criteria. Despite these rights, we may limit the number of approved suppliers with whom you may deal, designate sources that you must use, and/or refuse any of your requests for any reason, including if we have already designated an exclusive source (which might be us or our affiliate) for the applicable product or service or if we believe that doing so is in the best interests of the Heavyweight Waste Business franchise network. The Operations Manual may provide additional detail on the manner in which we grant and revoke approval of suppliers.

We will not provide material benefits, like renewal or granting additional franchises, to franchisees based on their purchase of particular products or services or use of particular suppliers. We negotiate purchase arrangements with some suppliers, including price terms. In doing so, we seek to promote the overall interests of our franchise network and our interests as franchisor.

There are no formal purchasing or distribution cooperatives in the Heavyweight Waste Business franchise network; however, we may establish such cooperatives in the future.

Insurance

You must maintain in force at your sole expense the insurance coverage for the Business in the amounts, covering the risks, and containing only the exceptions and exclusions that we periodically specify for similarly situated Heavyweight Waste Businesses. All of your insurance carriers must be rated A or higher by A. M. Best and Company, Inc. or using similar criteria as we periodically specify. You must name us and an affiliate that we designate as additional insureds, and you must provide us with at least 30 days' notice of a material modification or cancellation of your insurance coverage.

As of the date of this disclosure document, we require the following types and minimum amounts of insurance:

1) Commercial General Liability insurance, including products liability insurance, and broad form commercial liability coverage, written on an "occurrence" policy form in an amount of at least $1,000,000 single-limit per occurrence and $2,000,000 aggregate limit;

2) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of at least $1,000,000,

3) Workers compensation insurance as required by applicable state law;

Market Introduction Program

We may require you, at your expense, to implement a market introduction program for the Business. You must implement the market introduction program according to the requirements in the Operations Manual and System Standards.

Local Marketing

You must at your expense participate in the manner we periodically specify in all advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs that we periodically designate for the Business. You must ensure that all of your Local Marketing is completely clear, factual and not misleading, complies with all applicable laws and regulations, and conforms to the highest ethical standards and the advertising and marketing policies that we periodically specify. Before using them, you must send to us, for our approval, descriptions and samples of all proposed Local Marketing that we have not prepared or previously approved within the previous 6 months. If you do not receive written notice of approval from us within 5 business days after we receive the materials, they are deemed disapproved. You may not conduct or use any Local Marketing that we have not approved or have disapproved. At our option, you must contract with one or more suppliers that we designate or approve to develop and/or implement Local Marketing.

Business Upgrades

In addition to your obligations to maintain the Business according to System Standards, once during the Franchise Agreement's term, we may require you to substantially alter the Business Location's and/or the Parking Location's appearance, branding, layout and/or design, and/or replace a material portion of your Operating Assets, in order to meet our then current requirements for new similarly situated Heavyweight Waste Businesses. This obligation could result in your making extensive structural changes to, and significantly remodeling and renovating, the Business Location, the Parking Location, and/or in your spending substantial amounts for new Operating Assets (including new Trucks and/or Containers). You must incur any capital expenditures required to comply with this obligation and our requirements. Within 60 days after receiving written notice from us, you must have plans prepared according to the standards and specifications we specify, and you must submit those plans to us for our approval. You must complete all work according to the plans we approve within the time period that we reasonably specify. In determining the time period, we will take into account a number of factors, including the expenses required, the availability of new products and services, and the disruption to business operations that the upgrade will require. However, this does not limit your obligation to comply with all mandatory System Standards we periodically specify.

Development Rights Agreement

Each territory is subject to our acceptance. The territory must meet our then current territory selection standards. Otherwise, the Development Rights Agreement does not require you to buy or lease from us or designated or approved suppliers, or according to our specifications, any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items to establish or operate the business under the Development Rights Agreement. However, you must follow our requirements under the Franchise Agreement for each Heavyweight Waste Business you develop.

Item 9

FRANCHISEE'S OBLIGATIONS

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

	Obligations	Section in agreement	Disclosure document item
a.	Site selection and acquisition/lease	2.A and 2.E of Franchise Agreement and 8 of Development Rights Agreement	7, 8, 11 and 12
b.	Pre-opening purchases/leases	2.B – 2.F and 6 of Franchise Agreement	7, 8 and 11
c.	Site development and other pre-opening requirements	2 of Franchise Agreement	7, 8 and 11
d.	Initial and ongoing training	4 of Franchise Agreement	5, 6, 7 and 11
e.	Opening	2.G of Franchise Agreement	11
f.	Fees	5, 6.G, 7.A-7.E, 13.C. 13.D, 16.A, 17.D and 18.C of Franchise Agreement and 4, 5, and 8 of Development Rights Agreement	5, 6, 7, 8 and 11
g.	Compliance with standards and policies/Operating Manual	2.E, 2.G, 4.E. 6, 7.A, 9.A and 10.A of Franchise Agreement	6, 8 and 11
h.	Trademarks and proprietary information	10 and 11 of Franchise Agreement and 7 and 10 of Development Rights Agreement	13 and 14
i.	Restrictions on products/services offered	6.B, 6.C, 6.D and 6.G of Franchise Agreement	8, 11 and 16
j.	Warranty and customer service requirements	6 of Franchise Agreement	11 and 16
k.	Territorial development and sales quotas	2 of Franchise Agreement and 2, 5, and Exhibit A of Development Rights Agreement	8, 11 and 12

	Obligations	Section in agreement	Disclosure document item
l.	On-going product/service purchases	6 of Franchise Agreement	8, 11 and 16
m.	Maintenance, appearance and remodeling requirements	6.A and 6.H of Franchise Agreement	8 and 11
n.	Insurance	6.G of Franchise Agreement	6, 7 and 8
o.	Advertising	7 of Franchise Agreement	6, 7, 8 and 11
p.	Indemnification	10.E and 17.D of Franchise Agreement and 16 of Development Rights Agreement	6
q.	Owner's participation/ management/ staffing	1.C, 1.D and 4 of Franchise Agreement	11 and 15
r.	Records and reports	8 of Franchise Agreement	6 and 11
s.	Inspections and audits	9 of Franchise Agreement	6
t.	Transfer	13 of Franchise Agreement and 14 and 15 of Development Rights Agreement	6 and 17
u.	Renewal	14 of Franchise Agreement	6 and 17
v.	Post-termination obligations	16 of Franchise Agreement	6 and 17
w.	Non-competition covenants	12 and 16.D of Franchise Agreement and 10 of Development Rights Agreement	17
x.	Dispute resolution	18 of Franchise Agreement and 16 of Development Rights Agreement	17

Item 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

If you sign the Development Rights Agreement, then before you begin operating your business under that agreement, we will:

(1) Determine the Development Area within which you will look for territories for Heavyweight Waste Businesses. (Development Rights Agreement – Section 2)

(2) Determine the number of Heavyweight Waste Businesses that you (or your Controlled Affiliates) must open in the Development Area under the Development Schedule attached to the Development Rights Agreement. (Development Rights Agreement – Section 2)

(3) Determine the Development Schedule and the deadlines by which you (or your Controlled Affiliate) must submit a complete territory report for, sign a franchise agreement for, and open and begin operating, each Heavyweight Waste Business to be developed under the Development Rights Agreement. (Development Rights Agreement – Section 5).

If you sign the Development Rights Agreement, then during your operation under that agreement, we will:

(1) Grant or deny requests for 90-day extensions of the territory report deadline, Franchise Agreement signing deadline and/or business opening deadline on the Development Schedule. You must send us a non-refundable $5,000 extension fee with each request for an extension. (Development Rights Agreement – Section 5)

(2) Accept territories for Heavyweight Waste Businesses in the Development Area that meet our then current requirements. To propose a territory for each Heavyweight Waste Business you must deliver to us a complete territory report and other materials and information we request for that site, and information we request relating to your (or your Controlled Affiliate's) financial and operational ability to establish and operate the proposed business. Each Heavyweight Waste Business must be located in a territory that we have accepted. We will exercise commercially reasonable efforts in reviewing and evaluating proposed territories. We will not unreasonably withhold our acceptance of a territory that meets our then current criteria for geographic location; demographic characteristics; population; competition from, proximity to, and nature of other businesses; other commercial characteristics; and size. In determining whether to accept or reject a proposed territory, we also may consider the territory's proximity both to the Development Area's boundaries and to other existing or potential territories for Heavyweight Waste Businesses located outside the Development Area. We will use commercially reasonable efforts to review and either accept or reject a territory that you propose within 30 days after receiving the complete territory report and any other materials we may reasonably request. If we have not accepted your (or your Controlled Affiliate's) proposed site for your first Business developed under the Development Rights Agreement, the rights and obligations set forth in the Development Rights Agreement will govern the selection acceptance of that territory. (Development Rights Agreement – Section 8)

Under the Franchise Agreement, before you open the Business, we will:

(1) Approve a Territory that meets our requirements. We describe our territory selection process and your obligations above. Unless you are signing your first Franchise Agreement together with a Development Rights Agreement, we and you will not sign a Franchise

Agreement until you have proposed and we have accepted the Territory. (Franchise Agreement – Section 2.A and 3.A)

(2) Sell to you (either directly or through our affiliate or third-party vendor) at least 1 Truck, 20 Containers, certain components of the Computer System, and Truck assembly services. Other than these items, we do not provide any Operating Assets or other items for the Business's development directly or deliver or install items. We will provide the names of approved suppliers and/or specifications for some items.

At your expense, you must construct, install trade dress and furnish all Operating Assets in, and otherwise develop, the Business according to our standards, specifications and directions. (Franchise Agreement – Sections 2.B and 2.E)

(3) Accept a lease that meets our requirements. You must obtain our prior written acceptance of the terms of any lease or sublease for the Business Location before you sign it. The Lease must contain the terms and provisions that are reasonably acceptable to us, including provisions to protect our rights as your franchisor. You must give us a copy of the fully signed lease within 10 days after you and the landlord have signed it. (Franchise Agreement – Section 2.E(3))

(4) At our option, we will review your construction plans or specifications for approval before you begin any construction (or renovation). Our review will be limited to ensuring your compliance with our System Standards and other requirements of the Franchise Agreement, and not compliance with federal, state, or local laws and regulations, including the Americans with Disabilities Act (the "**ADA**"), as compliance with laws and regulations is your responsibility. You are solely responsible for selecting and maintaining the Business Location and the Parking Location and ensuring that the Business Location meets System Standards if the Business Location is to be open to the public in any way. Also, it is your responsibility to prepare all required construction plans and specifications and to make sure that they comply with, and similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements and lease requirements and restrictions. The Parking Location must comply with all applicable laws and our System Standards. (Franchise Agreement – Section 2.E)

(5) Train you and certain of your personnel to operate a Heavyweight Waste Business. We describe this training later in this Item 11. (Franchise Agreement – Section 4.A to 4.D)

(6) Provide you access to our Operations Manual for use in operating the Business during the Franchise Agreement's term. The Operations Manual might include written or intangible materials and we may make it available to you by various means. At our option, we may post the Operations Manual on the System Website (defined below) or another restricted website to which you will have access. If we do so, you must periodically monitor the website for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on such a website are part of our confidential information. The Operations Manual contains System Standards and information on your other obligations under the Franchise Agreement. We may modify the Operations Manual periodically to reflect changes in System Standards. You must keep your copy of the Operations

Manual current and communicate all updates to your employees in a timely manner. In addition, you must keep any paper copy of the Operations Manual you maintain in a secure location at the Business Location. If there is a dispute over its contents, our master copy of the Operations Manual controls. The contents of the Operations Manual are confidential, and you may not disclose the Operations Manual to any person other than Business employees who need to know its contents. You may not at any time copy, duplicate, record or otherwise reproduce any part of the Operations Manual, except as we periodically authorize for training and operating purposes. Our Operations Manual has a total of 214 pages as of the date of this disclosure document and its table of contents is Exhibit E.

Any materials, guidance or assistance that we provide concerning the terms and conditions of employment for your employees, employee hiring, firing and discipline, and similar employment-related policies or procedures, whether in the Operations Manual or otherwise, are solely for your optional use. Those materials, guidance and assistance do not form part of the mandatory System Standards. You will determine to what extent, if any, these materials, guidance or assistance should apply to the Business's employees. You are solely responsible for determining the terms and conditions of employment for all Business employees, for all decisions concerning the hiring, firing and discipline of Business employees, and for all other aspects of the Business's labor relations and employment practices. (Franchise Agreement – Sections 4.G and 6.H)

(7) We may provide Customer Services for the Business, for which we may charge you reasonable fees. We may periodically modify any Customer Services, including the services provided, and may periodically stop providing any or all Customer Services, including Booking Systems, upon notice to you. (Franchise Agreement – Section 6.E)

Under the Franchise Agreement, during your operation of the Business, we will:

(1) Determine whether you have an adequate number of Trucks to service customers according to our System Standards. If we reasonably believe you are unable to service customers according to our System Standards due to a lack of Trucks, we will require you to obtain an additional Truck. We will send you written notice setting forth the deadline by which you must obtain the Truck and we (either directly or through our affiliate or third-party vendor) will sell the additional Truck to you. (Franchise Agreement – Section 2.C)

(2) Advise you periodically regarding the Business's operation based on your reports or our inspections. We will guide you on standards, specifications, operating procedures and methods that Heavyweight Waste Businesses use, including establishing prices; purchasing required or recommended Operating Assets and other products; and administrative, bookkeeping and accounting procedures. We will guide you in our Operations Manual, in bulletins or other written materials, by electronic media, by telephone consultation, at our office, at the Business Location, and/or in the Territory. If you request and we agree to provide additional or special guidance, assistance or training, you must pay our then applicable charges, including our personnel's per diem charges and any travel and living expenses. Any specific ongoing training, conventions, advice or assistance that we provide does not create an obligation to continue providing that specific training, convention, advice or assistance, all of which we may discontinue and modify at any time. (Franchise Agreement – Section 4.F)

(3) Provide updates to the Operations Manual and System Standards as we implement them. Our periodic modification of our System Standards (including to accommodate changes to the Computer System and the Marks), which may accommodate regional and/or local variations, may obligate you to invest additional capital in the Business and incur higher operating costs, and you must comply with those obligations within the time period we specify. Although we retain the right to establish and periodically modify the Franchise System and System Standards that you have agreed to follow, you retain the responsibility for the day-to-day management and operation of the Business and implementing and maintaining System Standards at the Business. We may vary the Franchise System and/or System Standards for any Heavyweight Waste Business or group of Heavyweight Waste Businesses based on the peculiarities of any conditions or factors that we consider important to its operations. You have no right to require us to grant you a similar variation or accommodation. (Franchise Agreement – Sections 4.G, 6.H and 6.I)

(4) Maintain and administer the Brand Fund and the System Website. (Franchise Agreement – Section 7.B and 7.F) We describe the Brand Fund and System Website below.

(5) We may establish and administer a National Accounts program. If we establish a National Accounts program, you must participate in that program in the manner that we periodically specify. You must comply with all National Accounts program 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 National Account. (Franchise Agreement – Section 6.D)

Business Opening

We estimate that the time between you signing the Franchise Agreement (which is when you will first pay us consideration for the franchise) and the Business's opening date is 5 to 6 months. The precise timing depends on the time it takes you to sign an accepted lease; the work needed to develop the Business according to our System Standards; completing training; obtaining financing; obtaining insurance; equipment availability; shipping delays; obtaining permits and licenses; and complying with local laws and regulations. You must open the Business on or before the "**Opening Deadline**," which is the earlier of (a) the date that is 180 days after the Franchise Agreement's effective date; or (b) the date that is 10 days after you receive the initial Truck and Container orders, or we may terminate the Franchise Agreement. (Franchise Agreement – Section 2.G)

You may not open or operate the Business until: (1) you have received your initial Truck and Container orders; (2) your personnel have completed all pre-opening training to our satisfaction; (3) you have paid all amounts you then owe to us and our affiliates; (4) you have given us evidence of required insurance coverage and payment premiums; (5) you have obtained all applicable governmental permits and authorizations; (6) you are in compliance with the Franchise Agreement; (7) the Business conforms to all applicable System Standards; and (8) you have hired sufficient employees to operate the Business according to the System Standards. Our determination that you have met all of our pre-opening requirements will not constitute a waiver of your non-compliance or of our right to demand full compliance with those requirements. (Franchise Agreement – Section 2.G)

Advertising, Marketing and Promotion

Market Introduction Plan

We may require you, at your expense, to implement a market introduction program for the Business according to the requirements in the Operations Manual and the System Standards, which requirements may specify the nature and media of advertising and the minimum required expenditures. (Franchise Agreement – Section 7.A)

Brand Fund

We administer and control the Brand Fund for the advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs, tools and materials for all or a group of Heavyweight Waste Businesses that we periodically deem appropriate. You must pay us, via electronic funds transfer or another payment method we specify and together with each payment of the Royalty, a contribution to the Brand Fund in an amount that we periodically specify, subject to the Marketing Spending Requirement. As of the date of this disclosure document, the Brand Fund contribution is 1% of the Business's Gross Sales. We anticipate that all franchisees will contribute to the Brand Fund at the same rate. Each Heavyweight Waste Business that we or our affiliates operate will contribute to the Brand Fund at either the same rate as you or a rate similar to the rate at which other Heavyweight Waste franchisees contribute.

We have the right to designate and direct all programs that the Brand Fund finances, with sole control over the creative and business concepts, materials and endorsements used and their geographic, market and media placement and allocation. The Brand Fund may pay for preparing, producing and placing video, audio and written materials, electronic media and Social Media (defined below); developing, maintaining and administering one or more System Websites, including online sales and customer retention programs, mobile applications, and other technologies used to reach customers and potential customers; developing, maintaining, and administering the Customer Services; soliciting and maintaining National Accounts; administering national, regional, multi-regional and local marketing, advertising, promotional and customer relationship management programs, including purchasing trade journal, direct mail, Internet and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; attending trade shows and other events; sponsorships and administering contests and sweepstakes; and supporting public and customer relations, market research, and other advertising, promotion, marketing and brand-related activities. The Brand Fund may place advertising or other programs in any media, including print, radio, and television, on a local, regional or national basis. Our in-house staff, national or regional advertising agencies, and/or other contractors may produce advertising, marketing, promotional and other Brand Fund programs and materials. The Brand Fund also may reimburse Heavyweight Waste Business operators (including us and/or our affiliates) for expenditures consistent with the Brand Fund's purposes that we periodically specify. We also may implement programs that the Brand Fund could finance, but choose to finance them through other means, such as through your and other Heavyweight Waste Business operators' direct payments.

We will account for the Brand Fund separately from our other funds and not use the Brand Fund to pay any of our general operating expenses, except to compensate us and our affiliates for the reasonable salaries, administrative costs, travel expenses, overhead and other costs we and they incur relating to activities performed for the Brand Fund and its programs, including conducting market research, preparing advertising and marketing materials, maintaining and administering the System Website and/or Social Media, developing technologies to be used by the Brand Fund or its programs, collecting and accounting for Brand Fund contributions, and paying taxes on contributions. We will not use any Brand Fund contributions principally to solicit new franchise sales, although part of the System Website is devoted to franchise sales. The Brand Fund is not a trust, and we do not owe you fiduciary obligations because of our maintaining, directing or administering the Brand Fund or any other reason. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. We may incorporate the Brand Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified here.

The Brand Fund was in operation and received revenue in 2022 but had no expenditures in 2022. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and give you the statement upon written request. While we do not intend for the Brand Fund to be audited, we may have the Brand Fund audited periodically at the Brand Fund's expense by an independent accountant we select.

We intend the Brand Fund to maximize recognition of the Marks and patronage of Heavyweight Waste Businesses. Although we will try to use the Brand Fund to develop and/or implement advertising and marketing materials and programs and for other uses (consistent with those listed in this Item 11) that will benefit all or certain contributing Heavyweight Waste Businesses, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to the Brand Fund contributions from Heavyweight Waste Businesses operating in that geographic area, or that any Heavyweight Waste Business benefits directly or in proportion to the Brand Fund contributions that it makes. We have no obligation to make any advertising expenditures (from the Brand Fund or otherwise) in your geographic area. We have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund's expense to collect Brand Fund contributions. We also may forgive, waive, settle and compromise all claims by or against the Brand Fund. Except as expressly provided in the Franchise Agreement, we assume no direct or indirect liability or obligation to you for maintaining, directing or administering the Brand Fund.

At any time, we may defer or reduce a Heavyweight Waste Business operator's contributions to the Brand Fund. Upon at least 30 days' written notice to you, we may reduce or suspend Brand Fund contributions and/or operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will (at our option) either spend the remaining Brand Fund assets consistent with the provisions of this Item 11 or distribute the unspent assets to Heavyweight Waste Business operators (including us and our affiliates, if applicable) then contributing to the Brand Fund in proportion to their contributions during the previous 12-month period. There currently are no advertising councils of franchisees

that advise us on advertising policies in the Heavyweight Waste Business network. (Franchise Agreement – 7.B and 7.D)

Local Marketing

You must at your expense participate in the manner we periodically specify in all advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs that we periodically designate for the Business, subject to the Marketing Spending Requirement. You must ensure that all Local Marketing is completely clear, factual and not misleading, complies with all applicable laws and regulations, and conforms to the highest ethical standards and the advertising and marketing policies that we periodically specify. Before using them, you must send to us, for our approval, descriptions and samples of all proposed Local Marketing that we have not prepared or previously approved within the previous 6 months. If you do not receive written notice of approval from us within 5 business days after we receive the materials, they are deemed disapproved. You may not conduct or use any Local Marketing that we have not approved or have disapproved. At our option, you must contract with one or more suppliers that we designate or approve to develop and/or implement Local Marketing.

Our System Standards may regulate sales, marketing, advertising, promotions and public relations programs and materials for the Business and media uses in these programs, including participation in and compliance with the requirements of any special advertising, marketing, promotion, charitable, community involvement, and public relations programs in which all or certain Heavyweight Waste Businesses participate. This includes standards for participating in charitable, community involvement, and public relations programs, as we periodically modify them. (Franchise Agreement – Sections 6.H and 7.C)

Advertising Cooperatives

Currently, there are no local or regional advertising cooperatives in the Heavyweight Waste Business network. However, we may designate a geographic area (typically a Designated Market Area defined by Nielsen Company) in which 2 or more Heavyweight Waste Businesses are located as an area for an advertising or marketing cooperative (a "**Cooperative**"). The Cooperative's members in any area are the owners of all of the Heavyweight Waste Businesses are located and operating in that area (including us and our affiliates, if applicable) that we have the right to require to participate in the Cooperative. Each member will contribute at the same rate. Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine. Each Cooperative will, with our approval, develop, administer or implement advertising, marketing and promotional materials and programs for the area that the Cooperative covers. If we have established a Cooperative for the geographic area in which the Business is located on the date you sign the Franchise Agreement, or if we establish a Cooperative in that area during the Franchise Agreement's term, you must sign the documents that we require to become a member of the Cooperative and to participate in the Cooperative as those documents require. Cooperatives will operate from written governing documents that members may review. You must contribute to the Cooperative the amounts that the Cooperative determines, subject to our approval and the Marketing Spending Requirement.

All material decisions of the Cooperative, including contribution levels (which also require our approval), will require the affirmative vote of more than 50% of all Heavyweight Waste Businesses that are required to participate in the Cooperative, with each Heavyweight Waste Business receiving one vote. You must send us any reports that we or the Cooperative periodically require. Cooperatives will prepare annual or periodic financial statements and make them available for us and the Cooperative's members to review. The Cooperative will operate solely to collect and spend Cooperative contributions for the purposes described above. The Cooperative and its members may not use any advertising, marketing or promotional programs or materials that we have not approved. We may form, change, dissolve and merge Cooperatives. (Franchise Agreement – Section 7.D).

Marketing Spending Requirement

The Marketing Spending Requirement is the maximum amount that we can require you to spend on Brand Fund contributions, Cooperative contributions, and approved Local Marketing for the Business during each calendar month and is an amount we periodically specify up to 5% of the Business's Gross Sales during that calendar month. Although we may not require you to spend more than the Marketing Spending Requirement on Brand Fund contributions, Cooperative contributions and approved Local Marketing, you may choose to do so. We will not count towards your Marketing Spending Requirement the cost of free or discounted products or services, coupons, special offers or price reductions that you provide as a promotion, signs, personnel salaries, administrative costs, employee incentive programs, or other amounts that we, in our reasonable judgement, deem inappropriate for meeting the Marketing Spending Requirement. (Franchise Agreement – Section 7.E)

System Website

We or our designees have established a website or series of websites or similar technologies, including mobile applications and other technological advances that perform functions similar to those performed on traditional websites, for the Heavyweight Waste Business network to advertise, market and promote Heavyweight Waste Businesses, the products and services they offer, and the Heavyweight Waste Business franchise opportunity; to facilitate the operations of Heavyweight Waste Businesses (including, at our option, online booking and/or sales); and/or for any other purposes that we determine are appropriate for Heavyweight Waste Businesses (those websites, applications and other technological advances are collectively called the "**System Website**"). If we include information about the Business on the System Website, then you must give us the information and materials that we periodically request concerning the Business and participate in the System Website in the manner that we periodically specify. We have the final decision concerning all information and functionality that appears on the System Website and will update or modify the System Website according to a schedule that we determine. By posting or submitting to us information or materials for the System Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party's rights. You must notify us whenever any information about you or the Business on the System Website changes or is not accurate.

We or our affiliate own all intellectual property and other rights in the System Website and all information it contains, including the domain name or URL for the System Website and all

subsidiary websites, the log of "hits" by visitors, and any personal or business data that visitors (including you, your personnel and your customers) supply. We may use the Brand Fund's assets to develop, maintain, support and update the System Website. We may implement and periodically modify System Standards relating to the System Website and, at our option, may discontinue all or any part of the System Website, or any services offered through the System Website, at any time.

All Local Marketing that you develop for the Business must contain notices of the System Website in the manner that we periodically designate. You may not develop, maintain or authorize any other website, other online presence or other electronic medium (such as mobile applications, kiosks and other interactive properties or technology-based programs) that mentions or describes you, the Business or its products or services or that displays any of the Marks. Except for the System Website (if applicable), you may not conduct commerce or offer or sell any products or services using any website, another electronic means or medium, or otherwise over the Internet or using any other technology-based program without our approval. Nothing in the Franchise Agreement limits our right to maintain websites and technologies other than the System Website or to offer and sell products or services under the Marks from the System Website, another website or technology, or otherwise over the Internet (including to the Business's customers and prospective customers) without payment or obligation of any kind to you. (Franchise Agreement – Section 7.F)

Social Media

You must comply with our policies and requirements, which we may periodically modify, concerning blogs, common social networks like Facebook, professional networks like Linked-In, live-blogging tools like Twitter, virtual worlds, file, audio and video sharing sites like Pinterest, Instagram and TikTok, and other similar social networking or media sites or tools (collectively, "**Social Media**") that in any way reference the Marks or involve the Business. These policies may involve prohibitions on your and your representatives' use of Social Media relating to the Marks or the Business. (Franchise Agreement – Section 7.G)

Computer System

You must obtain and use the Computer System in operating the Business. We may periodically modify the specifications for and components of, and/or the technologies and functions for the Computer System. These modifications and/or other technological developments or events may require you to purchase, lease, and/or license new or modified computer hardware, software, and other components and technologies and to obtain service and support for the Computer System. No contract limits the frequency or cost of this obligation. While we cannot estimate the future costs of the Computer System or required service or support at this time, you must incur any costs associated obtaining, updating, adding to, or modifying the Computer System and required service or support. You must obtain Computer System components that we designate and ensure that your Computer System functions properly within 60 days after we deliver notice to you.

As of the date of this disclosure document, we require you to purchase the following Computer System and software, which provides management tools, operational systems, logistics and business systems needed to operate the Business:

- CRM software (provided by us or an affiliate)
- In-cab mobile devices with access to CRM and routing software (provided by us or an affiliate)
- Business management software (provided by us or an affiliate)
- Social media monitoring and posting software (provided by us or an affiliate)
- Navigation/routing software (provided by us or an affiliate)
- Fleet management software (provided by us or an affiliate)
- Email services (provided by us or an affiliate)
- Computer(s)
- Smart Phone(s)
- Truck video/camera(s) system (provided by us or an affiliate)
- Approved accounting software

It will cost approximately $900 to $13,500 to acquire the Computer System hardware and initial licenses for the required software for the Business.

We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be $1,000 or less.

We may in the future require you to use one or more applications in the operation of the Business. Those applications may only be compatible with iOS devices.

Neither we, our affiliate, nor any third party has any obligation to provide ongoing maintenance, repairs, upgrades or updates to the Computer System. We do not require you to enter into any such contract with a third party but we may do so in the future. Because of varying system needs and market conditions, we are unable to estimate the cost of optional maintenance, updating, upgrading or support contracts for the Computer System.

We and our affiliates may condition any license of required or recommended software to you, and/or your use of technology developed or maintained by or for us (including the System Website), on your signing a software license agreement or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click-through license agreement), that we and our affiliates periodically specify to regulate your use of, and our (or our affiliate's) and your respective rights and responsibilities concerning, the software or technology. We and our affiliates may charge you up-front and ongoing fees for any required or recommended software or technology that we or our affiliates license to you in the future and for other Computer System maintenance and support services provided during the term of the Franchise Agreement.

We will have independent, unlimited access to all information and data in your Computer System, including continuous independent access to all Customer Data (defined in Item 14). Apart from your obligation to buy, use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded. The

Computer System permits 24 hours per day, 7 days per week electronic communications between you and us. (Franchise Agreement – Section 2.F)

Training

Our current training program that we provide to new franchisees after signing the Franchise Agreement and before opening the Heavyweight Waste Business includes our formal Initial Training Program. Training classes will be led by Kara Nugent-Garcia and/or additional employees of ours or our affiliates. Ms. Nugent-Garcia has over 2 years of experience with our affiliate, SFP and over 8 years of experience in the franchise training industry. Our instructors have a minimum of 4 weeks of training at our corporate headquarters in the specific role for which they will be offering training. The instructional materials consist of the Operating Manual and other materials, lectures, discussions, and on-the-job demonstration and practice.

Initial Training Program

Your Principal Executive and General Manager (if different from the Principal Executive) must attend the Initial Training Program and complete the program to our satisfaction before opening the Business. However, if the Principal Executive has attended and completed the Initial Training Program to our satisfaction under an existing franchise agreement with us, we will not require the Principal Executive to attend the Initial Training Program. The Initial Training Program may include classroom training, instruction at our headquarters and/or a Heavyweight Waste Business designated by us, remote training (including via Internet access) and/or self-study programs. We do not charge any fees for 3 people to attend the Initial Training Program, but you must pay for training materials and all travel, living and other expenses that you and your personnel incur during the program. If we decide that you or your personnel cannot complete the Initial Training Program to our satisfaction, we may require you or your personnel to attend additional training programs are you expense and for which we may charge reasonable fees. You also may choose to send additional people to the Initial Training Program (subject to space availability) if you pay $500 per additional person per day. You and your personnel must complete training to our satisfaction at least 4 weeks before the Business's opening date.

The following table describes our current Initial Training Program:

TRAINING PROGRAM

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-The-Job Training	Column 4 Location
Establishing the Business - Licensing and Permitting - Administrative - Insurance - Banking Strategy	2	0	Our facility in Carmel, Indiana, or virtual

Developing a Plan - Knowing your Territory - Competitive Review - Industry data - Market Planning Business Plan	3	0	Our facility in Carmel, Indiana, or virtual
Understanding the Equipment - Basics - How to operate - Technical Details Safety	4	4	Our facility in Carmel, Indiana, or virtual
Marketing and Business Development - Lead Generation - Conversion Process - Sales Model - Generating Revenues Strategic Planning	4	0	Our facility in Carmel, Indiana, or virtual
Operations and Management - Staffing - Logistics Customer Service	2	0	Our facility in Carmel, Indiana, or virtual
Administrative - Paperwork - Banking - Financial Management - Payroll Insurance	2	0	Our facility in Carmel, Indiana, or virtual
Executing Your Plan - Go to Market - Financial Goals Customer Acquisition Targets	2	4	Our facility in Carmel, Indiana, or virtual
Infield Training - Operations training - Safety training - Vendor relationships	0	24	Your location

- Service pricing & terms training Prospect sales training & demonstrations			
TOTALS:	19 Hours	32 Hours	

We typically conduct the Initial Training Program at our facility in Carmel, Indiana, or virtually as often as needed to train new franchisees. There is no set frequency for the program, although we anticipate holding in-person training classes approximately once per month.

Ongoing Training

During the Franchise Agreement's term, we may require you and/or your personnel, including your Principal Executive and General Manager (if different from the Principal Executive), to attend and satisfactorily complete various ongoing training courses and programs and evaluation programs, including online training, that we choose to provide periodically at the times and locations we designate. Your personnel whom we periodically specify also must attend any conventions or other programs that we periodically specify for some or all Heavyweight Waste Businesses. We may charge reasonable fees for these training courses, programs and conventions. If you request and we agree to provide additional or special guidance, assistance, or training, you must pay us then applicable charges, including per diem charges and any travel and living expenses for our personnel. Any specific ongoing training, conventions, advice or assistance that we provide does not create an obligation to continue providing that specific training, convention, advice or assistance, all of which we may discontinue and modify at any time. (Franchise Agreement – Sections 4.D and 4.E)

Item 12

TERRITORY

Franchise Agreement

You will operate the Business within a Territory that we must first accept. We will define your "**Territory**" in an Exhibit to the Franchise Agreement before we and you sign it. We typically determine Territories using geographic boundaries and population. The population of your Territory will be determined by our third-party mapping service that provides population data by zip code from multiple sources. The Territory will have a minimum population of approximately 200,000.

If you are complying with the Franchise Agreement, neither we nor our affiliates will establish, nor license the establishment of, another Heavyweight Waste Business, either (1) in your Territory, or (2) outside of the Territory and which services customers within the Territory.

At all times, we and our affiliates have the right to engage in any activities we or they deem appropriate that the Franchise Agreement does not expressly prohibit, whenever and wherever we or they desire. This includes:

(a) serving (or authorizing one or more other Heavyweight Waste Businesses to serve) customers in the Territory if we have delivered written notice to you stating that: (1) you are in default of the Franchise Agreement; or (2) you are incapable, in our reasonable opinion, of meeting customer demand in the Territory; provided that this will be in addition to our and our affiliate's other rights and remedies (including the right to terminate the Franchise Agreement);

(b) serving (or authorizing one or more other Heavyweight Waste Businesses to serve) a particular customer in the Territory if we have delivered written notice to you stating that: (1) you have failed, in our reasonable opinion, to properly serve such customer; or (2) you will not, in our reasonable opinion, properly serve such customer; provided that this will be in addition to our and our affiliate's other rights and remedies (including the right to terminate the Franchise Agreement);

(c) establishing and operating, and granting rights to others to establish and operate, on any terms and conditions we deem appropriate, Heavyweight Waste Businesses at any locations outside the Territory;

(d) establishing and operating, and granting rights to others to establish and operate, on any terms and conditions we deem appropriate, waste management businesses or any similar or dissimilar businesses that either are not primarily identified by the Marks or do not use the Franchise System at any location, whether within or outside the Territory;

(e) selling and licensing others to sell products and services to customers, whether located inside or outside the Territory, through channels of distribution (including the Internet) so long as such products and services are not provided through a Heavyweight Waste Business located in the Territory or serving customers within the Territory, and are different from the products and services provided by the Business;

(f) all rights relating directly or indirectly to the Marks, and all products and services associated with any of the Marks, in any methods of distribution, except as specifically set forth above. This includes providing, and granting rights to others to provide (except as specifically set forth above), products and services to customers and other third parties that are similar or dissimilar to, or competitive with, any products and services that Heavyweight Waste Businesses provide, whether identified by the Marks or other trademarks or service marks, regardless of the method of distribution (including through the System Website, other retail outlets and shipping and delivery), and at any locations;

(g) advertising to, soliciting, entering into contracts with and servicing (either directly or through our affiliates, other Heavyweight Waste Business franchisees, or other third parties) National Accounts outside the Territory;

(h) acquiring the assets or ownership interests of, or being acquired (regardless of the form of transaction) by, one or more businesses providing products and services similar or dissimilar to those provided by Heavyweight Waste Businesses, and franchising, licensing or creating other arrangements with respect to these businesses once acquired,

wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, whether within or outside the Territory; and

(i) requiring you to provide container service for and/or share customer opportunities with our affiliate, SFP, and/or its franchisees, whether inside the Territory. This may include (subject to applicable laws) pricing requirements, service requirements and/or revenue share structures with respect to SFP, its franchisees, and/or their respective customers.

Therefore, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

You may not perform services or sell products related to your Business outside of the Territory without our prior written consent, which we may grant, withhold or withdraw as we deem appropriate. We may condition our consent on such requirements as we deem appropriate. You may not solicit or advertise to customers outside of the Territory without our prior written consent. "Solicit" includes solicitation in person, by telephone, by mail, through the Internet, social media, email or other electronic means, and by distribution of brochures, business cards or other materials or any other advertising. If any solicitation of customers within the Territory is conducted through media that will or may reach persons outside of the Territory, you must notify us in advance and obtain our consent. If you receive a request for services or products from outside the Territory, you must refer that request to the Heavyweight Waste Business located in the applicable territory (or to us or our affiliates if we have not assigned the applicable territory to a Heavyweight Waste Business). Despite this requirement, under limited circumstances, you may process a request from outside the Territory if the requested service is permitted or required under our policies as set forth in the Operations Manual or otherwise designated by us. If we permit or require you to advertise, solicit, service or sell in areas outside of the Territory that are not serviced by another Heavyweight Waste Business or by us or our affiliate, you must comply with all of the conditions and other requirements that we may periodically specify in the Operations Manual or otherwise in writing regarding those activities. We may at any time condition your out-of-Territory sales and services on (a) your agreement to purchase the franchise rights for the territory in which the sales and services are being performed; or (b) execution of any other addenda or documents that we require. At any time upon our demand or upon notice from us that the territory in question has been assigned to another Heavyweight Waste Business, you must immediately cease all activities in that territory and comply with our procedures for the transition of customer accounts for that territory. Under no circumstances will we be liable to you for violations by other Heavyweight Waste Businesses of our policies on out-of-Territory sales and services.

We anticipate that your Business Location will initially be a home office or small office space located in your Territory. You are also required to lease or purchase a Parking Location to store your Trucks, Containers, and other equipment. The Business Location and the Parking Location must be located in the Territory.

Under the Franchise Agreement, you have no options, rights of first refusal, or similar rights to acquire additional franchises within your Territory or contiguous territories.

If you fail to maintain at least 1 Truck (or 2 Trucks, if we require you to obtain 2 Trucks to meet customer demand in your Territory) and at least 20 Containers (collectively, the "**Minimum Equipment**") at any time during the Franchise Agreement's term (a "**Minimum Equipment Default**"), you will have: (a) 30 days after receiving written notice from us to pay us, our affiliate, or approved third-party vendor (as applicable) in full for the Truck(s) and/or Containers needed to achieve the Minimum Equipment requirements; and (b) 90 days after receiving written notice from us to obtain the Truck(s) and/or Containers needed to achieve the Minimum Equipment requirements (together, the "**Minimum Equipment Default Cure Period**"). The Minimum Equipment Default Cure Period will not be extended for any reason, even if your failure to timely cure the Minimum Equipment Default is a result of factors beyond your reasonable control. If you fail to cure a Minimum Equipment Default within the Minimum Equipment Default Cure Period, we will have the right, in addition to any other rights and remedies that we may have (including our right to terminate the Franchise Agreement), to modify and reduce your Territory to a smaller geographic area that is proportionate to the number of Trucks and Containers that you have in operation as of the expiration date of the Minimum Equipment Default Cure Period. A modified Territory will likely exclude areas where you actively operate. If we reduce your Territory under these circumstances, you may lose customers that you were servicing in certain parts of your Territory. Upon such reduction: (1) your rights, and the restrictions on us and our affiliates, will no longer apply in the area removed from the Territory; and (2) we and our affiliates may operate, and authorize others to operate, Heavyweight Waste Businesses in the area removed from the Territory and engage, and allow others to engage, in any other activities we and our affiliates desire within the removed area, without any restrictions.

Otherwise, we may not alter your Territory or modify your territorial rights before your Franchise Agreement expires or is terminated, although we may do so for a successor franchise.

We currently do not operate or franchise, nor currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, our affiliate SFP, offers franchises for waste compaction businesses under the "Smash My Trash®" brand and marks. Our affiliate Smash My Trash, LLC operates Smash My Trash® businesses. SFP's principal business address is disclosed in Item 1. Smash My Trash, LLC has the same principal business address as SFP. SFP and Smash My Trash, LLC do not maintain offices or training facilities that are physically separate from our offices and training facilities. All businesses that these affiliates and their franchisees operate may solicit and accept orders from customers near your Business. Because they are separate companies, we do not expect any conflicts between us and our franchisees or our franchisees and Smash My Trash, LLC or SFP's franchisees regarding territory, customers, or support, and we have no obligation to resolve any perceived conflicts that might arise. Any disputes between you and us related to the Smash My Trash® businesses or the Smash My Trash® brand will be resolved according to the dispute resolution procedures described in Item 17 of this disclosure document.

Development Rights Agreement

If we and you sign a Development Rights Agreement, we and you will identify the Development Area within which you and your Controlled Affiliates will develop Heavyweight Waste Businesses in an Exhibit to the Development Rights Agreement before signing it. We typically determine development areas using Designated Market Areas (DMAs), by city, county, state, or other political boundaries, or by geographic boundaries. The Development Area's size will vary depending on the number of Heavyweight Waste Businesses in the Development Schedule. We expect the Development Area to have a population of at least 400,000.

We and you will agree on the number of Heavyweight Waste Businesses that you or your Controlled Affiliates must open, and the dates by which you and they must open them, to keep your territorial rights and insert this information in the Development Rights Agreement before signing it. Franchises that we grant to your Controlled Affiliates will count toward your Development Schedule. You and your Controlled Affiliates may not develop Heavyweight Waste Businesses outside the Development Area.

If you are complying with the Development Rights Agreement, and you and your affiliates are complying with all Franchise Agreements and other agreements between us (or our affiliate) and you (or your affiliates), then, during the Development Rights Agreement's term only, neither we nor our affiliates will operate, or authorize any other party to operate, Heavyweight Waste Businesses the territories of which are located within the Development Area. We and our affiliates may at all times engage in any activities we or they deem appropriate that the Development Rights Agreement does not expressly prohibit, whenever and wherever we or they desire, including those rights listed in (a) through (i) above. Because we may service customers and authorize others to service customers in the Development Area under certain circumstances, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

To maintain your rights under the Development Rights Agreement, for each Heavyweight Waste Business, you must submit a territory report, sign a Franchise Agreement, and open and begin operating that Business according to the applicable Franchise Agreement on or before the deadlines listed in the Development Schedule. The territory for each Heavyweight Waste Business must meet our then current standards. If you need a 90-day extension, you must submit a written request and a non-refundable $5,000 extension fee to us before the applicable deadline. If you fail to meet the Development Schedule, we may terminate the Development Rights Agreement. In addition, to retain your rights under the Development Rights Agreement, each Heavyweight Waste Business it covers must operate continuously during the agreement's term, otherwise we may terminate the Development Rights Agreement.

Upon the occurrence of any event that allows us to terminate your Development Rights Agreement, in addition to our other rights, we may:

(1) temporarily suspend or permanently terminate your right to develop new Heavyweight Waste Businesses in any geographic area that is part of the Development Area. If that occurs (i) your territorial rights and the territorial restrictions on us and our affiliates will no longer apply in that geographic area, and (ii) we (and our affiliates) may

operate, and authorize any other parties to operate, Heavyweight Waste Businesses the territories of which are located within that geographic area and engage, and allow others to engage, in any other activities we desire within that geographic area without any restrictions, subject only to your (or your Controlled Affiliate's) rights under then existing franchise agreements; and/or

(2) reduce the number of remaining Heavyweight Waste Businesses to be developed under the Development Schedule, and if that happens you must comply with the reduced Development Schedule that we provide in our written notice. Upon our exercise of these rights, we need not refund any portion of the development fee paid relating to the Heavyweight Waste Business that you are no longer permitted or required to develop, nor apply any of that portion of the development fee towards the initial franchise fee payable under franchise agreements that you (or your Controlled Affiliate) signs after that.

Except for these situations, we may not alter your Development Area or modify your territorial rights in the Development Area. You have no other options, rights of first refusal or similar rights to acquire additional franchises. When the Development Rights Agreement terminates or expires, we (and our affiliates) may operate, and authorize any other parties to operate, Heavyweight Waste Businesses the territories of which are located within the Development Area and engage, and allow others to engage, in any other activities we desire within and outside the Development Area without any restrictions, subject only to your (or your Controlled Affiliates') rights under existing franchise agreements with us.

Item 13

TRADEMARKS

We grant you the non-exclusive right under the Franchise Agreement to use and display the Marks in operating, marketing, and advertising the Business. We have registered the following principal Mark on the Principal Register of the United States Patent and Trademark Office (the "**PTO**") and have filed all required affidavits with respect to the Mark:

Mark	Registration Number	Date Registered
HEAVYWEIGHT WASTE	6783591	July 5, 2022

No agreement significantly limits our rights to use or license the use of the Marks in a manner material to the franchise. There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, any state trademark administrator, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the Marks. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks.

You must follow our rules and System Standards when using the Marks. You must notify us immediately of any actual or apparent infringement of or challenge to your use of any Marks, or of any person's claim of any rights in any Marks. You may not communicate with any person

other than us, our attorneys, and your attorneys, regarding any infringement, challenge or claim. We may take the action that we deem appropriate (including no action) and control exclusively any litigation, PTO proceeding or other proceeding relating to any infringement, challenge or claim or otherwise concerning any Marks. You must sign any documents and take any reasonable actions that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or PTO or other proceeding or otherwise to protect and maintain our interest in the Marks. At our option, we may defend and control the defense of any litigation or proceeding relating to any Marks.

We will reimburse you for all damages and expenses you incur or for which you are liable in any proceeding challenging your right to use any Mark, but only if your use is consistent with the Franchise Agreement, the Operations Manual and System Standards and you have timely notified us of, and comply with our directions in responding to, the proceeding.

If we believe at any time that it is advisable for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your expenses in complying with these directions (such as costs you incur in changing the Business's signs or replacing supplies), for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

The Development Rights Agreement does not grant you any rights to use the Marks. You derive the right to use the Marks only under a franchise agreement.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or patent applications are material to the franchise. We claim copyrights in the Operations Manual, advertising, training and promotional materials, and similar items used in operating the Business. We have not registered these copyrights with the U.S. Registrar of Copyrights but need not do so at this time to protect them. You may use these materials only as we specify while operating the Business and must modify or discontinue using them as we direct.

There currently are no effective determinations of the PTO, United States Copyright Office or any court regarding any of the copyrighted materials. No agreement limits our right to use or license the copyrighted materials. We do not know of any superior prior rights or infringing uses that could materially affect your using the copyrighted materials. We need not protect or defend copyrights or take any action if notified of infringement, and you have no obligation to notify us of any infringement. We may take the action we deem appropriate (including no action) and exclusively control any proceeding involving the copyrights. No agreement requires us to participate in your defense or indemnify you for damages or expenses in a proceeding involving a copyright or claims arising from your use of copyrighted items.

We will disclose certain Confidential Information to you during the Franchise Agreement's term. "**Confidential Information**" includes establishment plans for Heavyweight Waste

Businesses; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in establishing and operating Heavyweight Waste Businesses; marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand-related materials, tools and programs for Heavyweight Waste Businesses; knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets and other products that Heavyweight Waste Businesses use and/or sell; knowledge of the operating results and financial performance of Heavyweight Waste Businesses other than the Business; terms of arrangements and other data associated with National Accounts, including third party brokerage arrangements; customer communication and retention programs, along with data used or generated in connection with those programs, including Customer Data; and any other information we reasonably designate as confidential or proprietary. However, Confidential Information does not include information, knowledge or know-how that is or becomes generally known in the non-hazardous waste removal industry (without violating an obligation to us or our affiliate) or that you knew from previous business experience before we provided it to you or before you began training or operating the Business. If we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that this exclusion is fulfilled.

The Confidential Information is proprietary and includes our trade secrets. You and your owners (a) may not use any Confidential Information in any other business or capacity, whether during or after the Franchise Agreement's term; (b) must keep the Confidential Information absolutely confidential, both during the Franchise Agreement's term and after for as long as the information is not in the public domain; (c) may not make unauthorized copies of any Confidential Information disclosed in written or other tangible or intangible form; (d) must adopt and implement all reasonable procedures that we periodically designate to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to Business personnel and others needing to know the Confidential Information to operate the Business, and using confidentiality agreements with those having access to Confidential Information. We may regulate the form of agreement that you use and be a third-party beneficiary of that agreement with independent enforcement rights; and (e) may not sell, trade or otherwise profit in any way from the Confidential Information, except during the Franchise Agreement's term using methods we approve.

You must comply with our System Standards, other directions from us, prevailing industry standards (including payment card industry data security standards), all contracts to which you are a party or otherwise bound, and all applicable laws and regulations regarding the organizational, physical, administrative and technical measures and security procedures to safeguard the confidentiality and security of Customer Data on your Computer System or in your possession or control. You also must employ reasonable means to safeguard the confidentiality and security of Customer Data. "**Customer Data**" means names, contact information, financial information, booking and purchase history and other personal information of or relating to the Business's customers and prospective customers. If there is a suspected or actual breach of security or unauthorized access involving your Customer Data ("**Data Security Incident**"), you must notify us immediately after becoming aware of it and specify the extent to which Customer Data was compromised or disclosed. You must comply with our instructions in responding to any Data Security Incident. We have the right, but no obligation, to control the direction and handling of any Data Security Incident and any related investigation, litigation, administrative proceeding or other proceeding at your expense.

We and our affiliates may, through the Computer System or other means, have access to Customer Data. During and after the Franchise Agreement's term, we and our affiliates may make all disclosures and use the Customer Data in our and their business activities and in any manner that we or they deem necessary or appropriate. You must secure from your vendors, customers, prospective customers and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to us and our affiliates and for us and our affiliates to use that Customer Data in the manner that the Franchise Agreement contemplates.

You must promptly disclose to us all ideas, concepts, techniques or materials relating to a Heavyweight Waste Business that you or your owners, employees or contractors create (collectively, "**Innovations**"). Innovations are our sole and exclusive property, part of the Franchise System, and works made-for-hire for us. If any Innovation does not qualify as a work made-for-hire for us, you assign ownership of that Innovation, and all related rights to that Innovation, to us and must sign (and cause your owners, employees and contractors to sign) whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation. We and our affiliates have no obligation to make any payments to you or any other person for any Innovations. You may not use any Innovation in operating the Business or in any other way without our prior approval.

The Development Rights Agreement does not grant you any right to use our copyrighted materials or Confidential Information. You derive the right to use these items only under a franchise agreement with us.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Franchise Agreement

Only you are authorized to operate the Business. You must operate the Business for the Franchise Agreement's entire term and at all times faithfully, honestly and diligently perform your obligations and fully exploit the rights granted under the Franchise Agreement.

If you are an entity, an individual whom we approve (the "**Principal Executive**") must at all times during the term of the Franchise Agreement: (a) own more than 50% of the ownership interests in you; (b) have the authority under your governing documents to authorize a merger, liquidation, dissolution or transfer of substantially all of your assets and otherwise direct and control your management and policies without the vote or consent of any other person or entity; and (c) devote sufficient time and attention to the operation, promotion and enhancement of the Business. The Franchise Agreement does not require the Principal Executive to participate personally in the direct operation of the Business, but we recommend that he or she do so.

You must also designate an individual as your General Manager. The "**General Manager**" whom we approve will serve as the Business's general manager and devote all of his or her business time and attention to the management and operation of the Business. The General Manager need not have any ownership interest in the Business or in you but must have the authority

over all day-to-day business decisions for you and the Business. The Principal Executive and General Manager must complete the Initial Training Program to our satisfaction. If the General Manager fails to serve in this capacity, you must designate a replacement, whom we approve, and ensure that he or she satisfactorily completes the training that we then require, within 60 days. We may approve the same person to be the Principal Executive and the General Manager.

Each of your owners must sign a guaranty promising to be personally bound, jointly and severally, by all of Franchise Agreement's provisions and any ancillary agreements between you and us. The General Manager must sign a key personnel agreement promising to be bound, jointly and severally, by the confidentiality, non-compete and transfer restrictions in the Franchise Agreement. We do not require owners' spouses to sign guaranties.

The General Manager and all of the Business's employees having access to Confidential Information must sign agreements in a form we reasonably specify under which they agree to comply with the confidentiality restrictions in the Franchise Agreement.

Development Rights Agreement

You must develop your Development Area according to the Development Schedule. We recommend that you (or, if you are an entity, your owners) personally supervise your development of Heavyweight Waste Businesses. Under the Development Rights Agreement your personnel need not have an equity interest in any Heavyweight Waste Business or in you. Personnel need not attend our training program. If you are an entity, your owners need not sign any personal guarantees of your obligations under the Development Rights Agreement.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The Business must offer all products and services that we periodically specify as being mandatory. You may not offer, sell, or provide at the Business, the Business Location, the Parking Location, or any other location any products or services that we have not authorized. If we authorize you to offer additional products or services, you will likely incur additional costs in order to provide those products and services, which costs may be significant depending on a number of factors, including the type of equipment that you need to perform those products and services. You must discontinue offering, selling or providing any products or services that we at any time disapprove in writing. You may not sell any products at wholesale without our written consent. You must use the Trucks and Containers solely for the Business.

We may periodically change the types of goods and other authorized services and products for the Business and there are no limits on our right to make changes.

We do not restrict your access to customers, except that all sales must be made to customers in your Territory unless, under limited circumstances, we provide our written consent for you to provide services to customers outside of your Territory.

Our affiliate, SFP, and its franchisees may serve customers in your Territory specific to the Smash My Trash ("**Smash**") franchise model. We may require you to provide services and/or

share customer opportunities with a Smash business operating in your Territory. This includes (subject to applicable laws) pricing requirements, service requirements, and revenue share structures. In some cases, you may provide Heavyweight Waste services to a Smash customer; in other cases, Smash may provide services to a Heavyweight Waste customer. In all scenarios, we may establish required terms of service between both franchise operations.

Our System Standards may regulate, and periodically specify, maximum, minimum, or other pricing requirements for products and services that the Business offers, including requirements for promotions, special offers and discounts in which some or all Heavyweight Waste Businesses participate, to the maximum extent the law allows; standards and requirements for vehicles, training, qualifications, reports, conduct and appearance of personnel, use of materials and supplies, participation in the National Accounts program, and shipping and delivery methods; and issuing and honoring gift certificates, gift cards, stored value cards and similar items and participating in other promotions, including any customer loyalty programs and promotions and procedures for resolving customer complaints.

You must not sell, sublease, scrap, donate, barter, or otherwise dispose of any equipment used in the operation of the Business, including Trucks, Containers, parts, inventory, tools, and communication devices (the "**Equipment**"), without our prior written consent. During the Franchise Agreement's term, we will have a right of first opportunity to purchase from you any Equipment (the "**Equipment ROFO**"). You must promptly provide written notice to us if you wish to sell, sublease, scrap, donate, barter or otherwise dispose of any Equipment (the "**Franchisee Notice**"). To exercise the Equipment ROFO, we must: (a) provide you written notice, within 10 days following the date we receive the Franchisee Notice, that we desire to exercise the Equipment ROFO (the "**HWFP Notice**"); and (b) sign a purchase agreement and related documents with you for the right to purchase the Equipment at fair market value, as determined by us in our reasonable opinion, less a restocking fee equal to 5% of the fair market value, within 30 days following the date we receive the Franchisee Notice. We may set off against the purchase price of the Equipment, and reduce the purchase price by, any and all amounts you owe us and/or our affiliates. We are entitled to all customary representations, warranties and indemnities in our Equipment purchase, including representations and warranties as to ownership and condition of, and title to, the Equipment, liens and encumbrances on the Equipment, validity of contracts and agreements, and liabilities affecting the Equipment, contingent or otherwise, and indemnities for all actions, events and conditions that existed or occurred in connection with the Equipment prior to the closing of the purchase. At the closing, you must deliver instruments transferring to us good and merchantable title to the Equipment, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and transfer taxes paid by you. If you cannot deliver clear title to the Equipment, or if there are other unresolved issues, the sale will be closed through an escrow. We may assign these rights to any person or entity (who may be our affiliate), and that person or entity will have all of these rights and obligations.

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 or other agreement	Summary
a. Length of the franchise term	1.B and 14.C of Franchise Agreement and 11 of Development Rights Agreement	Franchise Agreement expires 10 years after the opening date of the Business. If you continue operating after expiration, we may treat the term as extended on a week-to-week basis until either we or you deliver notice ending that extension. Development Rights Agreement expires when the final franchise agreement under the Development Schedule is signed.
b. Renewal or extension of the term	14.A of Franchise Agreement	Under the Franchise Agreement you may acquire 1 successor franchise of 5 years if you have complied with your obligations under the Franchise Agreement and other agreements, you provide written notice, you have renovated and/or remodeled the Business Location and the Parking Location, added or replaced Operating Assets, and otherwise meet then current requirements for new similarly situated Heavyweight Waste Businesses. Under the Development Rights Agreement, you may not extend or renew the term.
c. Requirements for franchisee to renew or extend	14.B of Franchise Agreement	Under the Franchise Agreement, upon renewal, you must sign our then current form of franchise agreement (which may be materially different from the Franchise Agreement), pay us successor franchise fee of $10,000 and sign release (to the extent state law allows).
d. Termination by franchisee	15.A of Franchise Agreement	You may terminate the Franchise Agreement if we materially breach and fail to cure within 30 days after notice or, if we cannot reasonably correct the breach in 30 days, then if we do not cure within a reasonable time. You have no right to terminate the Development Rights Agreement except as applicable law allows.
e. Termination by franchisor without cause	Not applicable	We may not terminate the Franchise Agreement or Development Rights Agreement without cause.
f. Termination by franchisor with cause	15.B-C of Franchise Agreement and 12 and 13 of Development Rights Agreement	We may terminate the Franchise Agreement and Development Rights Agreement if you or your owners commit any one of several violations. We may exercise a list of alternative remedies instead of terminating the Franchise Agreement and/or Development Rights Agreement.

	Provision	Section in franchise or other agreement	Summary
g.	"Cause" defined – curable defaults	2.D. and 15.B of Franchise Agreement	Under the Franchise Agreement you have 72 hours to fully cure violations of law or any failed Department of Transportation inspection, 10 days to cure payment defaults, 90 days to cure a Minimum Equipment Default (with 30 days to make all required payments for the Minimum Equipment) and 30 days to cure other defaults not listed in (h) below. There are no curable defaults under the Development Rights Agreement.
h.	"Cause" defined – non-curable defaults	15.B of Franchise Agreement and 12 of Development Rights Agreement	Non-curable defaults under the Franchise Agreement include material misrepresentation or omission, failure to satisfactorily complete training, failure to open Business on time, abandonment or failure to actively operate, surrender or transfer of your or Business's control, conviction of or pleading no contest to felony, any dishonest, unethical or illegal conduct that adversely impacts reputation or goodwill, failure to maintain insurance, interference with our rights to inspect the Business or audit books and records, unauthorized transfer, termination of another agreement between you and us (excluding the termination of the Development Rights Agreement), violation of non-compete or confidentiality restrictions, failure to pay taxes, suppliers or lenders, repeated defaults, knowingly submitting false reports or false information to us, and bankruptcy-related events. We may not terminate the Franchise Agreement upon termination of the Development Rights Agreement. Non-curable defaults under the Development Rights Agreement include material misrepresentation or omission, conviction of or pleading no contest to felony, any dishonest, unethical or illegal conduct that adversely impacts reputation or goodwill, failure to comply with the Development Schedule or other provision, and breach or default of any agreement (including a Franchise Agreement) with you or your affiliate. We may terminate the Development Rights Agreement upon termination of a Franchise Agreement.
i.	Franchisee's obligations on termination/ non-renewal	16 of Franchise Agreement	Pay amounts due (including liquidated damages), stop identifying as our franchisee or using Marks or similar marks, de-identify Business, cease using Confidential Information, and return Operations Manual (see also (o) and (r) below).
j.	Assignment of contract by franchisor	13.A of Franchise Agreement and 14 of Development Rights Agreement	We may assign agreements and change our ownership or form without restriction.
k.	"Transfer" by franchisee - defined	13.B of Franchise Agreement and 15(b) of Development Rights Agreement	Includes transfer of any interest in the Franchise Agreement or Development Rights Agreement, the Business or its assets or your business, or any direct or indirect ownership interest in you if you are an entity, or which results in the transfer or creation of a controlling ownership interest in you.

	Provision	Section in franchise or other agreement	Summary
l.	Franchisor approval of transfer by franchisee	13.B to 13.H of Franchise Agreement and 15(b) of Development Rights Agreement	No transfers under the Franchise Agreement or Development Rights Agreement without our approval. Under the Development Rights Agreement, we may grant or withhold our approval for any reason.
m.	Conditions for franchisor approval of transfer	13.B to 13.H of Franchise Agreement and 15(b) of Development Rights Agreement	Under the Franchise Agreement, conditions for non-control transfer are compliance with agreements, you provide notice and information to us at least 30 days before proposed transfer, sign general release (to the extent state law allows), transferee and its owners meet standards and have no ownership interest in or perform services for a competitive business, transferring owners agree not to use Marks or compete, you and owners agree to sign agreement and related documents to reflect new ownership structure, and you must pay a transfer fee of $10,000. Under the Franchise Agreement, conditions for control transfer are compliance with agreements, you provide notice and information to us at least 30 days before proposed transfer, sign general release (to the extent state law allows), transferee and its owners meet standards and have no ownership interest in or perform services for a competitive business, transferring owners agree not to use Marks or compete, new personnel complete training, transferee or you repair and/or replace Operating Assets and upgrade the Business, Business Location and Parking Location under Franchise Agreement, transferee (at our option) either agrees to be bound by current Franchise Agreement and Development Rights Agreement or signs our then current form of agreement and related documents (which may contain different provisions), you or transferee pay transfer fee of $5,000 plus 50% of the then current initial franchise fee and reimbursement of any broker fees and/or commissions we incur, price and payment terms do not adversely affect operation, and transferee subordinates obligations.
n.	Franchisor's right of first refusal to acquire franchisee's business	13.H of Franchise Agreement	We have the right to match offers under certain conditions.
o.	Franchisor's option to purchase franchisee's business	16.E of Franchise Agreement	We may purchase the Business's assets when the Franchise Agreement expires or terminates and manage the Business pending our purchase.
p.	Death or disability of franchisee	13.F of Franchise Agreement	Must transfer to an approved transferee within 6 months.
q.	Non-competition covenants during the term of the franchise	12 of Franchise Agreement and 10 of Development Rights Agreement	No owning interest in, providing services for, loaning or leasing to, or diverting any actual or potential business or customer of the Business to a competitive business.
r.	Non-competition covenants after the	16.D of Franchise Agreement and 10 of	For 3 years, no owning interest in or providing services for a competitive business (a) within the Territory; (b) within a 30

	Provision	Section in franchise or other agreement	Summary
	franchise is terminated or expires	Development Rights Agreement	mile radius of the Territory; or (c) within a 30 mile radius of any other Heavyweight Waste Business.
s.	Modification of the agreement	18.J of Franchise Agreement and 16 of Development Rights Agreement	Modifications only by written agreement of the parties, but we may change the Operations Manual, System Standards and Franchise System.
t.	Integration/merger clause	18.L of Franchise Agreement and 16 of Development Rights Agreement	Only terms of the agreements are binding (subject to state law). Any representations or promises made outside of the Disclosure Document and those agreements may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the franchise disclosure document, its exhibits, and amendments.
u.	Dispute resolution by arbitration or mediation	18.F of Franchise Agreement and 16 of Development Rights Agreement	We and you must arbitrate all disputes (except claims related to the Marks, other intellectual property that is part of the Franchise System, or requests by you or us for temporary restraining orders, preliminary injunctions or other procedures to obtain interim relief) within 10 miles of our then current principal business address (currently Carmel, Indiana) (subject to state law).
v.	Choice of forum	18.H of Franchise Agreement and 16 of Development Rights Agreement	Subject to arbitration obligations, litigation is in (or closest to) the state and city of our then current principal business address (currently Carmel, Indiana) (subject to state law).
w.	Choice of law	18.G of Franchise Agreement and 16 of Development Rights Agreement	Except for Federal Arbitration Act and other federal law, Indiana law applies to all claims (subject to state law).

Item 18

PUBLIC FIGURES

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

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Daphne Lippott, 535 W. Carmel Drive, Carmel, Indiana 46032, and 844-762-7400, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

All numbers appearing in Tables 1 – 5 below are as of December 31 in each year. Our affiliates operate the Heavyweight Waste Businesses listed as "company-owned."

Table 1
Systemwide Outlet Summary
For years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	4	+4
Company-Owned	2020	0	0	0
	2021	0	10	+10
	2022	10	10	0
Total Outlets	2020	0	0	0
	2021	0	10	+10
	2022	10	14	+4

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2020 to 2022

State	Year	Number of Transfers
All States	2020	0
	2021	0
	2022	0

State	Year	Number of Transfers
Total	2020	0
	2021	0
	2022	0

Table 3
Status of Franchised Outlets
For years 2020 to 2022

State	Year	Outlets at the Start of the Year	Outlets Opened	Termi-Nations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Colorado	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
Florida	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
Totals	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	4	0	0	0	0	4

Table 4
Status of Company-Owned Outlets
For years 2020 to 2022

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Alabama	2020	0	0	0	0	0	0
	2021	0	7	0	0	0	7
	2022	7	0	0	0	0	7
Indiana	2020	0	0	0	0	0	0
	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
Texas	2020	0	0	0	0	0	0

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
	2021	0	2	0	0	0	2
	2022	2	0	0	0	0	2
Totals	2020	0	0	0	0	0	0
	2021	0	10	0	0	0	10
	2022	10	0	0	0	0	10

Table 5
Projected Openings As Of December 31, 2022

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
South Carolina	2	0	0
Totals	2	0	0

The names, addresses, and telephone numbers of our franchisees as of December 31, 2022, are listed in Exhibit F. In the future, we will also provide in Exhibit G, a list of the names, cities and states, and last known home or business telephone numbers of the franchisees who had an outlet terminated, transferred, canceled, or not renewed, or who otherwise voluntarily or involuntarily ceased to do business under a franchise agreement with us, during the previous fiscal year or who have not communicated with us within 10 weeks of our then current disclosure document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are no trademark-specific franchisee organizations associated with the Heavyweight Waste franchise network.

Item 21

FINANCIAL STATEMENTS

Exhibit H contains our audited balance sheet as of December 31, 2022 and December 31, 2021 and the related statements of operations, member's equity, and cash flows for the year ended December 31, 2022 and the period from March 22, 2021 (date of inception) to December 31, 2021. We have not been in business for 3 years and, therefore, cannot include 3 years of audited financial statements in this disclosure document. Exhibit H also contains our unaudited balance sheet and income statement as of and for the period ended March 31, 2023.

Item 22

CONTRACTS

The following agreements are exhibits to this disclosure document:

1. Franchise Agreement – Exhibit B
2. Development Rights Agreement – Exhibit C
3. Current Form of Release – Exhibit D
4. State-Specific Riders to Franchise Agreement – Exhibit I

Item 23

RECEIPT

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

EXHIBIT A

LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

STATE AGENCIES/AGENTS
FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

CALIFORNIA

Commissioner of Department of Financial Protection & Innovation
Department of Financial Protection & Innovation
Toll Free: 1 (866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(866) 275-2677

San Diego

1455 Frazee Road, Suite 315
San Diego, CA 92108
(619) 610-2093

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94105-2980
(415) 972-8559

HAWAII

(for service of process)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)

Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

(for service of process)

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(state agency)

Office of the Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 335-7567

MINNESOTA

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

NEW YORK

(for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

(Administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236 (Phone)

NORTH DAKOTA

(for service of process)

Securities Commissioner
600 East Boulevard Avenue
State Capitol Fourteenth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

(state agency)

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fourteenth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON

Oregon Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

RHODE ISLAND

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

(for service of process)

Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8760

(for other matters)

Department of Financial Institutions
Securities Division
P. O. Box 9033
Olympia, Washington 98501-9033
(360) 902-8760

WISCONSIN

(for service of process)

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

(state administrator)

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-9555

EXHIBIT B

FRANCHISE AGREEMENT

HEAVYWEIGHT WASTE®

FRANCHISE AGREEMENT

_____

Franchisee Name

_____

_____

_____

Address

TABLE OF CONTENTS

SECTION **PAGE**

1. Preambles and Grant of Franchise Rights....1
   - 1.A. Preambles....1
   - 1.B. Grant of Franchise and Term....1
   - 1.C. Best Efforts....1
   - 1.D. Business Entity Franchisee....2

2. Territory, Initial Purchases and Performance Obligations....3
   - 2.A. Territory....3
   - 2.B. Minimum Trucks and Containers....3
   - 2.C. Additional Truck Obligations....4
   - 2.D. Minimum Equipment Default....4
   - 2.E. Business Location and Parking Location....4
   - 2.F. Computer System....5
   - 2.G. Opening of the Business....6

3. Territorial Rights....7
   - 3.A. Territorial Rights....7
   - 3.B. Rights HWFP Maintains....7
   - 3.C. Activities Outside of the Territory....8

4. Training and Assistance....9
   - 4.A. Initial Training Program....9
   - 4.B. Ongoing Training....9
   - 4.C. Fees and Expenses During Training....9
   - 4.D. General Guidance....9
   - 4.E. Operations Manual and System Standards....10
   - 4.F. Delegation of Performance....10

5. Fees....10
   - 5.A. Initial Franchise Fee....10
   - 5.B. Royalty....10
   - 5.C. National Account Fee....11
   - 5.D. Definition of Gross Sales....11
   - 5.E. Technology Fee....11
   - 5.F. Non-Compliance Fee....11
   - 5.G. Automatic Debit....12
   - 5.H. Interest on Late Payments....12
   - 5.I. Taxes on Franchisee's Payments....12

6. Operation of the Business and System Standards....13
   - 6.A. Condition and Appearance of the Business Location, Parking Location and Operating Assets....13
   - 6.B. Products and Services the Business Offers....13

SECTION **PAGE**

6.C. Approved Products, Distributors and Suppliers....14
6.D. National Accounts....15
6.E. Customer Services....15
6.F. Compliance with Laws and Good Business Practices....15
6.G. Insurance....16
6.H. Compliance With System Standards....16
6.I. Customer Complaints....18
6.J. Modification of Franchise System....18
6.K. Franchisor's Right of First Opportunity for Equipment....18

7. Marketing....19
7.A. Market Introduction Program....19
7.B. Brand Fund....19
7.C. Local Marketing....21
7.E. Marketing Spending Requirement....22
7.F. System Website....22
7.G. Social Media....23

8. Records, Reports and Financial Statements....23

9. Inspections, Evaluations and Audits....24
9.A. Inspections and Evaluations....24
9.B. Audits....25

10. Marks....25
10.A. Ownership and Goodwill of Marks....25
10.B. Limitations on Franchisee's Use of Marks....25
10.C. Notification of Infringements and Claims....26
10.D. Discontinuance of Use of Marks....26
10.E. Indemnification for Use of Marks....26

11. Confidential Information, Customer Data and Innovations....26
11.A. Confidential Information....26
11.B. Customer Data....28
11.C. Innovations....28

12. Exclusive Relationship....29

13. Transfer....29
13.A. Transfer by HWFP....29
13.B. Transfer by Franchisee – Defined....30
13.C. Conditions for Approval of Non-Control Transfer....31
13.D. Conditions for Approval of Control Transfer....32
13.E. Transfer to a Wholly-Owned Entity....33
13.F. Death or Disability....33
13.G. Effect of Consent to Transfer....33
13.H. HWFP's Right of First Refusal....33

SECTION **PAGE**

14. Successor Franchise Rights....34
14.A. Exercise of Successor Franchise Right....34
14.B. Successor Franchise Documents....35
14.C. Holdover....35

15. Termination of Agreement....35
15.A. Termination by Franchisee....35
15.B. Termination by HWFP....36
15.C. Termination of Other Rights....38

16. Rights and Obligations Upon Termination or Expiration....38
16.A. Payment of Amounts Owed....38
16.B. De-Identification....39
16.C. Confidential Information....40
16.D. Covenant Not To Compete....40
16.E. HWFP's Right to Purchase Business Assets....41
16.F. Restriction on Sale of Business....43
16.G. Continuing Obligations....43

17. Relationship of the Parties/Indemnification....43
17.A. Independent Contractors....43
17.B. No Liability for Acts of Other Party....44
17.C. Taxes....44
17.D. Indemnification and Defense of Claims....44

18. Enforcement....45
18.A. Severability and Substitution of Valid Provisions....45
18.B. Waiver of Obligations and Force Majeure....46
18.C. Costs and Attorneys' Fees....47
18.D. Applying and Withholding Payments....47
18.E. Rights of Parties are Cumulative....47
18.F. Arbitration....47
18.G. Governing Law....49
18.H. Consent to Jurisdiction....49
18.I. Waiver of Punitive Damages and Jury Trial....49
18.J. Binding Effect and Amendment....50
18.K. Limitations of Claims....50
18.L. Construction....50
18.M. The Exercise of HWFP's Judgment....51

19. Notices and Payments....51

20. No Waiver or Disclaimer of Reliance in Certain States....52

SECTION **PAGE**

EXHIBITS

EXHIBIT A -- SUMMARY PAGE
EXHIBIT B -- OWNERS
EXHIBIT C -- GUARANTY AND ASSUMPTION OF OBLIGATIONS
EXHIBIT D -- KEY PERSONNEL AGREEMENT

HEAVYWEIGHT WASTE®
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of _____, 20__ (the "**Agreement Date**"), regardless of the date of the parties' signatures, between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company with its principal business address at 535 W. Carmel Drive, Carmel, Indiana 46032 ("**HWFP**"), and _____, whose principal business address is _____ ("**Franchisee**").

1. Preambles and Grant of Franchise Rights.

1.A. Preambles.

(1) HWFP and its affiliates have developed a method for establishing and operating non-hazardous commercial, industrial and construction waste removal services businesses utilizing custom roll-off trucks and custom open-top containers, and other products and services which are primarily identified by the Marks (defined below) and use the Franchise System (defined below) (collectively, "**Heavyweight Waste Businesses**").

(2) HWFP and its affiliates have developed and HWFP uses, promotes, and sublicenses, and may in the future develop and license or sublicense, certain trademarks, service marks and other commercial symbols in operating Heavyweight Waste Businesses, all of which HWFP may modify from time to time (collectively, the "**Marks**").

(3) HWFP offers franchises to own and operate a Heavyweight Waste Business using HWFP's business system, business formats, custom equipment, products, services and processes, methods, procedures, signs, designs, layouts, trade dress, standards, specifications, and Marks, all of which HWFP may improve, further develop and otherwise modify from time to time (collectively, the "**Franchise System**").

(4) Franchisee has applied for a franchise to own and operate a Heavyweight Waste Business, and HWFP has approved Franchisee's application relying on all of Franchisee's representations, warranties and acknowledgments contained in Franchisee's franchise application and this Agreement.

1.B. Grant of Franchise and Term. Franchisee has applied for a franchise to own and operate a Heavyweight Waste Business in the territory specified on Exhibit A (the "**Territory**"). Subject to the terms of this Agreement, HWFP grants Franchisee the right and Franchisee assumes the obligation to establish and operate a Heavyweight Waste Business in the Territory (the "**Business**"), and to use the Franchise System in its operation, for a term beginning on the Agreement Date and ending on the date which is ten (10) years after the date upon which the Business first opens for business (the "**Opening Date**"), unless sooner terminated (the "**Term**"). HWFP may amend Exhibit A after the date hereof to include the Opening Date.

1.C. Best Efforts. Only Franchisee is authorized to operate the Business. Franchisee must operate the Business for the entire Term and at all times faithfully, honestly and diligently perform its obligations and fully exploit the rights granted under this Agreement.

1.D. Business Entity Franchisee. If Franchisee is at any time a corporation, a limited liability company, a general, limited, or limited liability partnership, or another form of business entity (collectively, an "**Entity**"), Franchisee agrees and represents that:

(1) Franchisee's organizational and governing documents, including, as applicable, its bylaws, operating agreement, or partnership agreement, will recite that this Agreement restricts the issuance and transfer of any Ownership Interests (defined below) in Franchisee, and all certificates and other documents representing Ownership Interests in Franchisee will bear a legend referring to this Agreement's restrictions. In this Agreement, "**Ownership Interests**" means (a) in relation to a corporation, shares of capital stock (whether common stock, preferred stock or any other designation) or other equity interests; (b) in relation to a limited liability company, membership interests or other equity interests; (c) in relation to a partnership, a general or limited partnership interest; and (d) in relation to any Entity (including those described in (a) through (c) above), any other interest in that Entity or its business that allows the holder of that interest (whether directly or indirectly) to direct or control the direction of the management of the Entity or its business (including a president or chief executive officer of a corporation, a manager or managing member of a limited liability company, or a general or managing partner of a partnership), or to share in the revenue, profits or losses of, or any capital appreciation relating to, the Business, that Entity or its business.

(2) Exhibit B to this Agreement completely and accurately describes all of Franchisee's Owners (defined below) and their Ownership Interests in Franchisee. In this Agreement, "**Owner**" means any individual or Entity holding a direct or indirect Ownership Interest (whether of record, beneficially, or otherwise) in Franchisee. Each Owner (if any) at any time during the Term must sign an agreement in the form HWFP designates undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between Franchisee and HWFP (a "**Guaranty**"), the current version of which is Exhibit C to this Agreement. The General Manager (defined below) must sign an agreement in the form HWFP designates undertaking personally to be bound, jointly and severally, by the confidentiality, non-compete and transfer restrictions in this Agreement (a "**Key Personnel Agreement**"), the current version of which is Exhibit D to this Agreement. Subject to HWFP's rights and Franchisee's obligations under Section 13, Franchisee and its Owners agree to sign and deliver to HWFP a revised Exhibit B to reflect any changes in the information that Exhibit B now contains.

(3) an individual whom HWFP approves (the "**Principal Executive**") must at all times during the Term: (a) own (directly or indirectly) more than fifty percent (50%) of the Ownership Interests in Franchisee; (b) have the authority under Franchisee's governing documents to authorize a merger, liquidation, dissolution or transfer of substantially all of the assets of Franchisee and otherwise to direct and control Franchisee's management and policies without the vote or consent of any other person or Entity; and (c) devote sufficient time and attention to the promotion and operation of the Business. The Principal Executive as of the Agreement Date is listed on Exhibit B.

(4) Franchisee shall designate an individual whom HWFP approves (the "**General Manager**") to serve as the Business's general manager who will devote all of his or her business time and attention to the management and operation of the Business. The General Manager need not have any direct or indirect Ownership Interest in Franchisee but must have the authority over all day-to-day business decisions for Franchisee and the Business. The General Manager as of the Agreement Date is listed on Exhibit B. If the General Manager no longer serves in that capacity for any reason, then Franchisee must designate a replacement General Manager whom HWFP approves, and ensure that such new General Manager satisfactorily completes the training that HWFP then requires, within sixty (60) days thereafter. For the avoidance of doubt, HWFP may approve the same individual to serve as the Principal Executive and the General Manager.

(5) the Business established and operated under this Agreement, and other Heavyweight Waste Businesses, if applicable, will be the only businesses Franchisee owns or operates (although its Owners and affiliates may have other business interests, subject to Section 12).

2. Territory, Initial Purchases and Performance Obligations.

2.A. Territory. As set forth in Exhibit A, Franchisee and HWFP have agreed upon a Territory for the Business before the Agreement Date. Despite any assistance, information or recommendations that HWFP provided with respect to the Territory, HWFP has made and will make no representations or warranties of any kind, express or implied, of the suitability of the Territory for a Business or any other purpose. HWFP's recommendation or acceptance indicates only that HWFP believes that the Territory meets or has the potential to meet, or that HWFP has waived, its general criteria of Territory acceptability as of the Agreement Date. Applying criteria that have appeared effective for other territories might not accurately reflect the potential for all territories, and, after HWFP recommends or accepts a Territory, demographic and/or other factors included in or excluded from its territorial criteria could change, thereby altering a territory's potential. The uncertainty and instability of these criteria are beyond HWFP's control, and HWFP is not responsible if the Territory fails to meet its or Franchisee's expectations. Franchisee's acceptance of the rights under this Agreement is based on its own independent investigation of the Territory's suitability.

2.B. Minimum Trucks and Containers. Franchisee agrees to purchase or lease from HWFP, its affiliate, and/or its designated third-party dealer at least one (1) Heavyweight Waste truck (a "**Truck**") and twenty (20) containers consistent with the make, model and custom specifications required by HWFP (the "**Containers**"). Franchisee acknowledges that: (a) the timing and pricing of the delivery of the Truck(s) and the Containers purchased or leased by Franchisee will be based on then current supply and production lead times and prices; and (b) other than the initial deposit amounts set forth on Exhibit A, the prices and deposits for any and all Truck(s) and Containers purchased or leased by Franchisee will be based on then current pricing and deposit requirements, as determined by the manufacturers, HWFP and/or its affiliates.

Franchisee must pay the required deposits for its Truck(s) and Containers on the Agreement Date, in the amounts set forth on Exhibit A. These deposits are fully earned by HWFP and/or its affiliate, as applicable, when Franchisee signs this Agreement and are not refundable under any

circumstances. Franchisee must pay the remainder of the costs for the Truck(s) and Containers as set forth in the applicable purchase or lease agreements.

2.C. Additional Truck Obligations. Franchisee shall maintain an adequate number of Trucks to service customers in accordance with HWFP's System Standards (as defined in Section 4.E). HWFP reserves the right to require Franchisee to obtain up to one (1) additional Truck (for up to a total of two (2) Trucks) if HWFP reasonably believes Franchisee is unable to service customers in accordance with the System Standards due to a lack of Trucks. If HWFP requires Franchisee to obtain an additional Truck to service customers in accordance with the System Standards, HWFP will send written notice to Franchisee setting forth the deadline by which Franchisee must obtain such Truck. Franchisee shall pay a deposit and place an order for such additional Truck in accordance with the requirements and timelines set forth in HWFP's notice.

2.D. Minimum Equipment Default. If Franchisee fails to maintain at least one (1) Truck (or two (2) Trucks, if required by HWFP under Section 2.C. above) and twenty (20) Containers (collectively, the "**Minimum Equipment**") at any time during the Term (a "**Minimum Equipment Default**"), Franchisee shall have: (a) thirty (30) days after receiving written notice from HWFP to pay HWFP, its affiliate, or its designated third-party dealer in full for the Truck(s) and/or Containers needed to achieve the Minimum Equipment requirements; and (b) ninety (90) days after receiving written notice from HWFP to obtain the Truck(s) and/or Containers needed to achieve the Minimum Equipment requirements (together, the "**Minimum Equipment Default Cure Period**"). For the avoidance of doubt, the Minimum Equipment Default Cure Period shall not be extended for any reason, even if Franchisee's failure to timely cure the Minimum Equipment Default is a result of factors beyond Franchisee's reasonable control. If Franchisee fails to cure a Minimum Equipment Default within the Minimum Equipment Default Cure Period, HWFP shall have the right, in addition to any other rights and remedies that HWFP may have (including the right to terminate this Agreement pursuant to Section 15.B(21) below), to modify and reduce Franchisee's Territory to a smaller geographic area that is proportionate to the number of Trucks and Containers that Franchisee has in operation as of the expiration date of the Minimum Equipment Default Cure Period. Franchisee acknowledges that a modified Territory will likely exclude areas where Franchisee actively operates. Franchisee acknowledges that, if HWFP reduces Franchisee's Territory, Franchisee may lose customers that Franchisee was servicing in certain parts of Franchisee's Territory. Notwithstanding anything contained in this Section, the Initial Franchise Fee (as defined in Section 5.A of this Agreement, and as stated on Exhibit A) and any Truck and Container deposits are non-refundable, even in the event that HWFP reduces Franchisee's Territory. Upon such reduction: (a) Franchisee's rights, and the restrictions on HWFP and its affiliates, under Section 3 of this Agreement shall no longer apply in the area removed from the Territory; and (b) HWFP and its affiliates may operate, and authorize others to operate, Heavyweight Waste Businesses within the area removed from the Territory and engage, and allow others to engage, in any other activities HWFP and its affiliates desire within the removed area, without any restrictions whatsoever.

2.E. Business Location and Parking Location.

(1) Franchisee is required to operate its Business from a location that satisfies HWFP's System Standards (the "**Business Location**"). Franchisee is also required to lease or purchase a secure parking space or facility to store the Truck(s), Containers and other

equipment Franchisee uses in the operation of the Business (the "**Parking Location**"). Franchisee is solely responsible for finding, selecting, and maintaining the Business Location and Parking Location. The Business Location and Parking Location must be located within the Territory. If the Business Location will be open to the public in any way, including to be used for meeting customers or potential customers, Franchisee must conform the Business Location to HWFP's System Standards. If such conformance is necessary, it is Franchisee's responsibility to prepare all required construction plans and specifications to suit the Business Location and to make sure that they comply with the Americans with Disabilities Act (the "**ADA**") and similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions. At HWFP's discretion, Franchisee must submit construction plans and specifications to HWFP for approval before Franchisee begins any construction or renovation of the Business Location and all revised or "as built" plans and specifications during construction or renovation, as applicable. HWFP's review is limited to ensuring Franchisee's compliance with HWFP's System Standards and this Agreement's other requirements. HWFP's review is not designed to assess compliance with federal, state, or local laws and regulations, including the ADA, as compliance with those laws and regulations is Franchisee's responsibility. Franchisee must remedy, at its expense, any noncompliance or alleged noncompliance with those laws and regulations. HWFP may periodically inspect the Business Location while Franchisee is developing it. The Parking Location must comply with all applicable laws and HWFP's System Standards.

(2) At Franchisee's expense, Franchisee must construct, install trade dress and furnish all Operating Assets (as defined in Section 6.C.) in, and otherwise develop the Business Location and the Business in accordance with HWFP's standards, specifications and directions. If HWFP requires, Franchisee must purchase or lease only approved brands, types and/or models of Operating Assets and/or purchase or lease them only from suppliers HWFP designates or approves (which may include or be limited to HWFP or its affiliates).

(3) Franchisee must obtain HWFP's prior written acceptance of the terms of any lease or sublease for the Business Location (the "**Lease**") before Franchisee signs it. The Lease must contain the terms and provisions that are reasonably acceptable to HWFP, including provisions to protect its rights as franchisor. Franchisee acknowledges that HWFP's acceptance of the Lease is not a guarantee or warranty, express or implied, of the success or profitability of a Business operated from that Business Location. HWFP's acceptance of the Lease indicates only that HWFP believes that the Lease's terms meet, or that HWFP has waived, its then applicable criteria. Franchisee must give HWFP a copy of the fully signed Lease within ten (10) days after Franchisee and the landlord have signed it. Franchisee may not sign any renewal or amendment of the Lease that HWFP has not accepted.

2.F. Computer System. Franchisee agrees to obtain and use in connection with the operation of the Business the computer-based, web-based, application-based and/or other technological systems and services that HWFP periodically specifies, including hardware components, software, dedicated communication and power systems, printers, payment devices, and other computer-related accessories and peripheral equipment (the "**Computer System**").

HWFP may periodically modify specifications for and components of and/or the technologies and functions for, the Computer System, and these modifications and/or other technological developments or events, may require Franchisee to purchase, lease and/or license new or modified computer hardware, software and other components and technologies and to obtain service and support for the Computer System. Although HWFP cannot estimate the future costs of the Computer System or required service or support, Franchisee agrees to incur the costs of obtaining and updating the Computer System (and additions and modifications) and required service or support. Within sixty (60) days after HWFP delivers notice to Franchisee, Franchisee agrees to obtain the Computer System components that HWFP designates and ensure that Franchisee's Computer System, as modified, is functioning properly.

HWFP and its affiliates may condition any license of required or recommended software to Franchisee, and/or Franchisee's use of technology developed or maintained by or for HWFP or its affiliates (including the System Website, as defined in Section 7.F), on Franchisee's signing a software license agreement or similar document, or otherwise agreeing to the terms (for example, by acknowledging Franchisee's consent to and accepting the terms of a click-through license agreement), that HWFP and its affiliates periodically specify to regulate Franchisee's use of, and HWFP's (or its affiliate's) and Franchisee's respective rights and responsibilities with respect to, the software or technology. HWFP and its affiliates may charge Franchisee up-front and ongoing fees for any required or recommended software or technology that HWFP or its affiliates license to Franchisee and for other Computer System maintenance and support services provided during the term of this Agreement.

Notwithstanding Franchisee's obligation to buy, use, and maintain the Computer System according to HWFP's standards and specifications, Franchisee has sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which Franchisee's Computer System interfaces with HWFP's and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded. The Computer System shall permit twenty-four (24) hours per day, seven (7) days per week electronic communications between Franchisee and HWFP.

2.G. Opening of the Business. Franchisee must open the Business on or before the "**Opening Deadline**," which is the earlier of: (a) the date that is one hundred eighty (180) days after the Agreement Date or (b) the date that is ten (10) days after Franchisee receives the initial Truck and Container orders. Franchisee agrees not to open and operate the Business until: (1) Franchisee has received both its initial Truck and Container orders; (2) all pre-opening training for the Business's personnel has been completed to HWFP's satisfaction; (3) all amounts Franchisee then owes to HWFP and its affiliates have been paid; (4) Franchisee has given HWFP evidence of required insurance coverage and payment of premiums; (5) Franchisee has obtained all applicable governmental permits and authorizations; (6) Franchisee is in compliance with this Agreement; (7) the Business conforms to all applicable System Standards; and (8) Franchisee has hired sufficient employees to operate the Business in accordance with to the System Standards. HWFP's determination that Franchisee has met all of HWFP's pre-opening requirements will not constitute a waiver of Franchisee's non-compliance or of HWFP's right to demand full compliance with those requirements.

3. Territorial Rights.

3.A. Territorial Rights. The "**Territory**" is the geographic area specified in Exhibit A. If Franchisee is complying with this Agreement, then neither HWFP nor its affiliates will establish, nor license the establishment of, another Heavyweight Waste Business either (1) within the Territory, or (2) outside of the Territory and which business serves customers within the Territory.

3.B. Rights HWFP Maintains. HWFP (and any affiliates that HWFP might have from time to time) shall at all times have the right to engage in any activities HWFP or they deem appropriate that are not expressly prohibited by this Agreement, whenever and wherever HWFP or they desire, including:

(1) serving (or authorizing one or more other Heavyweight Waste Business franchisees to serve) customers in the Territory if HWFP has delivered written notice to Franchisee stating that: (a) Franchisee is in default of this Agreement; or (b) Franchisee is incapable, in HWFP's reasonable opinion, of meeting customer demand in the Territory; provided, however, that this right shall be in addition to any other rights or remedies available to HWFP or its affiliates (including the right to terminate this Agreement pursuant to Section 15.B);

(2) serving (or authorizing one or more other Heavyweight Waste Business franchisees to serve) a particular customer in the Territory if HWFP has delivered written notice to Franchisee stating that: (a) Franchisee has failed, in HWFP's reasonable opinion, to properly serve such customer; or (b) Franchisee will not, in HWFP's reasonable opinion, properly serve such customer; provided, however, that this right shall be in addition to any other rights or remedies available to HWFP or its affiliates (including the right to terminate this Agreement pursuant to Section 15.B);

(3) establishing and operating, and granting rights to others to establish and operate, on any terms and conditions HWFP deems appropriate, Heavyweight Waste Businesses at any locations outside the Territory;

(4) establishing and operating, and granting rights to others to establish and operate, on any terms and conditions HWFP deems appropriate, waste management businesses or any similar or dissimilar businesses that either are not primarily identified by the Marks or do not use the Franchise System at any locations, whether within or outside the Territory;

(5) selling and licensing others to sell products and services to customers, whether located inside or outside the Territory, through channels of distribution (including the Internet) so long as such products and services are not provided through a Heavyweight Waste Business located in the Territory or serving customers within the Territory, and are different from the products and services provided by the Business;

(6) all rights relating directly or indirectly to the Marks, and all products and services associated with any of the Marks, in connection with any methods of distribution, except as specifically set forth in Section 3.A. This includes providing, and granting rights to others to provide (except as specifically set forth in Section 3.A), products and services

to customers and other third parties that are similar or dissimilar to, or competitive with, any products and services provided by Heavyweight Waste Businesses, whether identified by the Marks or other trademarks or service marks, regardless of the method of distribution (including through the System Website, other retail outlets, and shipping and delivery), and at any locations;

(7) advertising to, soliciting, entering into contracts with and servicing (either itself or through affiliates, other Heavyweight Waste Business franchisees, or other third parties) National Accounts (as defined in Section 6.D.), outside the Territory;

(8) acquiring the assets or Ownership Interests of, or being acquired (regardless of the form of transaction) by, one or more businesses providing products and services similar or dissimilar to those provided by Heavyweight Waste Businesses, and franchising, licensing or creating other arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, whether within or outside the Territory; and

(9) requiring Franchisee to provide container service for and/or share customer opportunities with HWFP's affiliate, Smash Franchise Partners, LLC ("**Smash**"), and/or its franchisees, inside the Territory. This may include, subject to applicable laws, pricing requirements, service requirements and/or revenue share structures with respect to Smash, its franchisees, and/or their respective customers.

3.C. Activities Outside of the Territory. Franchisee may not perform services or sell products related to the Business outside of the Territory without HWFP's prior written consent, which HWFP may grant, withhold or withdraw as HWFP deems appropriate. HWFP may condition its consent on such requirements as HWFP deems appropriate. Franchisee may not solicit or advertise to customers outside of the Territory without HWFP's prior written consent. "**Solicit**" includes solicitation in person, by telephone, by mail, through the Internet, social media, email or other electronic means, and by distribution of brochures, business cards or other materials or any other advertising. If any solicitation of customers within the Territory is conducted through media that will or may reach persons outside of the Territory, Franchisee is required to notify HWFP in advance and obtain HWFP's consent. If Franchisee receives a request for services or products from outside the Territory, Franchisee is required to refer that request to the Heavyweight Waste Business located in the applicable territory (or to HWFP or its affiliate, if HWFP has not assigned the applicable territory to a Heavyweight Waste Business). Notwithstanding the foregoing, under certain limited circumstances, Franchisee may process a request from outside of the Territory if the requested service is permitted or required under HWFP's policies as set forth in the Operations Manual or otherwise designated by HWFP. If HWFP permits or requires Franchisee to advertise, solicit, service or sell in areas outside of the Territory that are not serviced by another Heavyweight Waste Business or by HWFP or its affiliate, Franchisee is required to comply with all of the conditions and other requirements that HWFP may from time to time specify in the Operations Manual or otherwise in writing with respect to such activities. HWFP may at any time condition Franchisee's out-of-Territory sales and services on (a) Franchisee's agreement to purchase the franchise rights for the territory in which the sales and services are being performed; or (b) execution of any other addenda or documents required by HWFP. At any time upon HWFP's demand or upon notice from HWFP that the territory in question has been assigned to another

Heavyweight Waste Business, Franchisee agrees to immediately cease all activities in that territory and to comply with HWFP's procedures for the transition of customer accounts for that territory. Under no circumstances will HWFP be liable to Franchisee for violations by other Heavyweight Waste Businesses of HWFP's policies on out-of-Territory sales and services.

4. Training and Assistance.

4.A. Initial Training Program. Before opening the Business, the Principal Executive and the General Manager (if different from the Principal Executive) must attend and complete to HWFP's satisfaction all components of HWFP's designated initial brand standard training program (the "**Initial Training Program**"). However, if the Principal Executive has attended and completed the Initial Training Program to HWFP's satisfaction under another franchise agreement, HWFP will not require the Principal Executive to attend the Initial Training Program. At Franchisee's option, Franchisee may also send additional personnel to the Initial Training Program. The Initial Training Program may include classroom training, instruction at HWFP's headquarters and/or a Heavyweight Waste Business designated by HWFP, remote training (including via Internet access) and/or self-study programs. If HWFP determines that any of Franchisee's personnel cannot complete the Initial Training Program to HWFP's satisfaction, then in addition to its other rights and remedies, HWFP may require such personnel to attend additional training programs at Franchisee's expense (for which HWFP may charge reasonable fees).

4.B. Ongoing Training. During the Term, HWFP may require Franchisee and/or its personnel, including the General Manager, to attend and satisfactorily complete various training courses and programs and evaluation programs, including online training, that HWFP chooses to provide periodically at the times and locations HWFP designates. At HWFP's option, Franchisee must acquire the equipment, technology, and other products and services that HWFP periodically specifies (and pay all associated fees) in order to participate in the learning management platform or other training system that HWFP periodically designates. Franchisee's personnel whom HWFP periodically specifies also must attend any conventions or other programs that HWFP periodically specifies for some or all Heavyweight Waste Businesses.

4.C. Fees and Expenses During Training. HWFP will provide the Initial Training Program to three (3) individuals associated with the Business at no charge, but Franchisee must pay the initial training fee that HWFP specifies for any additional individuals attending the Initial Training Program. Franchisee also agrees to pay the training fees that HWFP periodically specifies for any ongoing training and evaluation programs that HWFP provides. Franchisee also will be responsible for its and its personnel's travel, living and other expenses (including local transportation expenses) and compensation incurred in connection with attendance at any training courses and programs, conventions or work at any Heavyweight Waste Business that is part of their development.

4.D. General Guidance. HWFP will advise Franchisee from time to time regarding the Business's operation based on Franchisee's reports or HWFP's inspections, including with respect to standards, specifications, operating procedures and methods that Heavyweight Waste Businesses use, purchasing required or recommended Operating Assets and other products, and administrative, bookkeeping and accounting procedures. HWFP will guide Franchisee in HWFP's operating manual and/or other manuals (collectively, the "**Operations Manual**"); in bulletins or

other written materials; by electronic media; by telephone consultation; at HWFP's office; at the Business Location; and/or in the Territory. If Franchisee requests and HWFP agrees to provide additional or special guidance, assistance or training, Franchisee must pay HWFP's then applicable charges, including per diem charges and any travel and living expenses for HWFP's personnel. Any specific ongoing training, conventions, advice or assistance that HWFP provides does not create an obligation to continue providing that specific training, convention, advice or assistance, all of which HWFP may discontinue and modify at any time.

4.E. Operations Manual and System Standards. HWFP will provide Franchisee access to the Operations Manual for use in operating the Business during the Term. The Operations Manual might include written or intangible materials and may be made available to Franchisee by various means. At HWFP's option, HWFP may post the Operations Manual on the System Website or another restricted website to which Franchisee will have access, in which event Franchisee must periodically monitor the website for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on such a website will be deemed to be part of Confidential Information (defined in Section 11.A). The Operations Manual contains mandatory and suggested specifications, standards, operating procedures and rules that HWFP periodically specifies for establishing and/or operating a Heavyweight Waste Business ("**System Standards**") and information on Franchisee's other obligations under this Agreement. HWFP may modify the Operations Manual periodically to reflect changes in System Standards. Franchisee agrees to keep its copy of the Operations Manual current and communicate all updates to its employees in a timely manner. In addition, Franchisee agrees to keep any paper copy of the Operations Manual it maintains in a secure location at the Business Location. If there is a dispute over its contents, HWFP's master copy of the Operations Manual controls. Franchisee agrees that the contents of the Operations Manual are confidential and that Franchisee will not disclose the Operations Manual to any person other than Business employees who need to know its contents. Franchisee may not at any time copy, duplicate, record or otherwise reproduce any part of the Operations Manual, except as HWFP periodically authorizes for training and operating purposes.

4.F. Delegation of Performance. HWFP may delegate the performance of any portion or all of its obligations under this Agreement to its affiliates or other third party designees, whether these designees are HWFP's agents or independent contractors with whom HWFP contracts to perform these obligations.

5. Fees.

5.A. Initial Franchise Fee. On the Agreement Date, Franchisee agrees to pay HWFP an initial franchise fee in the amount stated on Exhibit A (the "**Initial Franchise Fee**"), less any amount credited toward the initial franchise fee pursuant to an effective Development Rights Agreement between HWFP and Franchisee (or its affiliate). This Initial Franchise Fee is fully earned by HWFP when Franchisee signs this Agreement and is not refundable under any circumstances.

5.B. Royalty. Franchisee agrees to pay HWFP, on or before the fifth (5^{th}) day of the following month, or on such other date as HWFP specifies (the "**Payment Day**"), a royalty

("**Royalty**") in an amount equal to eight percent (8%) of the Gross Sales (defined below) of the Business during the previous month.

5.C. National Account Fee. Franchisee agrees to pay HWFP, on the Payment Day, a fee in an amount equal to ten percent (10%) of the Gross Sales earned for services performed by the Business for any and all National Accounts (the "**National Account Fee**"). With respect to each National Account, the National Account Fee shall be payable for twelve (12) months from the date Franchisee first provides services to such National Account. The National Account Fee is in addition to the Royalty. After Franchisee has serviced a National Account for twelve (12) months, Franchisee will only pay a Royalty on the Gross Sales earned for services performed by the Business for that specific National Account. For the avoidance of doubt, Franchisee will thereafter continue to pay a National Account Fee on Gross Sales earned for services performed by the Business for all other National Accounts that Franchisee has not yet serviced for twelve (12) months.

5.D. Definition of Gross Sales. In this Agreement, "**Gross Sales**" means all revenue that Franchisee receives or otherwise derives directly or indirectly from operating the Business, whether from cash, check, credit and debit card, barter, exchange, trade credit, or other credit transactions, including any implied or imputed Gross Sales from any business interruption insurance. However, "Gross Sales" shall exclude (1) sales taxes, use taxes, and other similar taxes added to the sales price, collected from the customer and paid to the appropriate taxing authority; (2) any bona fide refunds and credits that are actually provided to customers; (3) the face value of coupons or discounts that customers redeem; and (4) any revenue that Franchisee receives from the provision of waste compaction services by Smash and/or its franchisees, to the extent such revenue is remitted to Smash and/or its franchisees, as applicable. Each charge or sale upon credit shall be treated as a sale for the full price on the day during which such charge or sale is made, irrespective of when Franchisee receives payment (whether full or partial, or at all) on that sale. Amounts paid by gift certificate, gift card, stored value card or similar program are included in Gross Sales when the gift certificate, other instrument or applicable credit is redeemed.

5.E. Technology Fee. HWFP shall have the right, upon thirty (30) days' notice to Franchisee, to implement a fee for technology services in an amount designated by HWFP (the "**Technology Fee**"). If HWFP implements the Technology Fee, HWFP reserves the right to increase the Technology Fee annually by up to ten percent (10%) each year. If HWFP implements the Technology Fee, Franchisee agrees to pay HWFP the Technology Fee via electronic funds transfer or another payment method HWFP specifies, together with each payment of the Royalty.

5.F. Non-Compliance Fee. If HWFP determines that Franchisee has violated any of its obligations under this Agreement, including any failure to comply with any System Standards set forth in the Operations Manual or elsewhere, HWFP may send Franchisee a notice of violation and assess Franchisee a fee of Five Hundred Dollars ($500) (the "**Non-Compliance Fee**"), which must be paid within ten (10) days after Franchisee's receipt of HWFP's notice. The Non-Compliance Fee applies for each notice of violation that HWFP sends to Franchisee, even if the violation is of the same provision of this Agreement for which Franchisee previously received a notice of violation from HWFP. HWFP reserves all other rights and remedies available to it under this Agreement, any other agreement, and applicable law.

5.G. Automatic Debit. Franchisee must sign and deliver to HWFP the documents HWFP periodically requires to authorize HWFP to debit Franchisee's bank account automatically for the Royalty, Brand Fund (as defined in Section 7.B.) contribution, Technology Fee, and other amounts due under this Agreement or any related agreement between HWFP (or its affiliates) and Franchisee. Franchisee agrees to make the funds available for withdrawal by electronic transfer before each due date. If Franchisee fails to report the Business's Gross Sales, HWFP may debit Franchisee's account for one hundred twenty percent (120%) of the last Royalty and Brand Fund contribution that HWFP debited. If the amounts that HWFP debits from Franchisee's account are less than the amounts Franchisee actually owes HWFP (once HWFP has determined the Heavyweight Waste Business's actual Gross Sales), HWFP will debit Franchisee's account for the balance, plus interest due under Section 5.H, on the day HWFP specifies. If the amounts that HWFP debits from Franchisee's account are greater than the amounts Franchisee actually owes HWFP (once HWFP has determined the Business's actual Gross Sales), HWFP will credit the excess (without interest) against the amounts HWFP otherwise would debit from Franchisee's account during the following month(s). If the electronic funds transfer payment request is returned due to insufficient funds, Franchisee shall pay HWFP a fee equal to the greater of: (i) Thirty Dollars ($30); or (b) the amount the bank charges HWFP due to the insufficient funds. HWFP may periodically change the mechanism for Franchisee's payments of Royalties, Brand Fund contributions, Technology Fees, and other amounts Franchisee owes to HWFP and its affiliates under this Agreement or any related agreement. Franchisee may not subordinate to any other obligation its obligation to pay Royalties, Brand Fund contributions, Technology Fees, or any other fee or charge under this Agreement.

5.H. Interest on Late Payments. All amounts which Franchisee owes HWFP, if not paid (or made available for withdrawal from Franchisee's bank account if HWFP is then collecting those amounts by automatic debit) by the due date, will bear interest beginning on their due date at one and one-half percent (1.5%) per month or the highest commercial contract interest rate the law allows, whichever is less. Franchisee acknowledges that this Section 5.H is not HWFP's agreement to accept any payments after they are due or HWFP's commitment to extend credit to, or otherwise finance Franchisee's operation of, the Business. Franchisee's failure to pay all amounts that it owes HWFP when due constitutes grounds for HWFP's terminating this Agreement under Section 15, notwithstanding this Section 5.H.

5.I. Taxes on Franchisee's Payments. In addition to any sales, use, excise, privilege or other transaction taxes that applicable law requires or permits HWFP to collect from Franchisee for the sale, lease or other provision of goods or services under this Agreement, Franchisee shall pay HWFP an amount equal to all federal, state, local or foreign (a) sales, use, excise, privilege, occupation or any other transactional taxes, and (b) other taxes or similar exactions, no matter how designated, that are imposed on HWFP or that HWFP is required to withhold in connection with the receipt or accrual of Royalties or any other amounts payable by Franchisee to HWFP under this Agreement, excluding only taxes imposed on HWFP for the privilege of conducting business and calculated with respect to HWFP's net income, capital, net worth, gross receipts, or some other basis or combination thereof, but not excluding any gross receipts taxes imposed on HWFP or its affiliates for Franchisee's payments intended to reimburse HWFP or its affiliates for expenditures incurred for Franchisee's benefit and on its behalf. Franchisee shall make any additional required payment pursuant to this Section 5.I in an amount necessary to provide HWFP with after-tax receipts (taking into account any additional payments required hereunder) equal to the same

amounts that HWFP would have received under this Agreement if such additional tax liability or withholding had not been imposed or required.

6. Operation of the Business and System Standards.

6.A. Condition and Appearance of the Business Location, Parking Location and Operating Assets.

(1) Unless HWFP provides its prior written consent, Franchisee agrees that it will not use the Business, any part of the Business Location, or any part of the Parking Location for any purpose other than operating a Heavyweight Waste Business in compliance with this Agreement. Franchisee must place or display at the Business Location (interior and exterior) only those signs, logos and display and advertising materials that HWFP periodically requires or authorizes during the Term. Franchisee further agrees to maintain the condition and appearance of its Operating Assets, the Business Location, and the Parking Location in accordance with HWFP's System Standards. Without limiting that obligation, Franchisee agrees to take, without limitation, the following actions during the Term at its expense: (a) thorough cleaning, repainting and redecorating of the interior and exterior of the Business Location, Trucks, and Containers at intervals that HWFP may periodically designate and at HWFP's direction; (b) interior and exterior repair of the Business Location, as needed; and (c) repair or replacement, at HWFP's direction, of damaged, worn-out or obsolete Operating Assets at intervals that HWFP may periodically specify (or, if HWFP does not specify an interval for replacing any Operating Asset, as that Operating Asset needs to be repaired or replaced).

(2) In addition to Franchisee's obligations in Subsection (1) above, once during the Term, HWFP may require Franchisee to substantially alter the Business Location's and/or the Parking Location's appearance, branding, layout and/or design, and/or replace a material portion of the Operating Assets, in order to meet HWFP's then current requirements for new similarly situated Heavyweight Waste Businesses. Franchisee acknowledges that this obligation could result in its making extensive structural changes to, and significantly remodeling and renovating, the Business Location and/or the Parking Location, and/or in spending substantial amounts for new Operating Assets (including new Trucks and/or Containers), and Franchisee agrees to incur any capital expenditures required in order to comply with this obligation and HWFP's requirements. Within sixty (60) days after receiving written notice from HWFP, Franchisee must have plans prepared according to the standards and specifications HWFP prescribes, and Franchisee must submit those plans to HWFP for its approval. Franchisee must complete all work according to the plans HWFP approves within the time period that HWFP reasonably specifies. However, nothing in this paragraph in any way limits Franchisee's obligation to comply with all mandatory System Standards that HWFP periodically specifies.

(3) Franchisee shall utilize the Trucks and Containers solely for the Business.

6.B. Products and Services the Business Offers. Franchisee agrees that: (1) the Business must offer all products and services that HWFP periodically specifies as being mandatory; (2) Franchisee may not offer, sell, or otherwise provide at the Business, the Business Location, the

Parking Location, or any other location any products or services that HWFP has not authorized; (3) Franchisee must discontinue offering, selling or otherwise providing any products or services that HWFP at any time disapproves in writing; and (4) Franchisee may not sell any products at wholesale without HWFP's prior written consent.

6.C. Approved Products, Distributors and Suppliers. HWFP reserves the right to periodically designate and approve standards, specifications, suppliers and/or distributors of the furniture, fixtures, Trucks, Containers, Computer System components, tools, equipment, furnishings, signs, and other products and services that HWFP periodically requires for use at or sale by the Business (the "**Operating Assets**"). During the Term, Franchisee must purchase or lease all Operating Assets and other products and services for the Business only according to the System Standards and, if HWFP requires, only from suppliers or distributors that HWFP designates or approves (which may include or be limited to HWFP or its affiliates). HWFP and/or its affiliates may derive revenue based on Franchisee's purchases and leases, including from charging Franchisee for products and services that HWFP or its affiliates provide to Franchisee and from promotional allowances, volume discounts and other payments made to HWFP by suppliers and/or distributors that it designates or approves for some or all of its franchisees. HWFP and its affiliates may use all amounts received from suppliers and/or distributors, whether or not based on Franchisee's or other franchisees' actual or prospective dealings with them, without restriction for any purposes HWFP or its affiliates deem appropriate.

If Franchisee wants to use any Operating Assets or other products or services for or at the Business that HWFP has not yet evaluated, or purchase or lease any Operating Assets or other products or services from a supplier or distributor that HWFP has not yet approved (for Operating Assets or other products and services that HWFP requires Franchisee to purchase only from designated or approved suppliers or distributors), Franchisee first must submit sufficient information, specifications and samples for HWFP to determine whether the product or service complies with HWFP's standards and specifications and/or the supplier or distributor meets HWFP's criteria. For each supplier, distributor, or product Franchisee submits for HWFP's review, Franchisee must pay HWFP a reasonable fee in the amount HWFP periodically specifies to partially cover inspection and evaluation costs. HWFP may condition its approval of a supplier or distributor on requirements relating to product quality, prices, consistency, warranty, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints) and/or other criteria. HWFP has the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product or other samples, at its option, either directly to HWFP or to any independent laboratory that HWFP designates for testing. HWFP reserves the right periodically to re-inspect the facilities, products and services of any approved supplier or distributor and to revoke its approval of any supplier, distributor, product or service that does not continue to meet its criteria. Notwithstanding the foregoing, Franchisee agrees that HWFP may limit the number of approved suppliers with whom Franchisee may deal, designate sources that Franchisee must use, and/or refuse any of Franchisee's requests for any reason, including if HWFP has already designated an exclusive source (which might be it or its affiliate) for the applicable product or service or if HWFP believes that doing so is in the best interests of the Heavyweight Waste Business network.

6.D. National Accounts. HWFP reserves the right to establish and administer a National Accounts program. "**National Accounts**" are national, regional or other customer groups or associations who represent, or purport to represent, one or more individuals or entities (which may include one or more of HWFP's affiliates) who may (1) utilize the services of multiple Heavyweight Waste Businesses; and/or (2) require or benefit from specific terms or provisions in connection with the products or services that Heavyweight Waste Businesses provide, including special insurance, experience, equipment, pricing, payment terms, turnaround requirements, or approvals. If HWFP establishes a National Accounts program, Franchisee must participate in that program in the manner that HWFP periodically specifies. Franchisee must comply with all National Accounts program standards and procedures set forth in the Operations Manual and/or as HWFP may otherwise communicate to Franchisee, as well as the specific terms of HWFP's arrangement with each applicable National Account.

6.E. Customer Services. HWFP may provide certain customer services for the Business, which may include the Booking Systems (defined below), a back-of-house customer service center, and remote payment processing (as HWFP may periodically modify them, collectively, the "**Customer Services**"), for which HWFP may charge Franchisee reasonable fees. "**Booking Systems**" means any customer booking processes that HWFP periodically specifies in which all or certain Heavyweight Waste Businesses participate, including call-center, web-based and app-based booking processes, and any other program or system that HWFP may periodically specify. Franchisee agrees to accept and fulfill all bookings the Business receives through the Booking Systems in accordance with this Agreement and all applicable System Standards to the maximum extent the law allows. HWFP may periodically modify any Customer Services, including the services provided, and may periodically stop providing any or all Customer Services upon notice to Franchisee.

6.F. Compliance with Laws and Good Business Practices. Franchisee acknowledges that the open-top commercial waste industry is highly regulated at local, state and federal levels to ensure environmental and safety standards. Franchisee is solely responsible for maintaining full compliance with all applicable regulations at all times, including all state and federal department of transportation regulations, and must secure and maintain in force throughout the Term all required licenses, permits and certificates relating to the Business's operation and operate the Business in full compliance with applicable laws, ordinances, regulations, and all regulatory and safety requirements, including driver drug tests, travel log compliance and Department of Transportation inspection requirements. HWFP may require Franchisee to utilize safety and compliance platforms approved by HWFP or its affiliates.

Franchisee must also comply with Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and any other federal, state, or local law, ordinance, regulation, policy, list or other requirement of any governmental authority addressing or in any way relating to terrorist acts or acts of war ("**Anti-Terrorism Laws**"). Without limiting the foregoing, Franchisee represents and warrants to HWFP that none of Franchisee's (or its Owners') property or interests is subject to being blocked under, and Franchisee and its Owners otherwise are not in violation of, any Anti-Terrorism Law.

The Business must in all dealings with its customers, prospective customers, suppliers, HWFP and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical

conduct. Franchisee agrees to refrain from any business or advertising practice which might injure HWFP's business or reputation or the goodwill associated with the Marks or other Heavyweight Waste Businesses. Franchisee must notify HWFP in writing within five (5) days of: (1) the commencement of any action, suit or proceeding relating to the Business; (2) the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which might adversely affect Franchisee's operation or financial condition or that of the Business; and (3) any notice of violation or alleged violation of any law, ordinance or regulation relating to the Business.

6.G. Insurance. During the Term, Franchisee must maintain in force at Franchisee's sole expense the insurance coverage for the Business (including the Business Location and the Parking Location) in the amounts, covering the risks, and containing only the exceptions and exclusions that HWFP periodically specifies for similarly situated Heavyweight Waste Businesses. All of Franchisee's insurance carriers must be rated A or higher by A.M. Best and Company, Inc. (or such similar criteria as HWFP periodically specifies). These insurance policies must be in effect on or before the deadlines HWFP specifies. All coverage must be on an "occurrence" basis, except for employment practices liability insurance coverage, which is on a "claims made" basis. All policies shall apply on a primary and non-contributory basis to any other insurance or self-insurance that HWFP or its affiliates maintain. All coverage must provide for waiver of subrogation in favor of HWFP and its affiliates. HWFP may, upon at least sixty (60) days' notice to Franchisee, periodically increase the amounts of coverage required and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies must name HWFP and any affiliates it designates as an additional insured and provide for thirty (30) days' prior written notice to HWFP of a policy's material modification or cancellation. Franchisee agrees periodically to send HWFP a valid certificate of insurance or duplicate insurance policy evidencing that Franchisee has maintained the required coverage and paid the applicable premiums. If Franchisee fails to obtain or maintain (or to prove that it has obtained or maintained) the insurance HWFP specifies, in addition to its other remedies, HWFP may (but need not) obtain such insurance for Franchisee and the Business on Franchisee's behalf, in which event Franchisee shall cooperate with HWFP and reimburse HWFP for all premiums, costs and expenses it incurs in obtaining and maintaining the insurance.

6.H. Compliance With System Standards. Franchisee acknowledges and agrees that operating and maintaining the Business according to System Standards, as HWFP may periodically modify and supplement them, are essential to preserve the goodwill of the Marks and all Businesses. Therefore, Franchisee agrees at all times to operate and maintain the Business according to each and every System Standard, as HWFP periodically modifies and supplements them. System Standards may (except as specifically set forth below) regulate any aspect of the Business's establishment, operation and maintenance, including any one or more of the following:

(1) sales, marketing, advertising, promotional and public relations programs and materials for the Business and media used in these programs, including participation in and compliance with the requirements of any special advertising, marketing, promotional and public relations programs that HWFP periodically specifies in which all or certain Heavyweight Waste Businesses participate, such as standards for participating

in charitable, community involvement and public relations programs, as HWFP periodically modifies them;

(2) standards, requirements and procedures for participating in, and accepting and fulfilling bookings through, the Booking Systems;

(3) work order fulfillment requirements;

(4) required standards and procedures for use of the Trucks and Containers and provision of services;

(5) participation in the National Accounts program;

(6) the design and appearance of the Business, including the Business Location, the Parking Location, and the Operating Assets, including branding and cleanliness and the placement, maintenance, repair and replacement of equipment;

(7) minimum and required standards and specifications for products, equipment, materials, supplies and services that Franchisee's Business uses and/or sells;

(8) participation in and requirements for group purchasing programs for certain Operating Assets and/or other products and services that Heavyweight Waste Businesses use or sell;

(9) maximum, minimum or other pricing requirements for products and services that the Business offers, including requirements for National Accounts, referral fees, revenue sharing arrangements with Smash and/or its franchisees, promotions, special offers and discounts in which some or all Heavyweight Waste Businesses participate, in each case to the maximum extent the law allows;

(10) requirements for vehicles, Trucks, Containers, training, qualifications, conduct and appearance of personnel, and format and use of materials and supplies (including display of the Marks thereon);

(11) requirements regarding the reporting of Gross Sales and expenses for the Business under this Agreement and the business(es) under any and all other franchise agreement(s) with HWFP and/or its affiliate(s);

(12) participation in market research and test programs that HWFP periodically requires or approves concerning various aspects of the Franchise System, including new or updated procedures, systems, equipment, signs, trade dress, supplies, marketing materials and strategies, merchandising strategies, products and services;

(13) issuing and honoring gift certificates, gift cards, stored value cards and similar items and participating in other promotions, including any customer loyalty programs and promotions and procedures for resolving customer complaints that HWFP periodically specifies;

(14) accepting credit and debit cards and other payment systems, including through the Computer System; and

(15) any other aspects of establishing, operating and maintaining the Business that HWFP determines to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and the Business.

Franchisee acknowledges that HWFP's periodic modification of HWFP's System Standards (including to accommodate changes to the Computer System and the Marks), which may accommodate regional and/or local variations, may obligate Franchisee to invest additional capital in the Business and incur higher operating costs, and Franchisee agrees to comply with those obligations within the time period HWFP specifies. Although HWFP retains the right to establish and periodically modify the Franchise System and System Standards that Franchisee has agreed to follow, Franchisee retains the responsibility for the day-to-day management and operation of the Business and implementing and maintaining System Standards at the Business.

HWFP and Franchisee agree that any materials, guidance or assistance that HWFP provides with respect to the terms and conditions of employment for Franchisee's employees, employee hiring, firing and discipline, and similar employment-related policies or procedures, whether in the Operations Manual or otherwise, are solely for Franchisee's optional use. Those materials, guidance and assistance do not form part of the mandatory System Standards. Franchisee will determine to what extent, if any, these materials, guidance or assistance should apply to the Business's employees. Franchisee acknowledges that HWFP does not dictate or control labor or employment matters for franchisees and their employees and will not be responsible for the safety and security of Business employees or patrons. Franchisee is solely responsible for determining the terms and conditions of employment for all Business employees, for all decisions concerning the hiring, firing and discipline of the Business's employees, and for all other aspects of the Business's labor relations and employment practices.

6.I. Customer Complaints. Franchisee shall use its best efforts to promptly resolve any customer complaints. HWFP may take any action it deems appropriate to resolve a customer complaint regarding the Business (including, without limitation, reimbursing the customer), and HWFP may require Franchisee to reimburse HWFP for its expenses.

6.J. Modification of Franchise System. HWFP reserves the right to vary the Franchise System and/or System Standards for any Heavyweight Waste Business or group of Heavyweight Waste businesses based upon the peculiarities of any conditions or factors that HWFP considers important to its operations. Franchisee has no right to require HWFP to grant Franchisee a similar variation or accommodation.

6.K. Franchisor's Right of First Opportunity for Equipment. Franchisee shall not sell, sublease, scrap, donate, barter, or otherwise dispose of any equipment used in connection with the operation of the Business, including Trucks, Containers, parts, inventory, tools, and communication devices (the "**Equipment**"), without HWFP's prior written consent. During the Term, HWFP shall have a right of first opportunity to purchase from Franchisee any Equipment (the "**Equipment ROFO**"). Franchisee must promptly provide written notice to HWFP if it wishes to sell, sublease, scrap, donate, barter or otherwise dispose of any Equipment (the "**Franchisee**

Notice"). To exercise the Equipment ROFO, HWFP must: (a) provide Franchisee written notice, within ten (10) days following the date HWFP receives the Franchisee Notice, that HWFP desires to exercise the Equipment ROFO (the "**HWFP Notice**"); and (b) sign a purchase agreement and related documents with Franchisee for the right to purchase the Equipment at fair market value, as determined by HWFP in its reasonable opinion, less a restocking fee equal to five percent (5%) of the fair market value, within thirty (30) days following the date HWFP receives the Franchisee Notice. HWFP may set off against the purchase price of the Equipment, and reduce the purchase price by, any and all amounts Franchisee owes HWFP and/or its affiliates. HWFP is entitled to all customary representations, warranties and indemnities in its Equipment purchase, including representations and warranties as to ownership and condition of, and title to, the Equipment, liens and encumbrances on the Equipment, validity of contracts and agreements, and liabilities affecting the Equipment, contingent or otherwise, and indemnities for all actions, events and conditions that existed or occurred in connection with the Equipment prior to the closing of the purchase. At the closing, Franchisee agrees to deliver instruments transferring to HWFP good and merchantable title to the Equipment, free and clear of all liens and encumbrances (other than liens and security interests acceptable to HWFP), with all sales and transfer taxes paid by Franchisee. If Franchisee cannot deliver clear title to the Equipment, or if there are other unresolved issues, the sale will be closed through an escrow. HWFP may assign its rights under this Section 6.K to any Person (who may be HWFP's affiliate), and that Person will have all of the rights and obligations under this Section 6.K.

7. Marketing.

7.A. Market Introduction Program. HWFP may require Franchisee, at Franchisee's expense, to implement a market introduction program for the Business in accordance with the requirements in the Operations Manual and the System Standards, which requirements may specify the nature and media of advertising and the minimum required expenditures.

7.B. Brand Fund. HWFP administers and controls a marketing and brand fund (the "**Brand Fund**") for the advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs, tools and materials for all or a group of Heavyweight Waste Businesses that HWFP periodically deems appropriate. Franchisee agrees to pay HWFP via electronic funds transfer or another payment method HWFP specifies and together with each payment of the Royalty, a contribution to the Brand Fund in an amount that HWFP periodically specifies, subject to the Marketing Spending Requirement (defined in Section 7.E). As of the Agreement Date, Franchisee must contribute one percent (1%) of Gross Sales to the Brand Fund on or before the Payment Day.

HWFP has the right to designate and direct all programs that the Brand Fund finances, with sole control over the creative and business concepts, materials and endorsements used and their geographic, market and media placement and allocation. The Brand Fund may pay for preparing, producing and placing video, audio and written materials, electronic media and Social Media (defined in Section 7.G); developing, maintaining and administering one or more System Websites, including online sales and customer retention programs, mobile applications, and other technologies used to reach customers and potential customers; developing, maintaining and administering the Customer Services; soliciting and maintaining National Accounts; administering national, regional, multi-regional and local marketing, advertising, promotional and customer

relationship management programs, including purchasing trade journal, direct mail, Internet and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; attending trade shows and other events; sponsorships; administering contests and sweepstakes; and supporting public and customer relations, market research, and other advertising, promotion, marketing and brand-related activities. The Brand Fund also may reimburse Business operators (including HWFP and/or its affiliates) for expenditures consistent with the Brand Fund's purposes that HWFP periodically specifies. HWFP also may implement programs that could be financed by the Brand Fund, but choose to have them financed through other means, such as direct payments by Franchisee and other participating Heavyweight Waste Business operators.

HWFP will account for the Brand Fund separately from HWFP's other funds and not use the Brand Fund to pay any of HWFP's general operating expenses, except to compensate HWFP and its affiliates for the reasonable salaries, administrative costs, travel expenses, overhead and other costs HWFP and they incur in connection with activities performed for the Brand Fund and its programs, including conducting market research, preparing advertising and marketing materials, maintaining and administering the System Website and/or Social Media, developing technologies to be used by the Brand Fund or its programs, collecting and accounting for Brand Fund contributions, and paying taxes on contributions. The Brand Fund is not a trust, and HWFP does not owe Franchisee fiduciary obligations because of HWFP's maintaining, directing or administering the Brand Fund or any other reason. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from HWFP or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. HWFP will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. HWFP will prepare an annual, unaudited statement of Brand Fund collections and expenses and give Franchisee the statement upon written request. HWFP may have the Brand Fund audited periodically at the Brand Fund's expense by an independent accountant HWFP selects. HWFP may incorporate the Brand Fund or operate it through a separate entity whenever HWFP deems appropriate. The successor entity will have all of the rights and duties specified in this Section 7.B.

HWFP intends the Brand Fund to maximize recognition of the Marks and patronage of Heavyweight Waste Businesses. Although HWFP will try to use the Brand Fund to develop and/or implement advertising and marketing materials and programs and for other uses (consistent with this Section 7.B) that will benefit all or certain contributing Heavyweight Waste Businesses, HWFP need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to the Brand Fund contributions from Heavyweight Waste Businesses operating in that geographic area, or that any Heavyweight Waste Business benefits directly or in proportion to the Brand Fund contributions that it makes. HWFP has the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund's expense to collect Brand Fund contributions. HWFP also may forgive, waive, settle and compromise all claims by or against the Brand Fund. Except as expressly provided in this Section 7.B, HWFP assumes no direct or indirect liability or obligation to Franchisee for maintaining, directing or administering the Brand Fund.

HWFP may at any time defer or reduce a Heavyweight Waste Business operator's contributions to the Brand Fund and, upon at least thirty (30) days' written notice to Franchisee, reduce or suspend Brand Fund contributions and/or operations for one or more periods of any

length and terminate (and, if terminated, reinstate) the Brand Fund. If HWFP terminates the Brand Fund, HWFP will (at its option) either spend the remaining Brand Fund assets in accordance with this Section 7.B or distribute the unspent assets to Heavyweight Waste Business operators (including HWFP and its affiliates, if applicable) then contributing to the Brand Fund in proportion to their contributions during the preceding twelve (12)-month period.

7.C. Local Marketing. Franchisee agrees at its expense to participate in the manner HWFP periodically specifies in all advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs that HWFP periodically designates for the Business. Franchisee must ensure that all of its advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs and materials that Franchisee or its agents or representatives develop or implement relating to the Business (collectively, "**Local Marketing**") is completely clear, factual and not misleading, complies with all applicable laws and regulations, and conforms to the highest ethical standards and the advertising and marketing policies that HWFP periodically specifies. Before using them, Franchisee agrees to send to HWFP, for its approval, descriptions and samples of all proposed Local Marketing that HWFP has not prepared or previously approved within the preceding six (6) months. If Franchisee does not receive written notice of approval from HWFP within five (5) business days after HWFP receives the materials, they are deemed disapproved. Franchisee may not conduct or use any Local Marketing that HWFP has not approved or has disapproved. At HWFP's option, Franchisee must contract with one or more suppliers that HWFP designates or approves (which may include or be limited to HWFP or its affiliates) to develop and/or implement Local Marketing. HWFP assumes no liability to Franchisee or any other party due to its specifying any programs or materials or its approval or disapproval of any Local Marketing.

7.D. Advertising Cooperatives. HWFP may designate a geographic area in which two (2) or more Heavyweight Waste Businesses are located as an area for an advertising or marketing cooperative (a "**Cooperative**"). The Cooperative's members in any area are the owners of all of the Heavyweight Waste Businesses located and operating in that area (including HWFP and its affiliates, if applicable) that HWFP has the right to require to participate in the Cooperative. Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, that HWFP determines. HWFP may change, dissolve and merge Cooperatives. Each Cooperative's purpose is, with HWFP's approval, to develop, administer or implement advertising, marketing and promotional materials and programs for the area that the Cooperative covers. If, as of the Agreement Date, HWFP has established a Cooperative for the geographic area in which the Business is located, or if HWFP establishes a Cooperative in that area during the Term, Franchisee agrees to sign the documents that HWFP requires to become a member of the Cooperative and to participate in the Cooperative as those documents require. Franchisee agrees to contribute to the Cooperative the amounts that the Cooperative determines, subject to HWFP's approval and the Marketing Spending Requirement.

All material decisions of the Cooperative, including contribution levels (which also require HWFP's approval), will require the affirmative vote of more than fifty percent (50%) of all Heavyweight Waste Businesses that are required to participate in the Cooperative (including, if applicable, those operated by HWFP or its affiliate), with each Heavyweight Waste Business receiving one (1) vote. Franchisee agrees to send HWFP and the Cooperative any reports that

HWFP or the Cooperative periodically requires. The Cooperative will operate solely to collect and spend Cooperative contributions for the purposes described above. The Cooperative and its members may not use any advertising, marketing or promotional programs or materials that HWFP has not approved.

7.E. Marketing Spending Requirement. The "**Marketing Spending Requirement**" is the maximum amount that HWFP can require Franchisee to spend on Brand Fund contributions, Cooperative contributions, and approved Local Marketing for the Business during each calendar month, and is an amount HWFP periodically specifies not to exceed five percent (5%) of the Business's Gross Sales during that calendar month. Although HWFP may not require Franchisee to spend more than the Marketing Spending Requirement on Brand Fund contributions, Cooperative contributions and approved Local Marketing for the Business during any calendar month, Franchisee may choose to do so. HWFP will not count towards Franchisee's Marketing Spending Requirement the cost of free or discounted products or services, coupons, special offers or price reductions that Franchisee provides as a promotion, signs, personnel salaries, administrative costs, employee incentive programs, or other amounts that HWFP, in its reasonable judgment, deems inappropriate for meeting the Marketing Spending Requirement. HWFP may periodically review Franchisee's books and records and require Franchisee to submit reports periodically to determine its Cooperative contributions and Local Marketing expenses. If Franchisee fails to spend (or prove that it spent) the Marketing Spending Requirement in any month, then HWFP may, in addition to and without limiting its other rights and remedies, require Franchisee to pay HWFP the shortfall as an additional Brand Fund contribution or to pay HWFP the shortfall for HWFP to spend on Local Marketing for the Business.

7.F. System Website. HWFP or one or more of its designees may establish a website or series of websites or similar technologies, including mobile applications and other technological advances that perform functions similar to those performed on traditional websites, for the Heavyweight Waste Business network to advertise, market and promote Heavyweight Waste Businesses, the products and services they offer, and the Heavyweight Waste Business franchise opportunity; to facilitate the operations of Heavyweight Waste Businesses (including, at HWFP's option, online booking and/or sales); and/or for any other purposes that HWFP determines is appropriate for Heavyweight Waste Businesses (those websites, applications and other technological advances are collectively called the "**System Website**"). If HWFP includes information about Franchisee's Business on the System Website, then Franchisee agrees to give HWFP the information and materials that HWFP periodically requests concerning the Business and otherwise participate in the System Website in the manner that HWFP periodically specifies. HWFP has the final decision concerning all information and functionality that appears on the System Website and will update or modify the System Website according to a schedule that HWFP determines. By posting or submitting to HWFP information or materials for the System Website, Franchisee is representing to HWFP that the information and materials are accurate and not misleading and do not infringe any third party's rights. Franchisee must notify HWFP whenever any information about Franchisee or the Business on the System Website changes or is not accurate.

HWFP or its affiliate owns all intellectual property and other rights in the System Website and all information it contains, including the domain name or URL for the System Website and all subsidiary websites, the log of "hits" by visitors, and any personal or business data that visitors

(including Franchisee, its personnel and its customers) supply. HWFP may use the Brand Fund's assets to develop, maintain, support and update the System Website. HWFP may implement and periodically modify System Standards relating to the System Website and, at HWFP's option, may discontinue all or any part of the System Website, or any services offered through the System Website, at any time.

All Local Marketing that Franchisee develops for the Business must contain notices of the System Website in the manner that HWFP periodically designates. Franchisee may not develop, maintain or authorize any other website, other online presence or other electronic medium (such as mobile applications, kiosks and other interactive properties or technology-based programs) that mentions or describes Franchisee, the Business or its products or services or that displays any of the Marks. Except for the System Website (if applicable), Franchisee may not conduct commerce or directly or indirectly offer or sell any products or services using any website, another electronic means or medium, or otherwise over the Internet or using any other technology-based program without HWFP's approval.

Nothing in this Section 7.F shall limit HWFP's right to maintain websites and technologies other than the System Website or to offer and sell products or services under the Marks from the System Website, another website or technology, or otherwise over the Internet (including to the Business's customers and prospective customers) without payment or obligation of any kind to Franchisee.

7.G. Social Media. Franchisee agrees to comply with HWFP's policies and requirements (as HWFP periodically modifies them) concerning blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video sharing sites like Pinterest, Instagram and TikTok, and other similar social networking or media sites or tools (collectively, "**Social Media**") that in any way reference the Marks or involve the Business. Franchisee acknowledges that these policies may involve prohibitions on Franchisee's and its representatives' use of Social Media in connection with the Marks or the Business.

8. Records, Reports and Financial Statements.

Franchisee agrees to establish and maintain at its own expense a bookkeeping, accounting and recordkeeping system conforming to the requirements and formats that HWFP periodically specifies. HWFP may require Franchisee to use the Computer System to maintain certain sales and expense data, financial statements, Customer Data (as defined in Section 11.B) and other information, in the formats that HWFP periodically specifies, and to transmit that data and information to HWFP on a schedule that HWFP periodically specifies. At HWFP's option, the Computer System must allow HWFP unlimited, independent access to, and the ability to download, all information in the Computer System at any time, other than records relating to labor relations and employment practices for the Business's employees (collectively, "**Employment Records**").

Franchisee also agrees to give HWFP in the manner and format that HWFP periodically specifies:

(a) on or before the Payment Day of each month, a report on the Business's Gross Sales during the previous month

(b) within twenty (20) days after the end of each month, monthly and year-to-date profit and loss and source and use of funds statements and a balance sheet for the Business as of the end of the previous month; and

(c) within fifteen (15) days after HWFP's request, exact copies of federal and state income and other tax returns and any other forms, records, reports and other information that HWFP periodically requires relating to the Business or Franchisee, other than Employment Records.

Franchisee agrees to certify or validate each report and financial statement in the manner that HWFP periodically specifies. HWFP may disclose data derived from these reports, including by creating and circulating reports on the financial results of the Business and/or some or all other Heavyweight Waste Businesses to other Heavyweight Waste Business owners and prospective franchisees.

Franchisee agrees to preserve and maintain all records in a secure location at the Business Location or other safe location during the Term and for at least five (5) years afterward. If HWFP determines that Franchisee has failed to comply with Franchisee's reporting or payment obligations under this Agreement, including by submitting any false reports, HWFP may require Franchisee to have audited financial statements prepared annually by a certified public accountant at Franchisee's expense during the remaining Term, in addition to HWFP's other remedies and rights under the Agreement and applicable law.

9. Inspections, Evaluations and Audits.

9.A. Inspections and Evaluations. To determine whether Franchisee and the Business are complying with this Agreement and all System Standards, HWFP and its designated agents and representatives may at all times, and without prior notice to Franchisee: (a) inspect the Business and any aspect of its operations; (b) examine and copy the Business's business, bookkeeping and accounting records, tax records and returns, and other records and documents (other than Employment Records); (c) observe, videotape or otherwise monitor and/or evaluate (or have Franchisee or a third party observe, videotape or otherwise monitor and/or evaluate), whether on-site or remotely, the Business's operation, including both disclosed and undisclosed or so-called "mystery shopping" evaluations of Business operations, for consecutive or intermittent periods HWFP deems necessary; and (d) discuss matters with the Business's personnel, customers and prospective customers. Franchisee agrees to cooperate with HWFP and its designated agents and representatives fully. If HWFP exercises any of these rights, HWFP will use commercially reasonable efforts not to interfere unreasonably with the Business's operation. Franchisee agrees that Franchisee's failure to satisfy HWFP's System Standards in any quality assurance inspection or evaluation conducted with respect to the Business is a default under this Agreement. Without limiting HWFP's other rights and remedies under this Agreement, Franchisee agrees promptly to

correct at its expense all failures to comply with this Agreement (including any System Standards) that HWFP's inspectors note within the time period HWFP specifies following Franchisee's receipt of HWFP's notice, which might include Franchisee's personnel completing additional training at its expense or HWFP conducting additional inspections or evaluations, for which HWFP may charge Franchisee a reasonable fee.

9.B. Audits. HWFP may at any time during Franchisee's business hours, and without prior notice to Franchisee, examine the Business's business, bookkeeping and accounting records, tax records and returns, and other records (other than Employment Records). Franchisee agrees to fully cooperate with HWFP's representatives and/or any independent accountants HWFP hires to conduct any such inspection or audit. If any inspection or audit discloses an understatement of the Gross Sales of the Business, Franchisee must pay HWFP, within fifteen (15) days after receiving the inspection or audit report, the Royalties, Brand Fund contributions and any other amounts due on the amount of the understatement, plus interest (in the amount described in Section 5.H) from the date originally due until the date of payment. If HWFP reasonably determines that an inspection or audit is necessary due to Franchisee's failure to furnish reports, supporting records or other information as required, or to furnish these items on a timely basis, or if HWFP's examination reveals a Royalty or Brand Fund contribution understatement exceeding three percent (3%) of the amount that Franchisee actually reported to HWFP for the period examined, Franchisee agrees to reimburse HWFP for the cost of its examination, including legal fees and independent accountants' fees, plus the travel expenses, room and board, and compensation of HWFP'S employees and representatives. These remedies are in addition to HWFP's other remedies and rights under this Agreement and applicable law.

10. Marks.

10.A. Ownership and Goodwill of Marks. Franchisee's right to use the Marks is derived only from this Agreement and is limited to Franchisee's operating the Business according to this Agreement and all System Standards HWFP implements during the Term. Franchisee's unauthorized use of the Marks is a breach of this Agreement and infringes HWFP's rights in the Marks. Franchisee's use of the Marks and any goodwill established by that use are for HWFP's exclusive benefit, and this Agreement does not confer any goodwill or other interests in the Marks upon Franchisee (other than the right to operate the Business under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional and substitute trademarks and service marks that HWFP periodically authorizes Franchisee to use. Franchisee may not at any time during or after the Term contest or assist any other person or Entity in contesting the validity, or HWFP's ownership, of the Marks.

10.B. Limitations on Franchisee's Use of Marks. Franchisee agrees to use the Marks as the Business's sole identification, subject to the notices of independent ownership that HWFP periodically designates. Franchisee may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos HWFP has licensed to Franchisee), (3) in selling any unauthorized services or products, (4) as part of any domain name, electronic address, metatag or otherwise in connection with any Social Media, website or other electronic medium without HWFP's consent, or (5) in any other manner HWFP has not expressly authorized in writing. Franchisee may not use any Mark in advertising the transfer, sale or other disposition of the Business or any direct or indirect

Ownership Interest in Franchisee without HWFP's prior written consent, which HWFP will not unreasonably withhold. Franchisee may not manufacture, use, sell, or distribute, or contract with any party other than HWFP's or its affiliate's authorized licensees to manufacture, use, sell, or distribute, any products bearing any of the Marks. Franchisee agrees to display the Marks prominently as HWFP periodically specifies at the Business and on forms, advertising, supplies, vehicles, employee uniforms and other materials HWFP periodically designates. Franchisee agrees to give the notices of trademark and service mark registrations that HWFP periodically specifies and to obtain any fictitious or assumed name registrations required under applicable law.

10.C. Notification of Infringements and Claims. Franchisee agrees to notify HWFP immediately of any actual or apparent infringement of or challenge to Franchisee's use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than HWFP, its attorneys, and Franchisee's attorneys, regarding any infringement, challenge or claim. HWFP may take the action that HWFP deems appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding or other proceeding arising from any infringement, challenge or claim or otherwise concerning any Mark. Franchisee agrees to sign any documents and take any reasonable actions that, in the opinion of HWFP's attorneys, are necessary or advisable to protect and maintain HWFP's interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain HWFP's interests in the Marks. At its option, HWFP may defend and control the defense of any litigation or proceeding relating to any Mark.

10.D. Discontinuance of Use of Marks. If HWFP believes at any time that it is advisable for HWFP and/or Franchisee to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, Franchisee agrees to comply with HWFP's directions within a reasonable time after receiving notice. HWFP need not reimburse Franchisee for its expenses in complying with these directions (such as costs Franchisee incurs in changing the Business's signs or replacing supplies), for any loss of revenue due to any modified or discontinued Mark, or for Franchisee's expenses of promoting a modified or substitute trademark or service mark.

10.E. Indemnification for Use of Marks. HWFP agrees to reimburse Franchisee for all damages and expenses Franchisee incurs or for which Franchisee is liable in any proceeding challenging Franchisee's right to use any Mark under this Agreement, provided Franchisee's use has been consistent with this Agreement, the Operations Manual and System Standards and Franchisee has timely notified HWFP of, and comply with HWFP's directions in responding to, the proceeding.

11. Confidential Information, Customer Data and Innovations.

11.A. Confidential Information. HWFP and its affiliates possess (and will continue to develop and acquire) certain confidential information relating to the establishment and operation of Heavyweight Waste Businesses (the "**Confidential Information**"), including:

(1) establishment plans for Heavyweight Waste Businesses;

(2) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in establishing and operating Heavyweight Waste Businesses;

(3) marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand-related materials and programs for Heavyweight Waste Businesses;

(4) knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets and other products that Heavyweight Waste Businesses use and/or sell;

(5) knowledge of the operating results and financial performance of Heavyweight Waste Businesses other than the Business;

(6) terms of arrangements and other data associated with National Accounts, including third party brokerage arrangements;

(7) customer communication and retention programs, along with data used or generated in connection with those programs, including Customer Data; and

(8) any other information HWFP reasonably designates from time to time as confidential or proprietary.

Franchisee acknowledges and agrees that by entering into this Agreement and/or acquiring the Business, Franchisee will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information that HWFP periodically designates in operating the Business during the Term and according to the System Standards and this Agreement's other terms and conditions, and that Franchisee's use of any Confidential Information in any other business would constitute an unfair method of competition with HWFP and its franchisees. HWFP and its affiliates own all right, title and interest in and to the Confidential Information. Franchisee further acknowledges and agrees that the Confidential Information is proprietary, includes HWFP's trade secrets, and is disclosed to Franchisee only on the condition that Franchisee and its Owners agree, and Franchisee and they do agree, that Franchisee and its Owners:

(a) will not use any Confidential Information in any other business or capacity, whether during or after the Term;

(b) will keep the Confidential Information absolutely confidential, both during the Term and thereafter for as long as the information is not in the public domain;

(c) will not make unauthorized copies of any Confidential Information disclosed in written or other tangible or intangible form;

(d) will adopt and implement all reasonable procedures that HWFP periodically designates to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to personnel of the Business and others needing to know such Confidential Information to operate the Business, and using confidentiality agreements

with those having access to Confidential Information. HWFP has the right to regulate the form of agreement that Franchisee uses and to be a third party beneficiary of that agreement with independent enforcement rights; and

(e) will not sell, trade or otherwise profit in any way from the Confidential Information, except during the Term using methods HWFP approves.

"Confidential Information" does not include information, knowledge or know-how that is or becomes generally known in the non-hazardous waste removal industry (without violating an obligation to HWFP or its affiliate) or that Franchisee knew from previous business experience before HWFP provided it to Franchisee (directly or indirectly) or before Franchisee began training or operating the Business. If HWFP includes any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that the exclusion in this paragraph is fulfilled.

11.B. Customer Data. Franchisee must comply with HWFP's System Standards, other directions from HWFP, prevailing industry standards (including payment card industry data security standards), all contracts to which Franchisee is a party or otherwise bound, and all applicable laws and regulations, as any of them may be modified from time to time, regarding the organizational, physical, administrative and technical measures and security procedures to safeguard the confidentiality and security of Customer Data on Franchisee's Computer System or otherwise in Franchisee's possession or control and, in any event, employ reasonable means to safeguard the confidentiality and security of Customer Data. "**Customer Data**" means names, contact information, financial information, booking and purchase history, and other personal information of or relating to the Business's customers and prospective customers. If there is a suspected or actual breach of security or unauthorized access involving Franchisee's Customer Data (a "**Data Security Incident**"), Franchisee must notify HWFP immediately after becoming aware of such actual or suspected occurrence and specify the extent to which Customer Data was compromised or disclosed. Franchisee must comply with HWFP's instructions in responding to any Data Security Incident. HWFP has the right, but no obligation, to control the direction and handling of any Data Security Incident and any related investigation, litigation, administrative proceeding or other proceeding at Franchisee's expense.

HWFP and its affiliates may, through the Computer System or otherwise, have access to Customer Data. During and after the Term, HWFP and its affiliates may make any and all disclosures and use the Customer Data in its and their business activities and in any manner that HWFP or they deem necessary or appropriate. Franchisee must secure from its vendors, customers, prospective customers and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to HWFP and its affiliates and for HWFP and its affiliates to use that Customer Data in the manner that this Agreement contemplates.

11.C. Innovations. All ideas, concepts, techniques or materials relating to a Heavyweight Waste Business (collectively, "**Innovations**"), whether or not protectable intellectual property and whether created by or for Franchisee or its Owners, employees or contractors, must be promptly disclosed to HWFP and will be deemed to be HWFP's sole and exclusive property, part of the Franchise System, and works made-for-hire for HWFP. To the extent any Innovation does not qualify as a work made-for-hire for HWFP, by this paragraph Franchisee assigns ownership of that

Innovation, and all related rights to that Innovation, to HWFP and agrees to sign (and to cause its Owners, employees and contractors to sign) whatever assignment or other documents HWFP requests to evidence its ownership or to help HWFP obtain intellectual property rights in the Innovation. HWFP and its affiliates have no obligation to make any payments to Franchisee or any other person with respect to any Innovations. Franchisee may not use any Innovation in operating the Business or otherwise without HWFP's prior approval.

12. Exclusive Relationship.

Franchisee acknowledges that HWFP has granted Franchisee the rights under this Agreement in consideration of and reliance upon Franchisee's and its Owners' agreement to deal exclusively with HWFP in connection with non-hazardous waste removal services. Franchisee therefore agrees that, during the Term, neither Franchisee nor any of its Owners, directors or officers, nor any members of Franchisee's or their Immediate Families (defined below), will:

(a) have any direct or indirect, controlling or non-controlling Ownership Interest – whether of record, beneficial or otherwise – in a Competitive Business (defined below), wherever located or operating, provided that this restriction will not apply to the ownership of shares of a class of securities which are publicly traded on a United States stock exchange representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding;

(b) perform services as a director, officer, manager, teacher, employee, consultant, representative or agent for a Competitive Business, wherever located or operating;

(c) directly or indirectly loan any money or other thing of value to, or guarantee any other person's loan to, or lease any real or personal property to, any Competitive Business (whether directly or indirectly through any owner, director, officer, manager, employee or agent of any Competitive Business), wherever located or operating; or

(d) divert or attempt to divert any actual or potential business or customer of the Business to another Competitive Business.

The term "**Competitive Business**" means (1) any business that offers trash or waste compacting services, trash hauling and removal services, or waste brokerage services, or any other business that generates, or is reasonably expected to generate, at least twenty percent (20%) of its revenue from trash or waste compacting services, trash hauling and removal services, or waste brokerage services; or (2) an entity that grants franchises or licenses for any of these types of businesses, other than a Heavyweight Waste Business operated under a franchise agreement with HWFP or a business operated under a franchise agreement with Smash. The term "**Immediate Family**" includes the named individual, his or her spouse, and all minor children of the named individual or his or her spouse.

13. Transfer.

13.A. Transfer by HWFP. Franchisee represents that it has not signed this Agreement in reliance on any direct or indirect owner's, officer's or employee's remaining with HWFP in that

capacity. HWFP may change its ownership or form and/or assign this Agreement and any other agreement between HWFP and Franchisee (or any of Franchisee's owners or affiliates) without restriction. This Agreement and any other agreement will inure to the benefit of any transferee or other legal successor to HWFP's interest in it. After HWFP's assignment of this Agreement to a third party who expressly assumes its obligations under this Agreement, HWFP no longer will have any performance or other obligations under this Agreement. Such an assignment shall constitute a release of HWFP and novation with respect to this Agreement, and the assignee shall be liable to Franchisee as if it had been an original party to this Agreement.

13.B. Transfer by Franchisee – Defined. Franchisee understands and acknowledges that the rights and duties this Agreement creates are personal to Franchisee (or, if Franchisee is an Entity, to its Owners) and that HWFP has granted Franchisee the rights under this Agreement in reliance upon HWFP's perceptions of Franchisee's (or its Owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither a Control Transfer (defined below) nor a Non-Control Transfer (defined below) may be consummated without HWFP's prior written approval and satisfying the applicable conditions of this Section 13, subject to HWFP's right of first refusal under Section 13.H. A transfer of the ownership, possession or control of the Business or the Operating Assets may be made only with a transfer of this Agreement. Any transfer without HWFP's approval is a breach of this Agreement and has no effect.

In this Agreement, "**Control Transfer**" means (i) any transfer (as defined below) of this Agreement or any interest in or rights or obligations under this Agreement, or of the Business or all or substantially all of the Operating Assets; or (ii) any transfer or other transaction, or a series of transfers or other transactions (regardless of the period of time over which they take place), which results in the transfer or creation of a Controlling Ownership Interest in Franchisee, whether directly or indirectly. "**Controlling Ownership Interest**" means either (x) fifty percent (50%) or more of the direct or indirect Ownership Interests in Franchisee, or (y) any Ownership Interest or other direct or indirect right or interest in Franchisee that provides the right, power or authority, whether alone or together with others, to direct and control Franchisee's management and policies. "**Non-Control Transfer**" means the transfer or creation of any direct or indirect Ownership Interest in Franchisee that is not a Control Transfer.

In this Agreement, the term "**transfer**," whether or not capitalized, includes any voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition and includes the following events, whether they impact Franchisee (or its Owners) directly or indirectly:

(1) transfer of record or beneficial ownership of any Ownership Interest or the right to receive all or a portion of Franchisee's profits or losses or any capital appreciation relating to Franchisee or the Business (whether directly or indirectly);

(2) a merger, consolidation or exchange of Ownership Interests, or issuance of additional Ownership Interests or securities representing or potentially representing Ownership Interests, or a redemption of Ownership Interests;

(3) any sale or exchange of voting interests or securities convertible to voting interests, or any management agreement or other arrangement granting the right to exercise

or control the exercise of the voting rights of any Owner or to control Franchisee's or the Business's operations or affairs or the rights or responsibilities of the Principal Executive;

(4) transfer of a direct or indirect Ownership Interest or other interest in Franchisee, this Agreement, the Operating Assets, or the Business in a divorce, insolvency or entity dissolution proceeding, or otherwise by operation of law;

(5) if Franchisee or one of its Owners dies, transfer of a direct or indirect Ownership Interest or other interest in Franchisee, this Agreement, the Operating Assets, or the Business by will, declaration of or transfer in trust, or under the laws of intestate succession; or

(6) the grant of a mortgage, charge, pledge, collateral assignment, lien or security interest in any Ownership Interest or other interest in Franchisee, this Agreement, the Business or the Operating Assets; foreclosure upon or attachment or seizure of the Business or any of its Operating Assets; or Franchisee's transfer, surrender or loss of the possession, control or management of all or any material portion of the Business (or its operation) or Franchisee.

13.C. Conditions for Approval of Non-Control Transfer. HWFP will not unreasonably withhold its approval of a Non-Control Transfer if:

(1) Franchisee is then in compliance with all of its obligations under this Agreement and all other agreements with HWFP or its affiliate;

(2) Franchisee provides HWFP written notice of the proposed transfer and all information HWFP reasonably requests concerning the proposed transferee, its direct and indirect owners (if the proposed transferee is an Entity) and the transfer at least thirty (30) days before its effective date;

(3) Franchisee and Principal Executive sign a general release, in a form satisfactory to HWFP, of any and all claims against HWFP and its affiliates and its and their respective owners, officers, directors, employees, representatives, agents, successors and assigns;

(4) the proposed transferee and its direct and indirect owners (if the proposed transferee is an Entity) have no direct or indirect Ownership Interest in and do not perform services for a Competitive Business and meet HWFP's then applicable standards for non-controlling owners of Heavyweight Waste Business franchisees;

(5) beginning when the transfer closes, Franchisee's transferring Owners agree to comply with Sections 16.B(2), 16.C and 16.D;

(6) Franchisee pays HWFP a transfer fee of Ten Thousand Dollars ($10,000) to partially cover some of HWFP's costs and expenses incurred in evaluating the transferee and the transfer (in addition to any other transfer or other fees payable under any Development Rights Agreement, other franchise agreement, or other agreement with HWFP or its affiliate); and

(7) Franchisee and its Owners sign the form of agreement and related documents (including Guarantees) that HWFP then specifies to reflect Franchisee's new ownership structure.

13.D. Conditions for Approval of Control Transfer. Subject to Section 13.H, HWFP will not unreasonably withhold HWFP's approval of a Control Transfer if:

(1) Franchisee and its Owners satisfy the conditions in Sections 13.C(1) through (5);

(2) the transferee (or its direct or indirect owners) and its management personnel, if they are different from Franchisee's management personnel, including any new Principal Executive and General Manager, satisfactorily complete HWFP's then current initial training program applicable to the individual's position, which at HWFP's option might include both preliminary training before the transfer's closing and additional training after the transfer's closing;

(3) the transferee (if the transfer is of this Agreement) or Franchisee (if the transfer is of a direct or indirect Ownership Interest in Franchisee) agrees to repair and/or replace the Operating Assets and upgrade the Business, the Business Location, and the Parking Location in accordance with HWFP's then current requirements and specifications for new similarly situated Heavyweight Waste Businesses within the time period that HWFP specifies following the effective date of the transfer;

(4) the transferee (if the transfer is of this Agreement) or Franchisee (if the transfer is of a direct or indirect Ownership Interest in Franchisee) agrees, at HWFP's option, to (a) be bound by all terms and conditions of this Agreement for the remainder of the term, or (b) sign HWFP's then current form of franchise agreement and related documents, which may contain terms and conditions (including the fees) that differ materially from any or all of those in this Agreement, except that the term of such franchise agreement shall be the remaining term of this Agreement;

(5) Franchisee or the transferee pays HWFP a transfer fee of Five Thousand Dollars ($5,000) plus fifty percent (50%) of the then current initial franchise fee to partially cover some of HWFP's costs and expenses incurred in evaluating the transferee and the transfer (in addition to any other transfer or other fees payable under any Development Rights Agreement, other franchise agreement, or other agreement with HWFP or its affiliate). Further, if HWFP assists Franchisee in finding the transferee and HWFP incurs broker fees and/or commissions in connection with such assistance, Franchisee must reimburse HWFP for its broker fees and/or commissions; and

(6) HWFP has determined that the purchase price and payment terms will not adversely affect the operation of the Business, and if Franchisee or its Owners finance any part of the purchase price, Franchisee and they agree that all obligations under promissory notes, agreements or security interests reserved in the Business are subordinate to the transferee's obligation to pay all amounts due to HWFP and its affiliates and otherwise to comply with this Agreement.

If the proposed transfer is to or among Franchisee's Owners or Immediate Family members, then Subsection (5) will not apply, although Franchisee must reimburse HWFP for the costs HWFP incurs in the transfer, up to the amount of the aggregate transfer fee payable in connection with the transfer. At HWFP's sole option, HWFP may review all information regarding the Business that Franchisee or its Owners give the transferee and give the transferee copies of any reports that Franchisee has given HWFP or HWFP has made regarding the Business. Franchisee acknowledges that HWFP has legitimate reasons to evaluate the qualifications of potential transferees (and their direct and indirect owners) and the terms of the proposed transfer, and that HWFP's contact with potential transferees (and their direct and indirect owners) to protect HWFP's business interests will not constitute tortious, improper or unlawful conduct.

13.E. Transfer to a Wholly-Owned Entity. Despite Section 13.D, if Franchisee is in full compliance with this Agreement, then upon at least ten (10) days' prior written notice to HWFP, Franchisee may transfer this Agreement, together with the Operating Assets and all other assets associated with the Business, to an Entity which conducts no business other than the Business and, if applicable, other Businesses and of which Franchisee owns and controls one hundred percent (100%) of the equity and voting power of all Ownership Interests, provided that all of the Business's assets are owned, and the Business's business is conducted, only by that single Entity. Transfers of direct and indirect Ownership Interests in that Entity are subject to all of the restrictions in this Section 13. Franchisee (including, if Franchisee is a group of individuals, any individual who will not have an Ownership Interest in the transferee Entity), its Owners, and the transferee Entity must sign the form of agreement and related documents (including Guarantees) that HWFP then specifies to reflect the assignment of this Agreement to the transferee Entity and a general release, in a form satisfactory to HWFP, of any and all claims against HWFP and its affiliates and its and their respective owners, officers, directors, employees, representatives, agents, successors and assigns.

13.F. Death or Disability. Upon Franchisee's or its Owner's death or disability, Franchisee's or the Owner's executor, administrator, conservator, guardian or other personal representative (the "**Representative**") must transfer Franchisee's interest in this Agreement, the Operating Assets and the Business, or such Owner's direct or indirect Ownership Interest in Franchisee, to a third party whom HWFP approves. That transfer (including transfer by bequest or inheritance) must occur within a reasonable time, not to exceed six (6) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 13. A failure to transfer such interest within this time period is a breach of this Agreement. The term "**disability**" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Owner from supervising Franchisee's or the Business's management and operation for thirty (30) or more consecutive days.

13.G. Effect of Consent to Transfer. HWFP's consent to any transfer is not a representation of the fairness of the terms of any contract between Franchisee (or its Owner(s)) and the transferee, a guarantee of the Business's or transferee's prospects of success, or a waiver of any claims HWFP has against Franchisee (or its Owners) or of HWFP's right to demand the transferee's full compliance with this Agreement's terms or conditions.

13.H. HWFP's Right of First Refusal. If Franchisee or any of its Owners at any time determines to engage in a Control Transfer, whether in one transfer or a series of related transfers,

Franchisee agrees to obtain from a responsible and fully disclosed buyer, and send HWFP, a true and complete copy of a bona fide, executed written offer relating exclusively to an interest in this Agreement and the Business (and its assets) or a direct or indirect Ownership Interest in Franchisee. To be a valid, bona fide offer, the offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price, the proposed purchase price must be in a fixed dollar amount and without any contingent payments of purchase price (such as earn-out payments), and the proposed transaction must relate exclusively to an interest in this Agreement and the Business (and its assets) or a direct or indirect Ownership Interest in Franchisee and not to any other interests or assets.

HWFP may, by delivering written notice to Franchisee within thirty (30) days after HWFP receives both an exact copy of the offer and all other information it requests, elect to purchase the interest for the price and on the terms and conditions contained in the offer, provided that: (1) HWFP may substitute cash for any form of consideration proposed in the offer; (2) HWFP's credit will be deemed equal to the credit of any proposed buyer; (3) the closing will be not less than sixty (60) days after notifying Franchisee of its election to purchase or, if later, the closing date proposed in the offer, provided that HWFP may delay the closing until it obtains all necessary licenses and permits to operate the Business; and (4) HWFP must receive, and Franchisee and its Owners agree to make, all customary representations, warranties and indemnities given by the seller of the assets of a business or Ownership Interests in an Entity, as applicable, including representations and warranties regarding ownership and condition of, and title to, assets and Ownership Interests, liens and encumbrances on assets, validity of contracts and agreements, and the liabilities, contingent or otherwise, relating to the assets or Ownership Interests being purchased, and indemnities for all actions, events and conditions that existed or occurred in connection with the Business or Franchisee's business prior to the closing of HWFP's purchase. If HWFP does not exercise its right of first refusal, Franchisee or its Owners may complete the sale to the proposed buyer on the original offer's terms, but only if HWFP approves the transfer as provided in this Section 13. If Franchisee does not complete the sale to the proposed buyer (with HWFP's approval) within sixty (60) days after HWFP notifies Franchisee that HWFP does not intend to exercise its right of first refusal, or if there is a material change in the terms of the offer (which Franchisee must tell HWFP promptly), HWFP will have an additional right of first refusal during the thirty (30)-day period following either the expiration of the sixty (60)-day period or HWFP's receipt of notice of the material change in the offer's terms, either on the terms originally offered or the modified terms, at HWFP's option.

HWFP may assign its right of first refusal under this Section 13.H to any Entity (who may be HWFP's affiliate), and that Entity will have all of the rights and obligations under this Section 13.H.

14. Successor Franchise Rights.

14.A. Exercise of Successor Franchise Right. When this Agreement expires (unless it is terminated sooner), if Franchisee satisfies the conditions of this Section 14, Franchisee will have the right to acquire a successor franchise to continue operating the Business as a Heavyweight Waste Business for one (1) successor franchise term of five (5) years. However, Franchisee's right to a successor franchise shall only apply if: (1) Franchisee delivers HWFP written notice of its election to acquire a successor franchise (the "**Successor Franchise Notice**") at least twelve (12)

months, but not more than fifteen (15) months, before the end of the Term; (2) Franchisee has substantially complied with this Agreement throughout the Term and is, both on the date Franchisee gives HWFP the Successor Franchise Notice and on the date on which the term of the successor franchise commences, in full compliance with this Agreement, including all System Standards; and (3) on or before the date upon which the successor franchise commences, Franchisee has renovated and/or remodeled the Business Location and/or the Parking Location, added or replaced Operating Assets, and otherwise modified the Business as HWFP then requires in order to meet HWFP's then current requirements for new similarly situated Heavyweight Waste Businesses.

14.B. Successor Franchise Documents. If Franchisee has satisfied all of the conditions under Section 14.A to acquire the successor franchise, then on or before the date upon which this Agreement expires, Franchisee and its Owners must:

(1) sign HWFP's then current form of franchise agreement and related documents to operate the Business for the successor franchise term, the provisions of which (including the fees and the rights in, and geographic area comprising, the Territory) may differ materially from any and all of those contained in this Agreement, modified to reflect the fact it is for a successor franchise, except that the term shall be five (5) years and it will not grant any rights to a renewal or successor franchise;

(2) pay HWFP, instead of the Initial Franchise Fee under such successor franchise agreement, a successor franchise fee in an amount equal to Ten Thousand Dollars ($10,000); and

(3) sign a general release in the form that HWFP specifies as to any and all claims against HWFP, its affiliates, and its and their respective owners, officers, directors, employees, agents, representatives, successors and assigns.

14.C. Holdover. If this Agreement expires without the grant of a successor franchise and Franchisee fails or refuses to comply with the post-expiration obligations under Section 16, then without limiting HWFP's other rights and remedies under this Agreement and applicable law, HWFP may, at its sole option, treat the Term as extended on a week-to-week basis until either HWFP or Franchisee delivers written notice to the other ending such extension.

15. Termination of Agreement.

15.A. Termination by Franchisee. Franchisee may terminate this Agreement if HWFP commits a material breach of any of its obligations under this Agreement and fails to correct such breach within thirty (30) days after Franchisee's delivery of written notice to HWFP of such breach; provided, however, that if HWFP cannot reasonably correct the breach within this thirty (30)-day period but provides Franchisee, within this thirty (30)-day period, with reasonable evidence of HWFP's effort to correct the breach within a reasonable time period, then the cure period shall run through the end of such reasonable time period. Franchisee's termination of this Agreement (including by taking steps to de-identify the Business or otherwise cease operations under this Agreement) other than in accordance with this Section 15.A is a termination without cause and a breach of this Agreement.

15.B. Termination by HWFP. HWFP may, at its option, terminate this Agreement, effective upon delivery of written notice of termination to Franchisee, if:

(1) Franchisee or any of its Owners has made or makes a material misrepresentation or omission in acquiring any of the rights under this Agreement or operating the Business;

(2) Franchisee, its Owner or any Business personnel whom HWFP requires to attend its Initial Training Program does not satisfactorily complete that training;

(3) Franchisee fails to open the Business on or before the Opening Deadline;

(4) Franchisee abandons or fails actively to operate the Business during the required hours of operation for two (2) or more consecutive calendar days, or for three (3) or more calendar days during any month, unless Franchisee closes the Business for a purpose HWFP approves or because of fire or other casualty;

(5) Franchisee surrenders or transfers control of its or the Business's management or operation without HWFP's prior written consent;

(6) Franchisee or any of its Owners is convicted by a trial court of, or pleads no contest to, a felony;

(7) Franchisee or any of its Owners engages in any dishonest, unethical or illegal conduct which, in HWFP's opinion, adversely affects the Business's reputation, the reputation of other Heavyweight Waste Businesses or the goodwill associated with the Marks;

(8) Franchisee fails to maintain the insurance HWFP requires from time to time and/or Franchisee fails to provide HWFP with proof of such insurance as this Agreement requires;

(9) Franchisee interferes with HWFP's right to inspect the Business or observe its operation or HWFP's right to audit Franchisee's books and records;

(10) Franchisee or any of its Owners makes an unauthorized transfer in breach of this Agreement;

(11) any other franchise agreement or other agreement between HWFP (or any of its affiliates) and Franchisee (or any of its Owners or affiliates), other than a Development Rights Agreement, is terminated before its term expires, regardless of the reason;

(12) Franchisee or any of its Owners, directors or officers (or any members of their Immediate Families) breaches Section 12 or knowingly makes any unauthorized use or disclosure of any part of the Operations Manual or any other Confidential Information;

(13) Franchisee violates any law, ordinance or regulation relating to the ownership or operation of the Business, fails any Department of Transportation inspection, or operates the Business in an unsafe manner, and (if the violation can be corrected) Franchisee does not begin to correct the violation immediately, and correct the violation fully within seventy-two (72) hours, after Franchisee receives notice of the violation from HWFP or any other party;

(14) Franchisee fails to pay when due any federal, state or local income, sales or other taxes due, or repeatedly fails to make or delays making payments to its suppliers or lenders, unless Franchisee is in good faith contesting its liability for these taxes or payments;

(15) Franchisee or any of its Owners fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with any one or more obligations under this Agreement, whether or not any of these failures are corrected after HWFP delivers written notice to Franchisee and whether these failures involve the same or different obligations under this Agreement;

(16) Franchisee knowingly submits any false reports or knowingly provides any false information to HWFP;

(17) Franchisee or any of its Owners fails on two (2) or more separate occasions within any six (6) consecutive month period, or on three (3) or more separate occasions within any thirty-six (36) consecutive month period, to comply with the same obligation under this Agreement, whether or not any of these failures are corrected after HWFP delivers written notice to Franchisee;

(18) Franchisee or any Owner makes an assignment for the benefit of creditors or admits in writing Franchisee's or its insolvency or inability to pay Franchisee's or its debts generally as they become due; Franchisee or any Owner consents to the appointment of a receiver, trustee or liquidator of all or the substantial part of Franchisee's or its property; the Business Location, the Parking Location, or any of the Operating Assets is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee or liquidator of Franchisee, any Owner or the Business is not vacated within thirty (30) days following the order's entry;

(19) Franchisee fails to pay HWFP (or its affiliates) any amounts due, whether arising under this Agreement or any other agreement, and does not correct the failure within ten (10) days after HWFP delivers written notice of that failure to Franchisee;

(20) Franchisee fails to comply with any other provision of this Agreement or any mandatory System Standard and does not correct the failure within thirty (30) days after HWFP delivers written notice of the failure to Franchisee; or

(21) Franchisee commits a Minimum Equipment Default and does not correct the failure within the Minimum Equipment Default Cure Period.

15.C. Termination of Other Rights. In addition to and without limiting HWFP's other rights and remedies under this Agreement, any other agreement and applicable law, upon the occurrence of any of the events that give rise to HWFP's right to terminate this Agreement under Section 15.B or that gives HWFP the right to terminate the Development Rights Agreement or any franchise agreement signed pursuant to the Development Rights Agreement, HWFP may, at its sole option and upon delivery of written notice to Franchisee, elect to take any or all of the following actions without terminating this Agreement:

(1) stop referring National Accounts to Franchisee;

(2) temporarily remove information concerning Franchisee or the Business from the System Website and/or stop Franchisee's participation in any other programs or benefits offered on or through the System Website;

(3) require Franchisee to pay cash on delivery for products or services supplied by HWFP or its affiliates;

(4) request any third-party vendors to not sell or provide products or services to Franchisee;

(5) suspend Franchisee's right to receive any equipment, products, services or support that HWFP or its affiliates provide to Franchisee under this Agreement or any other agreement, including access to some or all of the Customer Services; and/or

(6) require Franchisee to temporarily cease operations of the Business until the default is cured.

HWFP's exercise of its rights under this Section 15.C will not be a defense for Franchisee to HWFP's enforcement of any other provision of this Agreement or waive or release Franchisee from any of its other obligations under this Agreement. HWFP's exercise of these rights will not constitute an actual or constructive termination of this Agreement nor be HWFP's sole or exclusive remedy for Franchisee's default. Franchisee shall continue to pay all fees and otherwise comply with all of its obligations under this Agreement following HWFP's exercise of any of these rights. If HWFP exercises any of its rights under this Section 15.C, HWFP may thereafter terminate this Agreement without providing Franchisee any additional corrective or cure period, unless the default giving rise to HWFP's right to terminate this Agreement has been cured to its reasonable satisfaction.

16. Rights and Obligations Upon Termination or Expiration.

16.A. Payment of Amounts Owed. Franchisee agrees to pay within ten (10) days after this Agreement expires or is terminated, or on any later date that the amounts due are determined, all amounts owed to HWFP or its affiliates under this Agreement or any related agreement which then are unpaid.

Franchisee acknowledges and confirms that HWFP will suffer substantial damages as a result of the termination of this Agreement before the Term expires, including lost future Royalties and Brand Fund contributions, lost market penetration and goodwill, loss of representation in the

Business's market area, lost opportunity costs, and expenses that HWFP will incur in establishing or finding another franchisee to establish another Heavyweight Waste Business in the Business's market area (collectively, "**Brand Damages**"). HWFP and Franchisee acknowledge that Brand Damages are difficult to estimate accurately and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to HWFP. Therefore, upon expiration (without the grant of a successor franchise) or termination of this Agreement for any reason except pursuant to Section 15.A, Franchisee agrees to pay HWFP, within fifteen (15) days after the date of such termination, liquidated damages in a lump sum in an amount equal to the product of (1) the average monthly Royalties and Brand Fund contributions that Franchisee owed HWFP during the twelve (12) full calendar month period before the month of termination (or such shorter period during which the Business operated), multiplied by (ii) thirty-six (36) or the number of months then remaining in the Term had it not been terminated, whichever is less. Franchisee agrees that the liquidated damages calculated under this Section 16.A represent the best estimate of HWFP's Brand Damages arising from such termination. Franchisee's payment of the liquidated damages to HWFP will not be considered a penalty but, rather, a reasonable estimate of fair compensation to HWFP for the Brand Damages HWFP will incur because this Agreement did not continue for the Term's full length. Franchisee acknowledges that its payment of liquidated damages is full compensation to HWFP only for the Brand Damages resulting from the early termination of this Agreement and is in addition to, and not in lieu of, Franchisee's obligations to pay other amounts due to HWFP under this Agreement as of the date of termination and to comply strictly with all other provisions of this Section 16. If any valid law or regulation governing this Agreement limits Franchisee's obligation to pay, and/or HWFP's right to receive, the liquidated damages for which Franchisee is obligated under this Section 16.A, then Franchisee shall be liable to HWFP for any and all Brand Damages that HWFP incurs, now or in the future, as a result of Franchisee's breach of this Agreement.

16.B. De-Identification. When this Agreement expires or is terminated for any reason:

(1) Franchisee must take any actions that are required to cancel all fictitious or assumed name or equivalent registrations relating to its use of any of the Marks and, at HWFP's option, to assign to HWFP (or its designee) or cancel any electronic address, domain name or website, or rights maintained in connection with any search engine or other technology, that directly or indirectly associates Franchisee or the Business with HWFP, the Marks, the Franchise System or the network of Heavyweight Waste Businesses;

(2) beginning on the De-identification Date (defined below) or the closing of the acquisition of the Purchased Assets (defined in Section 16.E) under Section 16.E, Franchisee and its Owners shall not directly or indirectly at any time thereafter or in any manner (except in connection with other Heavyweight Waste Businesses they own and operate): (a) identify itself or themselves or any business as a current or former Heavyweight Waste Business or as one of HWFP's current or former franchisees or licensees; (b) use any Mark, any colorable imitation of a Mark, any trademark, service mark or commercial symbol that is confusingly similar to any Mark, or any other indicia of a Heavyweight Waste Business in any manner or for any purpose, including in or on any advertising or marketing materials, forms, or any website, Social Media or other electronic media; or (c) use for any purpose any trade dress, trade name, trademark, service mark or

other commercial symbol that indicates or suggests a connection or association with HWFP or the network of Heavyweight Waste Businesses;

(3) within three (3) days after the De-identification Date, Franchisee must remove and deliver to HWFP (or, at its option, destroy) all exterior and interior signs, Local Marketing and other advertising, marketing and promotional materials, forms and other documents containing any of the Marks or otherwise identifying or relating to a Heavyweight Waste Business; and

(4) within ten (10) days after the De-identification Date, Franchisee must make such alterations as HWFP reasonably specifies to distinguish the Business (including the Business Location and the Parking Location) and its assets clearly from their former appearance as a Heavyweight Waste Business and from other Heavyweight Waste Businesses so as to prevent a likelihood of confusion by the public and otherwise take the steps that HWFP specifies to de-identify the Business, including permanently removing all Marks and trade dress from the Trucks and Containers and altering the Business's color scheme, and other aspects of the trade dress associated with the Franchise System.

Franchisee must provide HWFP written evidence (including pictures, as applicable) of its compliance with this Section 16.B upon HWFP's request. If Franchisee fails to comply with any of its obligations under this Section 16.B, then, without limiting HWFP's other rights and remedies under this Agreement or applicable law, HWFP or its designee may take any action that this Section 16.B requires on Franchisee's behalf and at Franchisee's expense, including by entering the Business, Business Location, the Parking Location, and adjacent areas, without prior notice or liability, to remove the items and/or make the alterations that this Section 16.B requires. The "**De-identification Date**" means: (i) the closing date of HWFP's (or assignee's) purchase of the Purchased Assets pursuant to Section 16.E; or (ii) if that closing does not occur, the date upon which the option under Section 16.E expires or the date upon which HWFP provides Franchisee written notice of its decision not to exercise that option, whichever occurs first. If HWFP or its assignee acquires the Purchased Assets under Section 16.E, then Franchisee's obligations under Sections 16.B(3) and (4) will be void and of no force or effect.

16.C. Confidential Information. Franchisee agrees that, when this Agreement expires or is terminated, Franchisee and its Owners will immediately cease using any Customer Data and other Confidential Information, whether directly or indirectly through one or more intermediaries, in any business or otherwise and return to HWFP all copies of the Operations Manual and any other confidential materials that HWFP has loaned Franchisee.

16.D. Covenant Not To Compete. Upon expiration (without the grant of a successor franchise) or termination of this Agreement for any reason except pursuant to Section 15.A, and except with respect to other franchise agreements with HWFP then in effect, Franchisee and its Owners agree that, for three (3) years beginning on the effective date of termination or expiration (subject to extension as provided below), neither Franchisee nor any of Franchisee's Owners, nor any members of Franchisee's or their Immediate Families, will:

(1) have any direct or indirect, controlling or non-controlling ownership interest in any Competitive Business which is located or providing products or services to

customers at any location: (a) within the Territory; (b) within a thirty (30)-mile radius of the Territory; or (c) within a thirty (30)-mile radius of any Heavyweight Waste Business then operating or under construction on the effective date of the termination or expiration, provided that this restriction will not apply to the ownership of shares of a class of securities which are publicly traded on a United States stock exchange representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding; or

(2) perform services as a director, officer, manager, employee, consultant, representative or agent for a Competitive Business which is located or providing products or services to customers at any location: (a) within the Territory; (b) within a thirty (30)-mile radius of the Territory; or (c) within a thirty (30)-mile radius of any Heavyweight Waste Business then operating or under construction on the effective date of the termination or expiration.

The time period during which these restrictions apply will be automatically extended, with respect to all persons covered by this Section 16.D, for each day during which any person covered by this Section 16.D is not complying fully with this Section 16.D. These restrictions also apply after transfers and other events, as provided in Section 13, and are in addition to the restrictions in Section 16.F. Franchisee (and each of its Owners) acknowledges that Franchisee (and they) possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, HWFP's enforcing the covenants made in this Section 16.D will not deprive Franchisee or them of personal goodwill or the ability to earn a living.

16.E. HWFP's Right to Purchase Business Assets.

(1) **Exercise of Option**. Upon termination of this Agreement for any reason (other than Franchisee's termination in accordance with Section 15.A) or expiration of this Agreement without HWFP's and Franchisee's signing a successor franchise agreement, HWFP has the option, exercisable by giving Franchisee written notice within fifteen (15) days after the date of termination or expiration (the "**Exercise Notice**"), to purchase those Operating Assets and other assets used in the operation of the Business that HWFP designates (the "**Purchased Assets**"). HWFP has the unrestricted right to exclude any assets it specifies relating to the Business from the Purchased Assets and not acquire them. Franchisee agrees to provide HWFP the financial statements and other information HWFP reasonably requires, and to allow HWFP to inspect the Business and its assets, to determine whether to exercise HWFP's option under this Section 16.E. If Franchisee or one of its affiliates owns the Business Location and/or the Parking Location, HWFP may elect to include a fee simple interest in the Business Location and/or the Parking Location (as applicable) as part of the Purchased Assets or, at HWFP's option, lease the Business Location and/or the Parking Location (as applicable) from Franchisee or that affiliate for an initial five (5)-year term with one (1) renewal term of five (5) years (at HWFP's option) on commercially reasonable terms. Franchisee (and its Owners) agree to cause Franchisee's affiliate to comply with these requirements. If Franchisee leases the Business Location and/or the Parking Location from an unaffiliated lessor, Franchisee agrees (at HWFP's option) to assign the lease(s) to HWFP or to enter into a sublease for the remainder of the lease term on the same terms (including renewal options) as the applicable lease.

(2) **Operations Pending Purchase**. While HWFP is deciding whether to exercise its option under this Section 16.E, and, if HWFP does exercise that option, during the period beginning with its delivery of the Exercise Notice and continuing through the closing of the purchase, Franchisee must continue to operate the Business according to this Agreement and all System Standards. However, HWFP may, at any time during that period, assume the management of the Business itself or appoint a third party (who may be its affiliate) to manage the Business. All funds from the operation of the Business while HWFP or its appointee assumes the Business's management will be kept in a separate account, and all of the expenses of the Business will be charged to that account. HWFP or its appointee may charge Franchisee (in addition to the amounts due under this Agreement) a management fee equal to three percent (3%) of the Business's Gross Sales during the period of management, plus any direct costs and expenses associated with the management. HWFP or its appointee has a duty to utilize only reasonable efforts and will not be liable to Franchisee for any debts, losses or obligations the Business incurs, or to any of Franchisee's creditors for any products or services the Business purchases, while managing it. Franchisee shall not take any action or fail to take any action that would interfere with HWFP's or its appointee's exclusive right to manage the Business.

(3) **Purchase Price**. The purchase price for the Purchased Assets (the "**Purchase Price**") will be their fair market value for use in the operation of a Competitive Business at a location other than the Territory, but not a Heavyweight Waste Business as a going concern, except that the Purchase Price will not include any value for any rights granted by this Agreement, goodwill attributable to the Marks, HWFP's brand image, any Confidential Information or HWFP's other intellectual property rights, or participation in the network of Heavyweight Waste Businesses. In addition, Franchisee must pay HWFP a restocking fee equal to five percent (5%) of the Purchase Price to offset HWFP's costs to restock, refurbish, market and resell the Purchased Assets.

(4) **Appraisal**. If HWFP and Franchisee cannot agree on the Purchase Price for the Purchased Assets, it will be determined by three (3) independent appraisers, each of whom in doing so will be bound by the criteria specified in subparagraph (3). HWFP will appoint one appraiser, Franchisee will appoint one appraiser, and these two appraisers will appoint the third appraiser. Franchisee and HWFP agree to appoint their respective appraisers within fifteen (15) days after HWFP delivers the Exercise Notice (if Franchisee and HWFP have not agreed on the Purchase Price before then), and the two appraisers so chosen must appoint the third appraiser within ten (10) days after the last of them is appointed. If either HWFP or Franchisee does not appoint their respective appraiser by that deadline, then the other party's appointed appraiser shall be the sole appraiser to determine the Purchase Price under this Subsection (4). HWFP and Franchisee each will bear the costs of its own appointed appraiser and share equally the fees and expenses of the third appraiser. Within thirty (30) days after HWFP delivers the Exercise Notice, each party shall submit its respective calculation of the Purchase Price to the appraisers in such detail as the appraisers request and according to the criteria specified in subparagraph (3). Within ten (10) days after receiving both calculations, the appraisers shall determine, by a majority vote, and notify Franchisee and HWFP which of the calculations is the most correct. The appraisers must choose either Franchisee's or HWFP's calculation, and may not develop their own fair market value calculation. The appraisers' choice shall be the Purchase Price.

(5) **Closing**. HWFP will pay the Purchase Price at the closing, which will take place within sixty (60) days after the Purchase Price is determined or, if later, on the date upon which HWFP obtains licenses and permits to operate the Business. HWFP may set off against the Purchase Price, and reduce the Purchase Price by, any and all amounts Franchisee owes HWFP or its affiliates. HWFP is entitled to all customary representations, warranties and indemnities in its asset purchase, including representations and warranties as to ownership and condition of, and title to, assets, liens and encumbrances on assets, validity of contracts and agreements, and liabilities affecting the assets, contingent or otherwise, and indemnities for all actions, events and conditions that existed or occurred in connection with the Business or Franchisee's business prior to the closing of the purchase. At the closing, Franchisee agrees to deliver instruments transferring to HWFP: (a) good and merchantable title to the Purchased Assets, free and clear of all liens and encumbrances (other than liens and security interests acceptable to HWFP), with all sales and transfer taxes paid by Franchisee; and (b) all of the Business's licenses and permits which may be assigned or transferred. If Franchisee cannot deliver clear title to all of the Purchased Assets, or if there are other unresolved issues, the sale will be closed through an escrow. Franchisee and its Owners further agree to sign general releases, in a form satisfactory to HWFP, of any and all claims against HWFP and its affiliates and its and their respective owners, officers, directors, employees, agents, representatives, successors and assigns.

(6) **Assignment**. HWFP may assign its rights under this Section 16.E to any Entity (who may be HWFP's affiliate), and that Entity will have all of the rights and obligations under this Section 16.E.

16.F. Restriction on Sale of Business. During the Term and for two (2) years beginning on the effective date of expiration (without the grant of a successor franchise) or termination of this Agreement for any reason except pursuant to Section 15.A, and unless the Purchased Assets are acquired under Section 16.E, Franchisee agrees that neither Franchisee nor any of its Owners, nor any of Franchisee's affiliates, will engage in any transfer, lease/sublease or other transaction the result of which is that a Competitive Business (other than the Business contemplated by this Agreement) is operated in the Territory, including by any unaffiliated third party. Franchisee also agrees to obtain (and/or to cause its Owners or affiliates to obtain) an agreement from any subtenant, transferee or other party occupying the Business Location and the Parking Location pursuant to or as a result of any arrangement with Franchisee (or its Owner or affiliate) that the Business Location and the Parking Location will not be operated as a Competitive Business during such period.

16.G. Continuing Obligations. All of HWFP's and Franchisee's (and its Owners') obligations under this Agreement which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until these obligations are satisfied in full or by their nature expire.

17. Relationship of the Parties/Indemnification.

17.A. Independent Contractors. Franchisee and HWFP understand and agree that this Agreement does not create a fiduciary relationship between them. Franchisee has no authority, express or implied, to act as the agent of HWFP or any of its affiliates for any purpose. Franchisee

is, and shall remain, an independent contractor responsible for all obligations and liabilities of, and for all loss or damage to, the Business, including any personal property, equipment, fixtures or real property and for all claims or demands based on damage or destruction of property or based on injury, illness or death of any person or persons, directly or indirectly, resulting from the operation of the Business. Further, HWFP and Franchisee are not and do not intend to be partners, associates, or joint employers in any way, and HWFP shall not be construed to be jointly liable for any of Franchisee's acts or omissions under any circumstances. HWFP (and its affiliates) will not exercise direct or indirect control over the working conditions of the Business's personnel, except to the extent such indirect control is related to HWFP's legitimate interest in protecting the quality of the products and services associated with the Marks. HWFP (and its affiliates) do not share or codetermine the employment terms and conditions of the Business's employees and do not affect matters relating to the employment relationship between Franchisee and the Business's employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Franchisee agrees to identify itself conspicuously in all dealings with customers, prospective customers, employees, suppliers, public officials and others as the Business's owner under a franchise HWFP has granted and to place notices of independent ownership on the forms, business cards, employment materials, advertising and other materials HWFP requires from time to time.

17.B. No Liability for Acts of Other Party. HWFP and Franchisee agree not to make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name or on behalf of the other or represent that their relationship is other than franchisor and franchisee. HWFP will not be obligated for any damages to any person or property directly or indirectly arising out of the Business's operation or the business Franchisee conducts under this Agreement.

17.C. Taxes. HWFP will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property or other taxes, whether levied upon Franchisee or the Business, due to the business Franchisee conducts (except any taxes HWFP is required by law to collect from Franchisee for purchases from HWFP and HWFP's income taxes). Franchisee is responsible for paying these taxes.

17.D. Indemnification and Defense of Claims.

(1) Franchisee agrees to indemnify and hold harmless HWFP, its affiliates, and its and their respective owners, directors, officers, employees, agents, representatives, successors and assignees (the "**Indemnified Parties**") against, and to reimburse any one or more of the Indemnified Parties for, all Losses (defined below) directly or indirectly arising out of or relating to: (a) the Business's establishment or operation; (b) the business Franchisee conducts under this Agreement; (c) Franchisee's breach of this Agreement; (d) Franchisee's noncompliance or alleged noncompliance with any law, ordinance, rule or regulation, including those concerning the Business's construction, design or operation, and including any allegation that HWFP or another Indemnified Party is a joint employer or otherwise responsible for Franchisee's acts or omissions relating to Franchisee's employees; or (e) claims alleging either intentional or negligent conduct, acts or omissions by Franchisee (or its contractors or any of its or their employees, agents or representatives), or by HWFP or its affiliates (or its or their contractors or any of its or their employees,

agents or representatives), subject to Section 17.D(3). "**Losses**" means any and all losses, expenses, obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs, including accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

(2) Franchisee agrees to defend the Indemnified Parties against any and all claims asserted or inquiries made (formally or informally), or legal actions, investigations, or other proceedings brought, by a third party and directly or indirectly arising out of or relating to any matter described in Subsection 17.D(1)(a) through (e) above (collectively, "**Proceedings**"), including those alleging the Indemnified Party's negligence, gross negligence, willful misconduct and/or willful wrongful omissions. Each Indemnified Party may at Franchisee's expense defend and otherwise respond to and address any claim asserted or inquiry made, or Proceeding brought, that is subject to this Section 17.D (instead of having Franchisee defend it as required above), and agree to settlements or take any other remedial, corrective, or other actions, for all of which defense and response costs and other Losses Franchisee is solely responsible, subject to Section 17.D(3). An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against Franchisee, and Franchisee agrees that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this Section 17.D. Franchisee's obligations under this Section 17.D will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

(3) Despite Section 17.D(1), Franchisee has no obligation to indemnify or hold harmless an Indemnified Party for, and HWFP will reimburse Franchisee for, any Losses (including costs of defending any Proceeding under Section 17.D(2)) to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's willful misconduct or gross negligence, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or joint employer) or HWFP's failure to compel Franchisee to comply with this Agreement, which are claims for which Franchisee is not entitled to indemnification pursuant to this Section 17.D(3). However, nothing in this Section 17.D(3) limits Franchisee's obligation to defend HWFP and the other Indemnified Parties under Section 17.D(2).

18. Enforcement.

18.A. Severability and Substitution of Valid Provisions. Except as expressly provided to the contrary in this Agreement (including in Section 18.F), each Section, Subsection, paragraph, term and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or arbitrator with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties. If any covenant

which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, Franchisee and HWFP agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity. If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of termination or of HWFP's refusal to enter into a successor franchise agreement, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and HWFP may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. Franchisee agrees to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

18.B. Waiver of Obligations and Force Majeure. HWFP and Franchisee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. But, no interpretation, change, termination or waiver of any of this Agreement's provisions shall be binding upon HWFP unless in writing and signed by one of HWFP's officers, and which is specifically identified as an amendment, termination or waiver under this Agreement. No modification, waiver, termination, rescission, discharge or cancellation of this Agreement shall affect the right of any party hereto to enforce any claim or right hereunder, whether or not liquidated, which occurred prior to the date of such modification, waiver, termination, rescission, discharge or cancellation. Any waiver HWFP grants will be without prejudice to any other rights HWFP has, will be subject to its continuing review, and may be revoked at any time and for any reason, effective upon delivery to Franchisee of ten (10) days' prior written notice.

HWFP and Franchisee will not be deemed to waive or impair any right, power or option this Agreement reserves (including HWFP's right to demand exact compliance with every term, condition and covenant or to declare any breach to be a default and to terminate this Agreement before the Term expires) because of any custom or practice at variance with its terms; HWFP's or Franchisee's failure, refusal or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including Franchisee's compliance with any System Standard; HWFP's waiver of or failure to exercise any right, power or option, whether of the same, similar or different nature, with other Heavyweight Waste Businesses; the existence of franchise or license agreements for other Heavyweight Waste Businesses which contain provisions different from those contained in this Agreement; or HWFP's acceptance of any payments due from Franchisee after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to HWFP will be a waiver, compromise, settlement or accord and satisfaction. HWFP is authorized to remove any legend or endorsement, and they shall have no effect.

Neither HWFP nor Franchisee will be liable for loss or damage or be in breach of this Agreement if its failure to perform obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government which

do not arise from a violation or alleged violation of any law, rule, regulation or ordinance; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Royalties, Brand Fund contributions and other amounts due afterward.

18.C. Costs and Attorneys' Fees. If either HWFP or Franchisee initiates a legal proceeding in connection with this Agreement or the relationship of the parties hereto, the non-prevailing party in such proceeding shall reimburse the prevailing party for any costs and expenses that the prevailing party incurs, including reasonable accounting, attorneys', arbitrators' and related fees.

18.D. Applying and Withholding Payments. Despite any designation Franchisee makes, HWFP may apply any of Franchisee's payments to any of Franchisee's past due indebtedness to HWFP (or its affiliates). HWFP may set-off any amounts Franchisee or its Owners owe HWFP or its affiliates against any amounts HWFP or its affiliates might owe Franchisee or its Owners, whether in connection with this Agreement or otherwise. Franchisee may not withhold payment of any amounts owed to HWFP or its affiliates on the grounds of HWFP's or their alleged nonperformance of any of its or their obligations under this Agreement or any other agreement.

18.E. Rights of Parties are Cumulative. HWFP's and Franchisee's rights under this Agreement are cumulative, and their exercise or enforcement of any right or remedy under this Agreement will not preclude their exercise or enforcement of any other right or remedy under this Agreement which they are entitled by law to enforce.

18.F. Arbitration. All controversies, disputes or claims between HWFP (and its affiliates and its and their respective owners, officers, directors, managers, agents and employees, as applicable) and Franchisee (and its affiliates and its and their respective owners, officers, directors, managers, agents and employees, as applicable) arising out of or related to:

(1) this Agreement or any other agreement between Franchisee (or its Owners or affiliates) and HWFP (or its affiliates) or any provision of any of such agreements (including this Section 18.F);

(2) the relationship between HWFP and Franchisee;

(3) the scope and validity of this Agreement or any other agreement between Franchisee (or its Owners or affiliates) and HWFP (or its affiliates) or any provision of any of such agreements (including the scope and validity of the arbitration obligations under this Section 18.F, which Franchisee and HWFP acknowledge is to be determined by an arbitrator and not a court); or

(4) any System Standard

will be submitted for arbitration to the office of the American Arbitration Association closest to HWFP's then current principal business address. Except as otherwise provided in this Agreement, such arbitration proceedings shall be heard by one (1) arbitrator in accordance with the then

existing Commercial Arbitration Rules of the American Arbitration Association. Arbitration proceedings shall be held at a suitable location to be chosen by the arbitrator which is within ten (10) miles of HWFP's principal business address at the time that the arbitration action is filed. The arbitrator has no authority to establish a different hearing locale. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) will be governed by it and not by any state arbitration law.

The arbitrator shall have the right to award or include in his or her award any relief which he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs, provided that: (i) the arbitrator shall not have authority to declare any Mark generic or otherwise invalid; and (ii) except for punitive, exemplary, treble and other forms of multiple damages available to any party under federal law or owed to third parties which are subject to indemnification under Section 17.D, HWFP and Franchisee waive to the fullest extent permitted by law any right to or claim for any punitive, exemplary, treble or other forms of multiple damages against the other and agree that, in the event of a dispute between them, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains. The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction.

HWFP and Franchisee agree to be bound by the provisions of any limitation on the period of time by which claims must be brought under this Agreement or applicable law, whichever expires first. HWFP and Franchisee further agree that, in connection with any such arbitration proceeding, each shall submit or file any claim which would constitute a compulsory counterclaim (as defined by the then current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding shall be barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisee or HWFP. HWFP reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished HWFP's right to seek the recovery of those costs in accordance with Section 18.C.

HWFP and Franchisee agree that arbitration shall be conducted on an individual, not a class-wide, basis, that only HWFP (and its affiliates and its and their respective owners, officers, directors, managers, agents and employees, as applicable) and Franchisee (and its affiliates and its and their respective owners, officers, directors, managers, agents and employees, as applicable) may be the parties to any arbitration proceeding described in this Section 18.F, and that no such arbitration proceeding shall be consolidated with any other arbitration proceeding involving HWFP and/or any other person or Entity. Notwithstanding the foregoing or anything to the contrary in this Section 18.F or Section 18.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 18.F, then HWFP and Franchisee agrees that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 18 (excluding this Section 18.F).

The provisions of this Section 18.F are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Notwithstanding anything to the contrary contained in this Section 18.F, HWFP and Franchisee each have the right to obtain temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction.

The obligation to arbitrate shall not be binding upon either party with respect to claims relating to the Marks, any other intellectual property that is part of the Franchise System, or requests by either party for temporary restraining orders, preliminary injunctions or other procedures in a court of competent jurisdiction to obtain interim relief.

18.G. Governing Law. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, all controversies, disputes or claims arising from or relating to:

(1) this Agreement or any other agreement between Franchisee (or its Owners or affiliates) and HWFP (or its affiliates);

(2) the relationship between HWFP and Franchisee;

(3) the validity of this Agreement or any other agreement between Franchisee (or its Owners or affiliates) and HWFP (or its affiliates); or

(4) any System Standard

will be governed by the laws of the State of Indiana, without regard to its conflict of laws rules, except that any law regulating the sale of franchises, licenses, or business opportunities, governing the relationship of a franchisor and its franchisee or the relationship of a licensor and its licensee, or involving unfair or deceptive acts or practices will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.G.

18.H. Consent to Jurisdiction. Subject to the arbitration obligations in Section 18.F, Franchisee and its Owners agree that all judicial actions brought by HWFP against Franchisee or its Owners, or by Franchisee or its Owners against HWFP, its affiliates or its or their respective owners, officers, directors, agents, or employees, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where HWFP maintains its principal business address at the time that the action is brought. Franchisee and each of its Owners irrevocably submits to the jurisdiction of such courts and waives any objection that any of them may have to either jurisdiction or venue. Notwithstanding the foregoing, HWFP may bring an action for a temporary restraining order or for temporary or preliminary injunctive relief, or to enforce an arbitration award, in any federal or state court in the state in which Franchisee or any of its Owners resides or the Heavyweight Waste Business is located.

18.I. Waiver of Punitive Damages and Jury Trial. EXCEPT FOR PUNITIVE, EXEMPLARY, TREBLE AND OTHER FORMS OF MULTIPLE DAMAGES AVAILABLE TO ANY PARTY UNDER FEDERAL LAW OR OWED TO THIRD PARTIES WHICH ARE

SUBJECT TO INDEMNIFICATION UNDER SECTION 17.D, HWFP AND FRANCHISEE (AND FRANCHISEE'S OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, TREBLE OR OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN HWFP AND FRANCHISEE (OR FRANCHISEE'S OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

HWFP AND FRANCHISEE (AND FRANCHISEE'S OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER HWFP OR FRANCHISEE (OR FRANCHISEE'S OWNERS).

18.J. Binding Effect and Amendment. This Agreement is binding upon HWFP and Franchisee and their respective executors, administrators, heirs, beneficiaries, permitted assigns and successors in interest. Subject to HWFP's rights to modify the Operations Manual, System Standards and Franchise System, this Agreement may not be amended or modified except by a written agreement signed by both Franchisee and HWFP.

18.K. Limitations of Claims. EXCEPT FOR CLAIMS (1) RELATING TO THE MARKS OR ANY OTHER INTELLECTUAL PROPERTY THAT IS PART OF THE FRANCHISE SYSTEM OR (2) ARISING FROM FRANCHISEE'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS IT OWES HWFP, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN HWFP AND FRANCHISEE (AND FRANCHISEE'S OWNERS) WILL BE BARRED UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING IS COMMENCED IN THE PROPER FORUM WITHIN ONE (1) YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM.

18.L. Construction. The preambles and exhibits are a part of this Agreement which, together with any riders or addenda signed at the same time as this Agreement, constitutes HWFP's and Franchisee's entire agreement and supersedes all prior and contemporaneous oral or written agreements and understandings between them relating to the subject matter of this Agreement. There are no other oral or written representations, warranties, understandings or agreements between HWFP and Franchisee relating to the subject matter of this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Franchisee to waive reliance on any representation that HWFP made in the most recent disclosure document (including its exhibits and amendments) that HWFP delivered to Franchisee or its representative. Any policies that HWFP adopts and implements from time to time to guide HWFP in its decision-making are subject to change, are not a part of this Agreement and are not binding on HWFP. Except as provided in Sections 17.D and 18.F, nothing in this Agreement is intended nor deemed to confer any rights or remedies upon any person or Entity not a party to this Agreement.

References in this Agreement to HWFP, with respect to all of HWFP's rights and all of Franchisee's obligations to HWFP under this Agreement, include any of HWFP's affiliates with whom Franchisee deals in connection with the Business. The term "**affiliate**" means any individual

or Entity directly or indirectly owned or controlled by, under common control with, or owning or controlling the party indicated. "**Control**" means the power to direct or cause the direction of management and policies.

If two or more persons are at any time the owners of the rights under this Agreement and the Business, whether as partners or joint venturers, their obligations and liabilities to HWFP will be joint and several. "**Person**" (whether or not capitalized) means any individual or Entity. The term "**Business**" includes all of the assets of the Heavyweight Waste Business Franchisee operates under this Agreement, including its revenue and income.

The headings of the Sections, Subsections and paragraphs are for convenience only and do not define, limit or construe their contents. Unless otherwise specified, all references to a number of days shall mean calendar days and not business days. The words "**include**," "**including**," and words of similar import shall be interpreted to mean "including, but not limited to" and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter. This Agreement may be executed by electronic signature and/or in multiple copies, each of which will be deemed an original.

18.M. The Exercise of HWFP's Judgment. HWFP has the right to operate, develop and change the Franchise System and System Standards in any manner that is not specifically prohibited by this Agreement. Whenever HWFP has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Franchisee a right to take or omit an action, HWFP may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to HWFP and its judgment of what is in the best interests of HWFP or its affiliates, the Heavyweight Waste Business network generally, or the Franchise System at the time its decision is made, without regard to whether it could have made other reasonable or even arguably preferable alternative decisions or whether its decision promotes HWFP's or its affiliates' financial or other individual interest. Except where this Agreement expressly obligates HWFP reasonably to approve or not unreasonably to withhold its approval of any of Franchisee's actions or requests, HWFP has the absolute right to refuse any request Franchisee makes or to withhold its approval of any of Franchisee's proposed, initiated or completed actions that require its approval.

19. Notices and Payments.

All written notices, reports and payments permitted or required to be delivered by the provisions of this Agreement or the Operations Manual will be deemed so delivered:

(1) in the case of Royalties, Brand Fund contributions, Technology Fees and other amounts due, at the time HWFP actually debits Franchisee's account (if HWFP institutes an automatic debit program for the Business) or receives such amounts;

(2) one (1) business day after being placed in the hands of a commercial courier service for next business day delivery; or

(3) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid;

and must be addressed to the party to be notified at its most current principal business address of which the notifying party has notice and/or, with respect to any approvals or notices that HWFP provides to Franchisee or its Owners, at the Business's address. Any required payment or report which HWFP does not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

20. <u>No Waiver or Disclaimer of Reliance in Certain States</u>.

The following provision applies only to franchisees and franchises that are subject to state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgment signed or agreed to by Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by HWFP, any franchise seller, or any other person acting on behalf of HWFP. This provision supersedes any other term of any document executed in connection with the franchise.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement effective on the Agreement Date.

HWFP:

HEAVYWEIGHT FRANCHISE PARTNERS LLC, a Delaware limited liability company

By:_____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

Date:_____

_____
[Signature]

_____
[Print Name]

Date:_____

EXHIBIT A
TO THE
HEAVYWEIGHT WASTE FRANCHISE AGREEMENT

SUMMARY PAGE

1. Franchisee name:_____
2. Business Location address:_____
3. Franchisee's state of residence:_____
4. State(s) in which the Business will be operated: _____
5. Initial Truck Deposit: _____
6. Initial Container Deposit: _____
7. Initial Franchise Fee: _____
8. The Territory is the area:

   _____ identified on attachment map and list of zip codes

   _____ identified as follows:

   _____
   _____
   _____
9. The Opening Date is _____.

[Signature Page Follows]

HWFP

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC, an Indiana limited liability company

By:_____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

_____
[Entity Name]

By:_____

Name:_____

Title:_____

Date:_____

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

Date:_____

_____
[Signature]

_____
[Print Name]

Date:_____

EXHIBIT B
TO THE
HEAVYWEIGHT WASTE FRANCHISE AGREEMENT

OWNERS AND GUARANTORS

OWNERS

The ownership structure for _____ is as follows:

Name:_____ Address:_____	% of Total Share/Units:_____
Name:_____ Address:_____	% of Total Share/Units:_____
Name:_____ Address:_____	% of Total Share/Units:_____
Name:_____ Address:_____	% of Total Share/Units:_____

OFFICERS/EXECUTIVES:

The officers and principal executives for _____ are as follows:

Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____

PRINCIPAL EXECUTIVE:

The Principal Executive is _____.

GENERAL MANAGER:

The General Manager is _____.

HWFP

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC, an Indiana limited liability company

By:_____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

_____
[Entity Name]

By:_____

Name:_____

Title:_____

Date: _____

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

Date:_____

_____
[Signature]

_____
[Print Name]

Date:_____

EXHIBIT C
TO THE
HEAVYWEIGHT WASTE FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given _____, by _____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by **Heavyweight Waste Franchise Partners LLC** ("**HWFP**"), each of the undersigned personally and unconditionally (a) guarantees to HWFP and its successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that _____ ("**Franchisee**") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement); and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the arbitration, non-competition, confidentiality, and transfer requirements.

Each of the undersigned acknowledges that he, she or it is either an owner (whether direct or indirect) of Franchisee or otherwise has a direct or indirect relationship with Franchisee or its affiliates; that he, she or it will benefit significantly from HWFP's entering into the Agreement with Franchisee; and that HWFP would not enter into the Agreement unless each of the undersigned agrees to sign and comply with the terms of this Guaranty.

Each of the undersigned consents and agrees that: (1) his, her or its direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he, she or it will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon HWFP's pursuit of any remedies against Franchisee or any other person or entity; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which HWFP may from time to time grant to Franchisee or to any other person or entity, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchisee or any of its owners or guarantors, and for so long as HWFP has any cause of action against Franchisee or any of its owners or guarantors; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any direct or indirect interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty, for the express purpose that none of the undersigned shall be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to HWFP; (ii) all rights to require HWFP to proceed against Franchisee for any payment required under the Agreement, proceed against or exhaust any security from Franchisee, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this Guaranty or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee; (iii) any benefit of, or any right to participate in, any security now or hereafter held by HWFP; and (iv) acceptance and notice of acceptance by HWFP of his, her or its undertakings under this Guaranty, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. HWFP shall have no present or future duty or obligation to the undersigned under this Guaranty, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Franchisee, any other guarantor, or any collateral securing any obligations of Franchisee to HWFP. Without affecting the obligations of the undersigned under this Guaranty, HWFP may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Agreement or any indebtedness or obligation of Franchisee, or settle, adjust, release, or compromise any claims against Franchisee or any other guarantor, make advances for the purpose of performing any obligations of Franchisee under the Agreement, and/or assign the Agreement or the right to receive any sum payable under the Agreement, and the undersigned each hereby jointly and severally waive notice of same. The undersigned expressly acknowledge that the obligations hereunder survive the expiration or termination of the Agreement.

In addition, the undersigned each waive any defense arising by reason of any of the following: (a) any disability, counterclaim, right of set-off or other defense of Franchisee, (b) any lack of authority of Franchisee with respect to the Agreement, (c) the cessation from any cause whatsoever of the liability of Franchisee, (d) any circumstance whereby the Agreement shall be void or voidable as against Franchisee or any of its creditors, including a trustee in bankruptcy of Franchisee, by reason of any fact or circumstance, (e) any event or circumstance that might otherwise constitute a legal or equitable discharge of the undersigned's obligations hereunder, except that the undersigned do not waive any defense arising from the due performance by Franchisee of the terms and conditions of the Agreement, (f) any right or claim of right to cause a marshaling of the assets of Franchisee or any other guarantor, and (g) any act or omission of Franchisee.

If HWFP is required to enforce this Guaranty in a judicial proceeding, and prevail in such proceeding, HWFP shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If HWFP is required to engage legal counsel in connection with any failure by

the undersigned to comply with this Guaranty, the undersigned shall reimburse HWFP for any of the above-listed costs and expenses it incurs.

Subject to the arbitration obligations under the Agreement (with which each of the undersigned agrees to comply) and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between HWFP and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where HWFP maintains its principal business address at the time that the action is brought. Each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he, she or it might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that HWFP may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he, she or it is domiciled or has assets. EACH OF THE UNDERSIGNED IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, ARISING UNDER OR RELATING TO THIS GUARANTY OR ITS ENFORCEMENT.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	**PERCENTAGE OF OWNERSHIP IN FRANCHISEE**
_____	_____%
[Signature]	
_____	
[Print Name]	
_____	_____%
[Signature]	
_____	
[Print Name]	
_____	_____%
[Signature]	
_____	
[Print Name]	
_____	_____%
[Signature]	
_____	
[Print Name]	

EXHIBIT D
TO THE
HEAVYWEIGHT WASTE FRANCHISE AGREEMENT

KEY PERSONNEL AGREEMENT

THIS KEY PERSONNEL AGREEMENT ("**Key Personnel Agreement**") is made and entered into as of this _____ day of _____ , 20__, regardless of the date of the parties' signatures, between Heavyweight Waste Franchise Partners LLC ("**HWFP**"), and the individuals and/or entities whose names and signatures appear below (collectively, the **"Key Personnel"** or, individually, a **"Key Person"**).

1. HWFP and _____ ("**Franchisee**") have signed, or are considering signing, a Franchise Agreement under which HWFP will grant Franchisee the right to establish and operate a Heavyweight Waste business in the Territory as described therein (the "**Agreement**"). All capitalized terms used but not defined in this Key Personnel Agreement shall have the meanings in the Agreement. Each Key Person acknowledges that (a) he, she or it is an owner (whether direct or indirect) of Franchisee or otherwise has a direct or indirect relationship with Franchisee or its affiliate; (b) he, she or it will benefit significantly from HWFP's entering into the Agreement with Franchisee, and (c) HWFP would not enter into or will not enter into (as applicable) the Agreement unless each Key Person agrees to sign and comply with the terms of this Key Personnel Agreement.

2. Each Key Person agrees, on behalf of himself, herself or itself and not on behalf of any other Key Person, that:

(a) during the period of his, her or its association with Franchisee, Key Person agrees to be personally bound by and comply with Sections 6.F, 11.C and 12 of the Agreement;

(b) if Key Person is an Owner, Key Person agrees to be personally bound by and comply with Sections 13.B, 13.C, 13.D, 13.E, 13.F and 13.H of the Agreement;

(c) beginning with the date upon which the Agreement expires or terminates or the date upon which Key Person has no further association with Franchisee (whether as an Owner, officer, manager and/or key employee or otherwise), whichever is earlier, Key Person agrees to be personally bound by and comply with Sections 16.B(2) and 16.D of the Agreement; and

(d) during the period beginning on the date of this Key Personnel Agreement and ending on the date upon which these obligations are satisfied in full or by their nature expire, Key Person agrees to be personally bound by and comply with Section 11.A of the Agreement.

3. Each Key Person represents and warrants to HWFP that he, she or it has reviewed the Agreement and understands the obligations arising under this Key Personnel Agreement. The

obligations described the Sections of the Agreement listed above shall apply to each Key Person pursuant to this Key Personnel Agreement, regardless of whether those obligations (as they appear in the Agreement) are imposed upon Franchisee, its Owners, or both, as if Key Person were Franchisee under the Agreement. The liabilities and obligations arising under Section 2 of this Key Personnel Agreement are independent liabilities and obligations of each Key Person and are not contingent or conditioned upon HWFP's pursuit of any remedies against Franchisee, any other Key Person, or any other person or entity. The liabilities and obligations arising under Section 2 of this Key Personnel Agreement will not be diminished, relieved, or otherwise affected by any extension of time or credit, the acceptance of any partial payment or performance, or the compromise or release of any claims.

4. Each provision of this Key Personnel Agreement is severable, and if any provision or part of a provision is held to be invalid or in conflict with any applicable present or future law or regulation, the other portions of this Key Personnel Agreement that remain otherwise intelligible will continue to be given full force and effect and bind the parties. If any covenant is deemed unenforceable by virtue of its scope, but would be enforceable by reducing any part or all of it, the parties agree that such covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity. Any waiver of any Key Person's obligations under this Key Personnel Agreement must be in writing to be enforceable and will be without prejudice to any other rights HWFP may have. HWFP's failure to enforce any of the provisions of this Key Personnel Agreement is not a waiver of such provision.

5. This Key Personnel Agreement, together with the Agreement, supersedes all prior agreements and understandings, whether oral and written, among the parties relating to its subject matter, and there are no oral or other written understandings, representations, or agreements among the parties relating to the subject matter of this Key Personnel Agreement. This Key Personnel Agreement may be executed in multiple counterparts, but all such counterparts together shall be considered one and the same instrument. The provisions of this Key Personnel Agreement may be amended or modified only by written agreement signed by the party to be bound.

6. All controversies, disputes or claims arising out of or related to this Key Personnel Agreement or the relationship between any Key Person and HWFP will be governed by the laws of the State of Texas, without regard to its conflict of laws rules. If HWFP is required to enforce this Key Personnel Agreement in a judicial proceeding, and prevails in such proceeding, HWFP shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If HWFP is required to engage legal counsel in connection with any failure by any Key Person to comply with this Key Personnel Agreement, that Key Person shall reimburse HWFP for any of the above-listed costs and expenses is incurs.

7. Subject to the arbitration obligations under the Agreement and the provisions below, each Key Person agrees that all actions arising under this Key Personnel Agreement or the Agreement, or otherwise as a result of the relationship between HWFP and each Key Person, must

be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city where HWFP maintains its principal business address at the time that the action is brought. Each Key Person irrevocably submits to the jurisdiction of those courts and waives any objection he, she or it might have to either jurisdiction or venue. Notwithstanding the foregoing, HWFP may bring an action for a temporary restraining order or for temporary or preliminary injunctive relief, or to enforce an arbitration award or this Key Personnel Agreement, in any court in the jurisdiction in which the applicable Key Person resides or any of his, her or its assets are located. EACH KEY PERSON IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER HWFP OR KEY PERSON.

IN WITNESS WHEREOF, the parties have executed and delivered this Key Personnel Agreement effective on the date stated on the first page above.

HWFP:

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC, an Indiana limited liability company

By: _____

Name: _____

Title: _____

Date: _____

KEY PERSON:

_____
[Signature]

_____
[Print Name]

_____
[Position]

_____
[Signature]

_____
[Print Name]

_____
[Position]

_____
[Signature]

_____
[Print Name]

_____
[Position]

EXHIBIT C

DEVELOPMENT RIGHTS AGREEMENT

HEAVYWEIGHT WASTE® BUSINESS
DEVELOPMENT RIGHTS AGREEMENT

THIS DEVELOPMENT RIGHTS AGREEMENT (the "**Agreement**") is made and entered into as of this _____ day of _____, 20___ (the "**Agreement Date**"), regardless of the date of the parties' signatures, between **HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC**, an Indiana limited liability company with its principal business address at 535 W. Carmel Drive, Carmel, Indiana 46032 ("**HWFP**") and _____, whose principal business address is _____ ("**Developer**").

1. **Background**. HWFP and Developer (or its Controlled Affiliate, as defined below) are simultaneously signing a Franchise Agreement dated as of _____, 20__ (the "**Initial Agreement**") under which Developer (or its Controlled Affiliate) will operate a Heavyweight Waste Business (the "**First Developer Business**") in [insert Territory]. All capitalized terms used but not defined in this Agreement shall have the meanings in the Initial Agreement. HWFP and Developer are signing this Agreement to provide Developer the right and obligation to develop a number of Heavyweight Waste Businesses within a certain geographic area over a certain period of time. HWFP is willing to grant Developer these development rights if Developer complies with the terms of this Agreement.

2. **Grant of Development Rights**. Subject to Developer's (and its affiliates') compliance with this Agreement, the Initial Agreement, and all other franchise and other agreements between HWFP (or its affiliate) and Developer (or its affiliate) (collectively, the "**Related Agreements**"), HWFP hereby grants Developer and/or any of Developer's approved Controlled Affiliates (defined below) the right, and Developer assumes the obligation, to sign Franchise Agreements (defined in Section 6) to develop and operate the number of Heavyweight Waste Businesses identified on Exhibit A (including the First Developer Business, collectively, the "**Developer Businesses**") according to a development schedule identified on Exhibit A (the "**Development Schedule**"), and within a geographic area identified on Exhibit B (the "**Development Area**"). "**Controlled Affiliate**" means any corporation, limited liability company or other Entity of which Developer owns one hundred percent (100%) or more of the total authorized Ownership Interests.

3. **No Heavyweight Waste Businesses in Development Area**. If Developer is complying with this Agreement, and Developer and its affiliates are fully complying with all of the Related Agreements, then during the term of this Agreement only, neither HWFP nor its affiliates will operate, or authorize any other party to operate, a Heavyweight Waste Business, the territory of which is located within the Development Area, except for franchises HWFP grants to Developer and its approved Controlled Affiliates. HWFP (and any affiliates that HWFP might have from time to time) shall at all times have the right to engage in any activities HWFP or they deem appropriate that are not expressly prohibited by this Agreement, whenever and wherever HWFP or they desire, including, without limitation, those which HWFP now reserves in Section 3.B of the Initial Agreement. Upon expiration or termination of this Agreement, HWFP (and its affiliates) may operate, and authorize any other parties to operate, Heavyweight Waste Businesses, the territories of which are located within the Development

Area and engage, and allow others to engage, in any other activities HWFP desires within and outside the Development Area without any restrictions whatsoever, subject only to Developer's (or its Controlled Affiliate's) rights under then existing franchise agreements with HWFP.

4. **Development Fee**. Simultaneously with signing this Agreement, Developer must pay HWFP a "**Development Fee**" of _____ Dollars ($_____), which is equal to one hundred percent (100%) of the initial franchise fee for the First Developer Business plus fifty percent (50%) of the then current initial franchise fee for each additional Heavyweight Waste Business that Developer commits to develop under this Agreement. The Development Fee is fully earned by HWFP when HWFP and Developer sign this Agreement and is non-refundable, even if Developer does not comply with the Development Schedule, although HWFP will apply the Development Fee as provided in Section 6.

5. **Development Obligations**. To maintain its rights under this Agreement, Developer (and/or approved Controlled Affiliates) must, for each Developer Business: (a) submit to HWFP for its review a Territory Report (as defined in Section 8) on or before the applicable date set forth on the Development Schedule (the "**Territory Report Deadline**"); (b) sign a Franchise Agreement on or before the applicable date set forth on the Development Schedule (the "**FA Signing Deadline**); and (c) open and begin operating the Developer Business in accordance with the applicable Franchise Agreement on or before the applicable date set forth on the Development Schedule (the "**Business Opening Deadline**"). Time is of the essence under this Agreement. If Developer wants to request a ninety (90)-day extension of the Territory Report Deadline, FA Signing Deadline and/or the Business Opening Deadline for any Developer Business, Developer must submit a written request and a non-refundable Five Thousand Dollar ($5,000) extension fee to HWFP before the applicable deadline. Nothing in this Section 5 requires HWFP to grant any extension.

6. **Form of Franchise Agreement**. The franchise agreement and related documents that Developer (or its Controlled Affiliate) signs for each Developer Business (other than the First Developer Business) will be the form of franchise agreement and any ancillary agreements that HWFP then customarily uses in granting franchises for Heavyweight Waste Businesses (collectively, the "**Franchise Agreement**"), any or all of the terms of which may differ substantially from the terms contained in the Initial Agreement, except that: (a) the initial franchise fee for the second Developer Business will be Forty Thousand Dollars ($40,000); (b) the initial franchise fee for the third Developer Business will be Thirty-Five Thousand Dollars ($35,000); and (c) the initial franchise fee for the fourth and each subsequent Developer Business will be Thirty Thousand Dollars ($30,000). At the time Developer signs each Franchise Agreement, HWFP will credit a portion of the Development Fee that Developer paid for such Heavyweight Waste Business toward the initial franchise fee that is due for each such Heavyweight Waste Business. To retain Developer's rights under this Agreement, each Developer Business must operate continuously throughout the term of this Agreement.

7. **No Sublicensing Rights or Rights to Use Marks**. This Agreement does not grant Developer any right to license others to operate Heavyweight Waste Businesses. Only Developer (and its approved Controlled Affiliates) may develop Heavyweight Waste Businesses pursuant to this Agreement and only under Franchise Agreements with HWFP. This Agreement

does not grant Developer any right to use, or authorize others to use, the Marks in any manner. Developer's right to use the Marks arises only under Franchise Agreements with HWFP. HWFP owns all rights to the Marks, and Developer's unauthorized use of the Marks is an infringement of HWFP's rights and a breach of this Agreement.

8. **Territory Acceptance**. To propose a territory for each Developer Business, Developer must deliver to HWFP: (a) a complete territory report and other materials and information HWFP requests for that territory, and (b) information that HWFP requests relating to Developer's (or its Controlled Affiliate's) financial and operational ability to develop and operate the proposed Developer Business (collectively, the "**Territory Report**"). Each Developer Business must be located in a territory that HWFP has accepted. HWFP agrees to exercise commercially reasonable efforts in reviewing and evaluating proposed territories. HWFP will not unreasonably withhold its acceptance of a territory that meets its then current criteria for geographic location; demographic characteristics; population; competition from, proximity to, and nature of other businesses; other commercial characteristics; and size. In determining whether to accept or reject a proposed territory, HWFP also may consider the territory's proximity both to the Development Area's boundaries and to other existing or potential territories for Heavyweight Waste Businesses located outside the Development Area. HWFP will use commercially reasonable efforts to review and either accept or reject a territory that Developer proposes within thirty (30) days after receiving the complete Territory Report and any other materials HWFP may reasonably request.

Despite any assistance, information or recommendations that HWFP provides with respect to any territory, HWFP has made and will make no representations or warranties of any kind, express or implied, of the suitability of any territory for a Heavyweight Waste Business or any other purpose. HWFP's recommendation or acceptance of a territory indicates only that HWFP believes that the territory meets or has the potential to meet, or that HWFP has waived, the general criteria of territory acceptability that HWFP has established as of that time. Applying criteria that have appeared effective for other territories might not accurately reflect the potential for all territories, and, after HWFP recommends or accepts a territory, demographic and/or other factors included in or excluded from HWFP's territory criteria could change, thereby altering a territory's potential. The uncertainty and instability of these criteria are beyond HWFP's control, and HWFP is not responsible if a territory fails to meet HWFP's or Developer's expectations. Developer's acceptance of the rights under this Agreement is based on Developer's agreement to investigate the suitability of territories.

If HWFP has not accepted Developer's (or its Controlled Affiliate's) proposed territory for its First Developer Business as of the Agreement Date, then the provisions of this Section 8 shall govern HWFP's and Developer's (or its Controlled Affiliate's) rights and obligations with respect to selection and acceptance of that territory, and Developer must submit to HWFP for its review a Territory Report for the First Developer Business on or before the applicable Territory Report Deadline.

9. **Grant of Franchises**. Developer or its approved Controlled Affiliate (and Developer's or its owners) must sign a separate Franchise Agreement and related documents for each Developer Business. If Developer or its Controlled Affiliate (and Developer's or its

owners) do not sign a separate Franchise Agreement within the time periods set forth in the Development Schedule, or do not open and begin operating the Developer Business under that Franchise Agreement within the time periods set forth in the Development Schedule, then HWFP may terminate this Agreement according to Section 12. After Developer (or its Controlled Affiliate) signs the Franchise Agreement and related documents, their terms and conditions will control the development and operation of the Developer Business.

10. **Confidentiality and Non-Competition**. Sections 11.A, 11.C and 12 of the Initial Agreement, entitled "Confidential Information," "Innovations" and "Exclusive Relationship," are incorporated by reference in this Agreement as if fully restated within the text of this Agreement. Developer agrees to comply, and ensure that the Developer Owners (defined below) comply, with the provisions of Sections 11.A, 11.C and 12 of the Initial Agreement applicable to Franchisee. "**Developer Owner**" means any individual or Entity holding a direct or indirect Ownership Interest (whether of record, beneficially, or otherwise) in Developer.

11. **Term and Termination**. The term of this Agreement begins on the Agreement Date and ends on the date when the final Franchise Agreement under the Development Schedule has been signed or this Agreement otherwise is terminated under Section 12, whichever occurs first.

12. **Termination**. Without limiting HWFP's termination and other rights under any other Related Agreement or applicable law, HWFP may terminate this Agreement, effective upon delivery of written notice of termination to Developer, if:

(a) Developer or any of the Developer Owners has made or makes any material misrepresentation or omission in acquiring the rights under this Agreement or operating the business under this Agreement;

(b) Developer or any of the Developer Owners either (i) engages in any dishonest, unethical or illegal conduct that, in HWFP's reasonable opinion, adversely affects or might adversely affect the reputation of Developer's business, the reputation of other Heavyweight Waste Businesses or the goodwill associated with the Marks, or (ii) is convicted by a trial court of or pleads no contest to a felony;

(c) Developer or any of the Developer Owners breaches any provision of this Agreement, including, without limitation, any failure to comply with the Development Schedule; or

(d) Developer or any of its Controlled Affiliates breaches or is in default under, or HWFP (or its affiliate) terminates for any reason, any other Related Agreement.

13. **Termination of Other Rights**. In addition to and without limiting HWFP's other rights and remedies under this Agreement, any other Related Agreement and applicable law, upon the occurrence of any of the events that give rise to HWFP's right to terminate this Agreement under Section 12, HWFP may, at its sole option and upon delivery of written notice to Developer, elect to take any or all of the following actions without terminating this Agreement:

(a) temporarily suspend or permanently terminate Developer's right to develop new Heavyweight Waste Businesses in any geographic area that is part of the Development Area, in which event (i) Developer's rights and the restrictions on HWFP and its affiliates under Section 3 of this Agreement shall no longer apply in that geographic area, and (ii) HWFP (and its affiliates) may operate, and authorize any other parties to operate, Heavyweight Waste Businesses, the territories of which are located within that geographic area and engage, and allow others to engage, in any other activities HWFP desires within that geographic area without any restrictions whatsoever, subject only to Developer's (or its Controlled Affiliate's) rights under then existing franchise agreements with HWFP; and/or

(b) reduce the number of remaining Developer Businesses to be developed under the Development Schedule, in which event Developer shall comply with the reduced Development Schedule that HWFP provides in its written notice. For the avoidance of doubt, upon HWFP's exercise of its rights under this Section 13(b), HWFP is not required to refund any portion of the Development Fee paid with respect to the Developer Businesses that Developer is no longer permitted or required to develop, nor required to apply any of that portion of the Development Fee towards the initial franchise fee payable under Franchise Agreements that Developer (or its Controlled Affiliate) signs thereafter.

HWFP's exercise of its rights under this Section 13 will not be a defense for Developer to HWFP's enforcement of any other provision of this Agreement or any other Related Agreement or, except as provided in Section 13(b), waive or release Developer from any of its other obligations under this Agreement or any Related Agreement. HWFP's exercise of these rights will not be HWFP's sole or exclusive remedy for Developer's default.

14. **Transfer by HWFP**. Developer represents that it has not signed this Agreement in reliance on any affiliate's, owner's, officer's or employee's remaining with HWFP in that capacity. HWFP may change its ownership or form and/or assign this Agreement without Developer's consent or any other restriction. This Agreement will inure to the benefit of any transferee or other legal successor to HWFP's interest in it. After HWFP's assignment of this Agreement to a third party who expressly assumes HWFP's obligations under this Agreement, HWFP no longer will have any performance or other obligations under this Agreement. Such an assignment shall constitute a release of HWFP and novation with respect to this Agreement, and the assignee shall be liable to Developer as if it had been an original party to this Agreement.

15. **Ownership of and Transfer by Developer**.

(a) If Developer is an Entity, Developer represents and warrants that Exhibit C to this Agreement completely and accurately describes all Developer Owners and the Ownership Interests of each Developer Owner.

(b) Developer acknowledges that the rights and duties this Agreement creates are personal to Developer and the Developer Owners and that HWFP has granted Developer the rights under this Agreement in reliance upon HWFP's perceptions of the character, skill, aptitude, business ability and financial capacity of Developer and the

Developer Owners. These rights are personal to Developer and the Developer Owners. Therefore, Developer and the Developer Owners agree that neither Developer nor any of the Developer Owners may transfer this Agreement or any of the Ownership Interests in Developer (whether directly or indirectly) without HWFP's prior written approval, which HWFP may grant or withhold for any or no reason.

16. **Incorporation of Other Terms**. Sections 17 and 18 of the Initial Agreement, entitled "Relationship of the Parties/Indemnification" and "Enforcement," respectively, including (without limitation) the provisions relating to arbitration of disputes, are incorporated by reference in this Agreement and will govern all aspects of HWFP's relationship and the construction of this Agreement as if fully restated within the text of this Agreement. Developer agrees to comply, and ensure the Developer Owners comply, with the provisions of Sections 17 and 18 of the Initial Agreement applicable to Franchisee. This Agreement, together with the Initial Agreement, supersedes all prior agreements and understandings, whether oral and written, between the parties relating to its subject matter, and there are no oral or other written understandings, representations, or agreements between the parties relating to the subject matter of this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Developer to waive reliance on any representation that HWFP made in the most recent disclosure document (including its exhibits and amendments) that HWFP delivered to Developer or its representative. This Agreement may be signed by written or electronic signature and in multiple counterparts, but all such counterparts together shall be considered one and the same instrument. The provisions of this Agreement may be amended or modified only by written agreement signed by the party to be bound.

17. **No Waiver or Disclaimer of Reliance in Certain States**. The following provision applies only to Heavyweight Waste Business franchisees and franchises that are subject to state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgment signed or agreed to by Developer in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by HWFP, any franchise seller, or any other person acting on behalf of HWFP. This provision supersedes any other term of any document executed in connection with the franchise.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement effective on the Agreement Date stated on the first page above.

HWFP

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC,
an Indiana limited liability company

By:_____
Name: _____
Title: _____

Date: _____, 20___

DEVELOPER

(IF ENTITY):

_____
[Name]

By:_____
Name:_____
Title:_____

Date: _____, 20___

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

Date: _____, 20___

EXHIBIT A
TO THE
HEAVYWEIGHT WASTE® BUSINESS DEVELOPMENT RIGHTS AGREEMENT

DEVELOPMENT SCHEDULE

Developer or its Controlled Affiliates must sign Franchise Agreements for Heavyweight Waste Businesses on or before the dates listed in the FA Signing Deadline column below, and must develop, open and begin operating the Developer Businesses pursuant to the Initial Agreement and those other Franchise Agreements on or before the dates listed in the Cumulative Number of Developer Businesses Open and Operating by the Business Opening Deadline column below.

Territory Report Deadline	**FA Signing Deadline**	**Business Opening Deadline**	**Cumulative Number of Developer Businesses Open and Operating by the Business Opening Deadline**
*[*if territory of First Developer Business has not been approved by Agreement Date.*]	Agreement Date (for Initial Agreement)		1

Note If HWFP agrees in writing to an extension of the Territory Report Deadline, FA Signing Deadline and/or Business Opening Deadline for a particular Developer Business pursuant to Section 5, then the extended deadline(s) shall be substituted for the deadline(s) specified in this table.

(*Signature page follows*)

HWFP

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC,
an Indiana limited liability company

By:_____
Name: _____
Title: _____

Date: _____, 20___

DEVELOPER

(IF ENTITY):

_____
[Name]

By:_____
Name:_____
Title:_____

Date: _____, 20___

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

Date: _____, 20___

EXHIBIT B
TO THE
HEAVYWEIGHT WASTE® BUSINESS DEVELOPMENT RIGHTS AGREEMENT

DEVELOPMENT AREA

The Development Area is defined as the entire territory encompassed by _____ in the State of _____, as the boundaries of that territory exist on the Agreement Date.

HWFP

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC,
an Indiana limited liability company

By:_____
Name: _____
Title: _____

Date: _____, 20___

DEVELOPER

(IF ENTITY):

_____
[Name]

By:_____
Name:_____
Title:_____

Date: _____, 20___

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

Date: _____, 20___

EXHIBIT C
TO THE
HEAVYWEIGHT WASTE® BUSINESS DEVELOPMENT RIGHTS AGREEMENT

DEVELOPER OWNERS

Effective Date: This Exhibit C is current and complete as of _____, 20___

1. **Form of Developer**. Developer was incorporated or formed on _____, 20__, under the laws of the State of _____. Developer has not conducted business under any name other than Developer's corporate, limited liability company, or partnership name and _____. The following is a list of Developer's directors or managers (if applicable) and officers as of the effective date shown above:

Name	**Position(s) Held**

2. **Owners**. The following list includes the full name of each person who is one of Developer's direct or indirect Owners and fully describes the nature of each Owner's interest (attach additional pages if necessary).

	Owner's Name	**Description of Interest**
(a)		
(b)		
(c)		
(d)		

HWFP

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC,
an Indiana limited liability company

By:_____
Name: _____
Title: _____

Date: _____, 20___

DEVELOPER

(IF ENTITY):

_____
[Name]

By:_____
Name:_____
Title:_____

Date: _____, 20___

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

Date: _____, 20___

EXHIBIT D

CURRENT FORM OF RELEASE

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC

RENEWAL/ASSIGNMENT OF FRANCHISE DOCUMENTS RELEASE

Heavyweight Waste Franchise Partners, LLC ("**we**," "**us**," or "**our**") and the undersigned franchisee, _____ ("**you**" or "**your**"), currently are parties to a certain Franchise Agreement (the "**Franchise Agreement**") dated _____. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation] _____

_____

_____

_____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the "**Releasing Parties**"), hereby forever release and discharge us and our current and former officers, directors, owners, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the "**Heavyweight Waste Parties**") from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, "**Claims**") that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Heavyweight Waste Parties (1) arising out of or related to the Heavyweight Waste Parties' obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Heavyweight Waste Party's relationship, from the beginning of time to the date of your signature below, with any of the Heavyweight Waste Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Heavyweight Waste Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

You and your owners, for yourselves and each of the Releasing Parties, hereby waive and relinquish every right or benefit which he, she, or it has under any state or federal law limiting the effectiveness of releases, to the fullest extent that he, she, or it may lawfully waive such right or benefit. In connection with this waiver and relinquishment, with respect to the Claims, you and your owners, for yourselves and each of the Releasing Parties, acknowledges that he, she, or it may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of this release, but that it is the parties' intention, fully, finally and forever to settle and release all such Claims, known or unknown, suspected or unsuspected, which now exist, may exist or did exist, and, in furtherance of such intention, the releases given hereunder shall be and remain in effect as full and complete releases, notwithstanding the discovery or existence of any such additional or different facts.

***

The following language applies only to transactions governed by the Washington Franchise Investment Act

The release provided above does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

FRANCHISOR:

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC, an Indiana limited liability company

By:_____
Name: _____
Title: _____

Date: _____

FRANCHISEE:

(IF ENTITY)

_____
[Name]

By:_____
Name:_____
Title:_____

Date: _____

(IF INDIVIDUALS)

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

Date: _____

FRANCHISEE OWNER(S):

_____	_____
[Printed Name]	[Printed Name]
_____	_____
[Signature]	[Signature]
Date: _____	Date: _____

EXHIBIT E

OPERATIONS MANUAL TABLE OF CONTENTS

Manual Section	**Number of Pages**
Introduction	13
Establishing Your Business	34
Heavyweight Waste Personnel	77
Business Administration Procedures	24
Daily Operations	43
Brand Marketing	23
Total Number of Pages	**214**

EXHIBIT F

LIST OF FRANCHISEES

State	Franchisee	Number of Territories	Address	Phone Number
Colorado	Keith Lambach	2	32803 Upper Bear Creek Road, Evergreen, CO 80439	720-446-9883
Florida	Matt Grabowski and Bret Borock	2	2517 Hawthorne Road, Ann Arbor, MI 48104	941-777-5005

SIGNED BUT NOT YET OPEN AS OF DECEMBER 31, 2022

State	Franchisee	Number of Territories	Address	Phone Number
South Carolina	Moultrie Ball and Nathaniel Bocock	2	107 Sandra Avenue, Greenville, SC 29611	803-467-5450

EXHIBIT G

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

None.

EXHIBIT H

FINANCIAL STATEMENTS

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC
(A Limited Liability Company)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022
AND FOR THE PERIOD FROM MARCH 22, 2021
(INCEPTION) THROUGH DECEMBER 31, 2021

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC
(A Limited Liability Company)
FOR THE YEAR ENDED DECEMBER 31, 2022
AND THE PERIOD FROM MARCH 22, 2021
(INCEPTION) THROUGH DECEMBER 31, 2021

Table of Contents

	Page
Independent Auditor's Report	1 - 2
Financial Statements	
Balance sheets	3
Statements of operations and member's equity	4
Statements of cash flows	5
Notes to financial statements	6 - 13

CITRINCOOPERMAN®

Citrin Cooperman & Company, LLP
Certified Public Accountants

50 Rockefeller Plaza
New York, NY 10020
T 212.697.1000 **F** 212.697.1004
citrincooperman.com

INDEPENDENT AUDITOR'S REPORT

To the Member
Heavyweight Waste Franchise Partners, LLC

Opinion

We have audited the accompanying financial statements of Heavyweight Waste Franchise Partners, LLC, (a limited liability company) which comprise the balance sheets for the years ended December 31, 2022 and 2021, and the related statements of operations and member's equity and cash flows for the year ended December, 31 2022 and for the period from March 22, 2021 (inception) through December 31, 2021, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Heavyweight Waste Franchise Partners, LLC as of December 31, 2022 and 2021, and the results of its operations and cash flows for the year ended December 31, 2022, and for the period from March 22, 2021 (inception) through December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Heavyweight Waste Franchise Partners, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Heavyweight Waste Franchise Partners, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. Citrin Cooperman is an independent member of Moore North America, which is itself a regional member of Moore Global Network Limited (MGNL).

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Heavyweight Waste Franchise Partners, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Heavyweight Waste Franchise Partners, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Citrin Cooperman & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
April 27, 2023

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. Citrin Cooperman is an independent member of Moore North America, which is itself a regional member of Moore Global Network Limited (MGNL).

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC
(A Limited Liability Company)
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
Current assets:		
Cash	$ 85,656	$ 12,188
Accounts receivable	9,997	-
Franchise fees receivable	89,500	-
Prepaid expenses	-	1,656
Total current assets	185,153	13,844
Other assets:		
Due from related parties	121,000	43,500
TOTAL ASSETS	$ 306,153	$ 57,344
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Accounts payable	$ 73,445	$ 1,000
Brand fund payable	6,143	-
Deferred franchise fees, current	28,990	-
Due to related parties	-	3,660
Total current liabilities	108,578	4,660
Long-term liabilities:		
Deferred franchise fees, net of current portion	244,388	-
Total liabilities	352,966	4,660
Commitments and contingencies (Notes 7 and 8)		
Member's equity	(46,813)	52,684
TOTAL LIABILITIES AND MEMBER'S EQUITY	$ 306,153	$ 57,344

See accompanying notes to financial statements.

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC
(A Limited Liability Company)
STATEMENT OF OPERATIONS AND MEMBER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022 AND
FOR THE PERIOD FROM MARCH 22, 2021 (INCEPTION)
THROUGH DECEMBER 31, 2021

	2022	2021
Revenues:		
Franchise fee revenue	$ 16,522	$ -
Royalty revenue	49,148	-
Brand fund revenue	6,143	-
Total revenues	71,813	-
Selling, general and administrative expenses	171,310	47,316
Net loss	(99,497)	(47,316)
Member's equity - beginning	52,684	-
Member contributions	-	100,000
MEMBER'S EQUITY - ENDING	$ (46,813)	$ 52,684

See accompanying notes to financial statements.

HEAVYWEIGHT WASTE FRANCHISE PARTNERS LLC
(A Limited Liability Company)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022 AND
FOR THE PERIOD FROM MARCH 22, 2021 (INCEPTION)
THROUGH DECEMBER 31, 2021

	2022	2021
Cash flows from operating activities:		
Net loss	$ (99,497)	$ (47,316)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Changes in operating assets and liabilities:		
Accounts receivable	(9,997)	-
Franchise fee receivable	(89,500)	-
Due from related parties	(77,500)	(43,500)
Prepaid expenses	1,656	(1,656)
Accounts payable	72,445	1,000
Brand fund payable	6,143	-
Deferred franchise fees	273,378	-
Due to related parties	(3,660)	3,660
Net cash provided by (used in) operating activities	73,468	(87,812)
Cash provided by financing activities:		
Member contributions	-	100,000
Net increase in cash	73,468	12,188
Cash - beginning	12,188	-
CASH - ENDING	$ 85,656	$ 12,188

See accompanying notes to financial statements.

NOTE 1. ORGANIZATION AND NATURE OF OPERATIONS

Heavyweight Waste Franchise Partners LLC (the "Company"), a wholly-owned subsidiary of SMT Holdings, LLC (the "Parent"), was formed on March 22, 2021, as a Delaware limited liability company, to sell franchises under the "Heavyweight Waste" trade name. Pursuant to the Company's standard franchise agreement, franchisees will operate a business that offers traditional roll-off container services to industrial, commercial, and construction customers.

The Company is a limited liability company and, therefore, the member is not liable for the debts, obligations or other liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP 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 financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts and franchise fee receivable

Accounts and franchise fee receivable will be stated at the amount the Company expects to collect. The Company will maintain an allowance for doubtful accounts for estimated losses resulting from the inability of some of its franchisees to make required payments. Management will consider the following factors when determining the collectibility of specific franchisee accounts: franchisee creditworthiness, past transaction history with the franchisee, and current economic industry trends. If the financial condition of the Company's franchisees was to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Company will provide for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Company has made reasonable collection efforts will be written off through a charge to the valuation allowance and a credit to accounts and franchise fee receivable. Generally, the Company will not require collateral to support accounts and franchise fee receivable. The Company did not require an allowance for doubtful accounts as of December 31, 2022 and 2021.

Income taxes

The Company is treated as a single-member limited liability company and therefore a disregarded entity for income tax purposes. The Company's assets and liabilities are combined with and included in the income tax return of the Parent. Accordingly, the accompanying financial statements do not include a provision or liability for federal or state income taxes.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes (continued)

The Company recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codifications ("ASC") FASB ASC 740, *Income Taxes*. Under that guidance, management assesses the likelihood that tax positions will be sustained upon examination based on the facts, circumstances and information, including the technical merits of those positions, available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available or when an event occurs that requires a change.

The Parent files income tax returns in the U.S. federal jurisdiction and in various state jurisdictions.

Revenue and cost recognition

The Company derives its revenues from franchise fee revenue, royalty revenue, equipment lease revenue, technology fee revenue, brand fund revenue, transfer fees, and other equipment lease revenue.

Franchise fees and royalties

Contract consideration from franchisees primarily consists of initial or renewal franchise fees, sales-based royalties, sales-based brand fund fees and transfer fees payable by a franchisee for the transfer of its franchise unit to another franchisee. The Company also offers the opportunity to purchase multiple territories as addendums to the underlying franchise agreement for an additional fee. The initial franchise fees and additional territory fees are nonrefundable and collected when the underlying franchise agreement and related addendum are signed by the franchisee. Sales-based royalties and sales-brand fund fees are payable monthly. Renewal and transfer fees are payable when an existing franchisee renews the franchise agreement for an additional term or when a transfer to a third party occurs, respectively.

The Company's primary performance obligations under the franchise agreement include the granting of certain rights to access the Company's intellectual property in addition to a variety of activities relating to the opening of a franchise unit. Those costs would include training and other such activities commonly referred to collectively as "pre-opening activities." Pre-opening activities consistent with those under Accounting Standards Update ("ASU") No. 2021-02, *Franchisors - Revenue from Contracts with Customers*, are recognized as a single performance obligation. For all other pre-opening activities, if any, the Company determines if a certain portion of those pre-opening activities provided is not brand specific and provides the franchisee with relevant general business information that is separate from the operation of a company-branded franchise unit. The portion of pre-opening activities, if any, that is not brand specific are deemed to be distinct as it provides a benefit to the franchisee and is not highly interrelated to the use of the Company's intellectual property and therefore accounted for as a separate performance obligation. All other pre-opening activities are determined to be highly interrelated to the use of the Company's intellectual property and therefore accounted for as a component of a single performance obligation which is satisfied along with granting of certain rights to use the Company's intellectual property over the term of each franchise agreement.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and cost recognition (continued)

Franchise fees and royalties (continued)

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company first allocates the initial franchise fees, additional territory fees, and the fixed consideration under the franchise agreement to the stand-alone selling price of the pre-opening activities and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, other than those included under ASU 2021-02, which are not brand specific are recognized when those performance obligations are satisfied. Consideration allocated to pre-opening activities included under ASU 2021-02 is recognized when those performance obligations are satisfied.

Initial and renewal franchise fees allocated to the right to access the Company's intellectual property are recognized as revenue on a straight-line basis over the term of the respective franchise agreement.

Royalties are be earned as a percentage of franchisee gross sales ("sales-based royalties") over the term of the franchise agreement, as defined in each respective franchise agreement. Franchise royalties which represent sales-based royalties that are related entirely to the use of the Company's intellectual property are recognized as franchisee sales occur and the royalty is deemed collectible.

Brand fund

The Company maintains a brand fund which is established to collect and administer funds contributed for use in advertising and promotional programs for franchise units. Brand fund fees are collected from franchisees based on a percentage of franchisee gross sales. The Company has determined that it acts as a principal in the collection and administration of the brand fund and therefore recognizes the revenues and expenses related to the brand fund on a gross basis. The Company has determined that the right to access its intellectual property and administration of the brand fund are highly interrelated and therefore are accounted for as a single performance obligation. As a result, revenues from the brand fund represent sales-based royalties related to the right to access the Company's intellectual property, which are recognized as franchisee sales occur.

When brand fund fees exceed the related brand fund expenses in a reporting period, advertising costs are accrued up to the amount of brand fund revenues recognized.

Incremental costs of obtaining a contract

The Company will capitalize direct and incremental costs, principally consisting of commissions, associated with the sale of franchises and amortizes them over the term of the franchise agreement.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Variable interest entities

In accordance with the provisions of FASB ASU No. 2018-17, *Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities* ("ASU 2018-17"), FASB no longer requires nonpublic companies to apply variable interest entity guidance to certain common control arrangements, including leasing arrangements under common control. The Company has applied these provisions to the accompanying financial statements and has determined that the entities disclosed in Note 6, meets the conditions under ASU 2018-17, and accordingly, are not required to be included in the Company's financial statements.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassification adjustments had no effect on the Company's previously reported net loss or member's equity.

Subsequent events

In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events through April 27, 2023, the date on which these financial statements were available to be issued. Except as disclosed in Note 4, there were no other material subsequent events that required recognition or additional disclosure in the financial statements.

NOTE 3. FRANCHISED OUTLETS

The following data presents the status of the Company's franchised and affiliate-owned outlets as of December 31:

	2022	2021
Franchises sold	3	-
Franchises purchased	-	-
Franchised outlets in operation	4	-
Affiliate-owned outlets in operation	10	-

NOTE 4. CONCENTRATIONS OF CREDIT RISK

Cash

The Company places its cash, which may at times be in excess of Federal Deposit Insurance Corporation insurance limits, with a major financial institution.

In March 2023, the shutdown of certain financial institutions raised economic concerns over disruption in the U.S. banking system. The U.S. government took certain actions to strengthen public confidence in the U.S. banking system. However, there can be no certainty that the actions taken by the U.S. government will be effective in mitigating the effects of financial institution failures on the economy, which may include limits on access to short-term liquidity in the near term or other adverse effects. The Company does not currently maintain cash amounts in excess of federally insured limits, but does have certain concentrations in credit risk that expose the Company to risk of loss if the counterparty is unable to perform as a result of future disruptions in the U.S. banking system or economy, as disclosed below. Given the uncertainty of the situation, the related financial impact cannot be reasonably estimated at this time.

NOTE 4. CONCENTRATION OF CREDIT RISK (CONTINUED)

Royalties revenue, brand fund revenue, accounts and franchise fee receivable

For the year ended December 31, 2022, all of the Company's royalties, brand fund revenues, and accounts receivable were derived from two franchisees that were in operation. Franchise fee receivable consisted of unpaid franchise fees for two franchisees that were not in operation as of December 31, 2022. There were no concentrations as of December 31, 2021.

NOTE 5. REVENUES AND RELATED CONTRACT BALANCES

Disaggregated revenues

The Company derives its revenues from franchisees located throughout the United States. The economic risks of the Company's revenues will be dependent on the strength of the economy in the United States, and the Company's ability to collect on its contracts. The Company disaggregates revenue from contracts with customers by timing of revenue recognition by type of revenue, as it believes this best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Revenues by timing of recognition were as follows:

	2022	2021
Point in time:		
Royalty revenue	$ 49,148	$ -
Brand fund revenue	6,143	-
Total point in time	55,291	-
Over time:		
Franchise fees	16,522	-
Total revenues	$ 71,813	$ -

Contract balances

The accounts receivable and franchise fees receivable balance as of December 31, 2022, amounted to $9,997 and $89,500, respectively. There were no accounts receivable or franchise fees receivables as of December 31, 2021.

Contract liabilities are comprised of unamortized initial franchise fees received from franchisees, which are presented as "Deferred franchise fees" in the accompanying balance sheets. A summary of significant changes in deferred revenues during the years ended December 31, 2022 and 2021, is as follows:

	2022	2021
Deferred franchise revenues - beginning of year	$ -	$ -
Additions for initial franchise fees received	289,900	-
Revenue recognized during the year	(16,522)	-
Deferred franchise revenues - end of year	$ 273,378	$ -

NOTE 5. REVENUES AND RELATED CONTRACT BALANCES (CONTINUED)

Contract balances (continued)

At December 31, 2022, deferred franchise revenues are expected to be recognized as revenue over the remaining term of the associated franchise agreements as follows:

Year ending December 31:	Amount
2023	$ 28,990
2024	28,990
2025	28,990
2026	28,990
2027	28,990
Thereafter	128,428
Total	$ 273,378

Deferred franchise revenues consisted of the following at December 31, 2022 and 2021:

	2022	2021
Franchise units not yet opened	$ 134,258	$ -
Opened franchise units	139,120	-
Total	$ 273,378	$ -

NOTE 6. RELATED-PARTY TRANSACTIONS

Related-party transactions

The Company, in the normal course of business, regularly enters into transactions with an individual franchise that is owned or managed by related parties of the Company. As as result of these transactions, revenues from this related-party franchise amounted to $3,750 for the year ended December 31, 2022. There were no revenues from related parties for the period from March 22, 2021 (inception) through December 31, 2021.

Due from related parties

In the ordinary course of business, the Company periodically advances funds to entities related through common ownership. No interest is charged on these advances. Advances to the related parties are unsecured and have no specific repayment terms. Management has made arrangements with the related parties to settle the balance due within the next year. At December 31, 2022 and 2021, the balance due from related parties amounted to $121,000 and $43,500, respectively.

Due to related parties

In the ordinary course of business, the Company periodically receives funds from entities related through common ownership. No interest is charged on these advances. Advances from the related parties are unsecured and have no specific repayment terms. Management has made arrangements with the related parties to settle the balance due within the next year. At December 31, 2021, the balance due to related parties amounted to $3,660. There was no balance due to related parties at December 31, 2022.

NOTE 6. RELATED-PARTY TRANSACTIONS (CONTINUED)

Guarantee

The Company guarantees two promissory notes in the amounts of, $5,000,000 and $1,500,000, which were entered into by an affiliate in August 2021 and December 2022, respectively, with a financial institution which matures on August 15, 2026 and June 23, 2023, respectively. The promissory notes are also guaranteed by the members of the Parent and is collateralized by substantially all of the assets of the Company and the Parent. In the event of default at the affiliate level, as defined in the promissory note, it is possible that the financial institution may call on the members or the Company to satisfy the debt obligations. There has been no event of default as of December 31, 2022, and through the date the financial statements were available to be issued. The total amount guaranteed and outstanding as of December 31, 2022 and 2021, was $5,374,139 and $4,892,574, respectively.

NOTE 7. BRAND FUND

Brand fund

Pursuant to the structured form of the franchising arrangement, the Company reserves the right to collect brand fund fees of up to 5% of franchisees' reported sales (1% of franchisees' reported sales as of December 31, 2022). These funds are to be spent solely on advertising and related expenses for the benefit of the franchisees with a portion designated to offset the Company's administrative costs to administer the funds, all at the discretion of the Company. Pursuant to the standard franchise agreement, the Company is not required to segregate and restrict monies collected on behalf of the brand fund. Funds collected and not yet expended on the franchisees' behalf totaled $6,143 as of December 31, 2022. As of December 31, 2021, no brand fund fees were collected.

Local marketing

Pursuant to the structured form of the franchising arrangement, the Company also has reserved the right to collect local marketing contributions up to 2% of franchisees' reported sales. As of December 31, 2022, the Company has not yet collected any local marketing contributions.

Advertising cooperative

The Company reserves the right to establish a local or regional advertising cooperative ("Advertising Cooperative") for a region in which two or more facilities are located and will collect up to 5% of its franchisees' gross revenues, to be determined by the cooperative members. As of December 31, 2022, the Advertising Cooperative was not established.

NOTE 8. COMMITMENTS AND CONTINGENCIES

Litigation

The Company is, from time to time, involved in ordinary and routine litigation. Management presently believes that the ultimate outcome of these proceedings, individually or in the aggregate, will not have a material adverse effect on the Company's financial position. Nevertheless, litigation is subject to inherent uncertainties and unfavorable rulings could occur. An unfavorable ruling could include money damages and, in such event, could result in a material adverse impact on the Company's financial position.

THE FOLLOWING FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THEIR CONTENT OR FORM.

Heavyweight Waste Franchise Partners LLC

Balance Sheet

As of March 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1005 Lake City Bank (9960)	2,850.53
Total Bank Accounts	**$2,850.53**
Accounts Receivable	
1200 Accounts Receivable	61,567.13
Total Accounts Receivable	**$61,567.13**
Total Current Assets	**$64,417.66**
TOTAL ASSETS	**$64,417.66**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 Accounts Payable	80,459.50
Total Accounts Payable	**$80,459.50**
Other Current Liabilities	
2710 Deferred Franchise Sales	273,378.00
2800 Intercompany	
2803 Due (To) From Heavyweight Waste Austin LLC	-9,500.00
2804 Due (To) From Heavyweight Waste Birmingham LLC	-2,500.00
2806 Due (To) From Heavyweight Waste Houston LLC	-3,000.00
2807 Due (To) From Heavyweight Waste Indianapolis LLC	-4,038.42
2808 Due (To) From Smash Franchise Partners, LLC	3,749.86
2811 Due (To) From SMT Holdings, LLC	-321,000.00
2812 Due (To) From Heavyweight Waste Ventures LLC	-1,000.00
Total 2800 Intercompany	**-337,288.56**
Total Other Current Liabilities	**$ -63,910.56**
Total Current Liabilities	**$16,548.94**
Total Liabilities	**$16,548.94**
Equity	
3000 Retained Earnings	-64,070.88
3100 Capital Contributions	100,000.00
Net Income	11,939.60
Total Equity	**$47,868.72**
TOTAL LIABILITIES AND EQUITY	**$64,417.66**

Heavyweight Waste Franchise Partners LLC

Profit and Loss

January - March, 2023

	TOTAL
Income	
4000 Franchise Operations Revenue	
4001 Royalty Income - 8%	27,834.20
4015 Brand Fund Income	3,479.28
Total 4000 Franchise Operations Revenue	**31,313.48**
Total Income	**$31,313.48**
GROSS PROFIT	**$31,313.48**
Expenses	
6000 Payroll Expenses	
6001 Wages	8,653.86
Total 6000 Payroll Expenses	**8,653.86**
6700 General & Administrative	
6701 Bank Charges & Fees	89.98
6704 Corporate Advertising & Marketing	360.50
6708 Legal & Professional Fees	7,875.00
6712 Software	2,394.54
Total 6700 General & Administrative	**10,720.02**
Total Expenses	**$19,373.88**
NET OPERATING INCOME	**$11,939.60**
NET INCOME	**$11,939.60**

EXHIBIT I

ADDITIONAL DISCLOSURES AND RIDERS
REQUIRED BY STATE FRANCHISE LAWS

No Waiver or Disclaimer of Reliance in Certain States. The following provision applies only to franchisees and franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgment signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF CALIFORNIA

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation.

1. 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.

2. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

3. Our website, www.heavyweightwaste.com, has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of the website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

4. The following paragraph is added to the "Special Risks to Consider About This Franchise" page:

> **Spousal Liability**. While your spouse need not sign a personal guarantee unless he or she is an owner of the legal entity that is the franchisee, the fact that California is a community-property state means that both your and your spouse's marital and personal assets, including your house, could be lost if your franchise fails.

5. The following is added at the end of Item 3:

> Neither we nor any person or franchise broker in Item 2 of the Disclosure Document 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. Sections 78a et seq., suspending or expelling such persons from membership in that association or exchange.

6. The following is added to the "Remarks" column of the line-item entitled "Interest" in Item 6:

> The highest interest rate allowed under California law is 10% annually.

7. The following paragraphs are added at the end of Item 17:

> California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer, or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, and the law applies, the law will control.
>
> California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void

and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

The Franchise Agreement contains a covenant not to compete that extends beyond termination of the franchise. This provision might not be enforceable under California law.

The Franchise Agreement requires binding arbitration. The arbitration will occur within 10 miles of the Franchisor's principal office (currently Carmel, Indiana) at the time that the arbitration demand is filed, before a single arbitrator with the costs being borne as provided in the Franchise Agreement. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of the State of Indiana with certain exceptions. This provision might not be enforceable under California law.

The Franchise Agreement provides for termination upon insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 et seq.).

The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of your franchise. California Corporations Code section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The franchise agreement and development rights agreement contain provisions shortening the statute of limitations to bring claims and requiring you to waive your right to punitive or exemplary damages against the franchisor, limiting your recovery to actual damages for any claims related to your franchise. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF HAWAII

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 (7) DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT 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.

Item 5 is revised to include the following at the end of the Item:

The Initial Franchise Fee and Development Fee will be deferred until your first Heavyweight Waste Business is open for business.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF ILLINOIS

The following statement is added to the end of Item 5:

The initial franchise fee and development fee will be deferred until we have satisfied our pre-opening obligations to you and your first Heavyweight Waste Business opens for business. The Illinois Attorney General's Office imposed this deferral requirement due to our financial condition.

The following statements are added to the end of Item 17:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 or other federal law, Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF MARYLAND

1. The following language is added as the last paragraph of Item 5:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

2. The following language is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for Franchisor approval of transfer**:

The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. The following language is added to the end of the "Summary" section of Item 17(h), entitled "**Cause" defined – non-curable defaults**:

The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.), but we will enforce it to the extent enforceable.

4. The "Summary" section of Item 17(v), entitled **Choice of forum**, is deleted in its entirety and the following is substituted in its place:

The franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

5. The following language is added to the end of the chart in Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF MINNESOTA

1. The following language is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer by franchisee**:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

2. The following paragraphs are added to the end of Item 17:

For franchises governed by the Minnesota Franchises Law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the franchise agreement.

Minnesota Statutes, Section 80C.21 and Minn. Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements 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. However, we and you will enforce these provisions in the Agreement to the extent the law allows.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF NEW YORK

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, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 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 to 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 debt 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 the "Summary" sections of Item 17(c), entitled **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 Section 687.4 and 687.5 be satisfied.

5. The following language replaces the "Summary" section of Item 17(d), entitled "Termination by franchisee":

You may terminate the agreement on any grounds available by law.

6. The following is added to the end of the "Summary" section of Item 17(j), entitled "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.

7. The following is added to the end of the "Summary" sections of Item 17(v), entitled "Choice of forum," and Item 17(w), entitled "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.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF NORTH DAKOTA

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Initial Franchise Fee: The initial franchise fee shall be deferred until all of franchisor's initial obligations to franchisee under the franchise agreement have been fulfilled and franchisee has commenced doing business pursuant to the franchise agreement.

2. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

3. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

4. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

5. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

6. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

7. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

8. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

9. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

10. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

11. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF RHODE ISLAND

1. The "Summary" section of Item 17(v), entitled **Choice of forum**, is deleted in its entirety and the following is substituted in its place:

> Litigation is in the state and city of our then current principal business address (currently Carmel, Indiana), except that, subject to your arbitration obligation, and to the extent required by the Rhode Island Franchise Investment Act, you may bring an action in Rhode Island.

2. The "Summary" section in Item 17(w), entitled **Choice of law**, is deleted in its entirety and the following is substituted in its place:

> Indiana law generally applies, except for Federal Arbitration Act, other federal law, and claims arising under the Rhode Island Franchise Investment Act.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF VIRGINIA

1. The following statements are added to Item 17(h):

   Under 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 grounds for default or termination stated in the Franchise Agreement do 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.

   Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

2. Item 17(t) is amended to read as follows:

   Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF WASHINGTON

The following disclosures are added to the end of Item 17:

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 us 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 us 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, you 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 Franchise 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 our 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 following paragraph is added to the end of Items 5 and 7:

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open

for business. Because the Franchisor has material pre-opening obligations with respect to each franchised business Franchisee opens under the Development Agreement, payment of the franchise fee will be released proportionally with respect to each franchise outlet opened and until franchisor has met all its pre-opening obligations under the Franchise Agreement and Franchisee is open for business with respect to each such location.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE-SPECIFIC RIDERS TO THE
FRANCHISE AGREEMENT AND DEVELOPMENT RIGHTS AGREEMENT

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN CALIFORNIA

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in California and/or (b) you are a resident of California and your Heavyweight Waste Business will operate in California.

2. **Additional Disclosure**. The following language is added to the end of the Franchise Agreement as a new Section 21:

> No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective franchisee in connection with the commencement of the franchise relationship shall alone be construed or interpreted as a waiver of any claim of fraud in the inducement, whether common law (unless allowed by existing common law) or statutory, or as alone disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting at the direction of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR	**FRANCHISEE**
HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN HAWAII

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in Hawaii and/or (b) you are a resident of Hawaii and your Heavyweight Waste Business will operate in Hawaii.

2. Section 5.A of the Franchise Agreement is amended as follows:

The Initial Franchise Fee will be deferred until Franchisee's Heavyweight Waste Business is open for business.

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE

[_____]

By: _____

Name: _____

Title: _____

RIDER TO THE
DEVELOPMENT RIGHTS AGREEMENT
FOR USE IN HAWAII

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("HWFP" "we," "us," or "our"), and _____ ("Developer," "you," or "your").

1. **Background**. We and you are parties to that certain Development Rights Agreement dated _____, 20__ (the "Development Rights Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Development Rights Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Development Rights Agreement occurred in Hawaii and/or (b) you are a resident of Hawaii and your Heavyweight Waste Business will operate in Hawaii.

2. Section 4 of the Development Rights Agreement is amended as follows:

   The Development Fee will be deferred until Developer's First Developer Business is open for business.

IN WITNESS WHEREOF, the parties have executed this Rider to the Development Rights Agreement on the date stated on the first page.

HWFP

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC

By: _____

Name: _____

Title: _____

DEVELOPER

[_____]

By: _____

Name: _____

Title: _____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in Illinois and the Heavyweight Waste Business will be located or operated in Illinois and/or (b) you are a resident of Illinois.

2. **Initial Fees**. The following is added to the end of Section 5.A. ("Initial Franchise Fee") of the Franchise Agreement:

> Based on our financial condition, the Illinois Attorney General's Office has imposed a financial assurance requirement. Therefore, all initial fees owed by you to us shall be deferred until we have met our initial obligations to you under the Franchise Agreement and your Heavyweight Waste Business opens for business under the Franchise Agreement.

3. **Governing Law**. Section 18.G of the Franchise Agreement is deleted in its entirety and the following is substituted in its place:

> Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 or other federal law, Illinois law governs the Franchise Agreement.

4. **Jurisdiction**. Section 18.H of the Franchise Agreement is deleted in its entirety and the following is substituted in its place:

> In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in this Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, this Agreement may provide for arbitration to take place outside of Illinois.

5. **Renewal and Termination**. The following language is added at the beginning of Sections 14 and 15.B of the Franchise Agreement:

> Your rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

6. **Waiver of Jury Trial**. The following language is added to the end of Section 18.I of the Franchise Agreement:

> However, this waiver shall not apply to the extent prohibited by Section 705/41 of the Illinois Franchise Disclosure Act of 1987 or Illinois Regulations at Section 260.609.

7. **Illinois Franchise Disclosure Act**: The following language is added as a new Section 18.N of the Franchise Agreement:

18.N. Illinois Franchise Disclosure Act

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of Illinois is void. However, that Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any provision of the Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR	**FRANCHISEE**
HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RIDER TO THE
DEVELOPMENT RIGHTS AGREEMENT
FOR USE IN ILLINOIS

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("HWFP" "we," "us," or "our"), and _____ ("Developer," "you," or "your").

1. **Background**. We and you are parties to that certain Development Rights Agreement dated _____, 20__ (the "Development Rights Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Development Rights Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Development Rights Agreement occurred in Illinois and/or (b) you are a resident of Illinois and your Heavyweight Waste Business will operate in Illinois.

2. Section 4 of the Development Rights Agreement is amended as follows:

Based on our financial condition, the Illinois Attorney General's Office has imposed a financial assurance requirement. Therefore, the Development Fee will be deferred until we have met our initial obligations to you and your First Developer Business opens for business.

IN WITNESS WHEREOF, the parties have executed this Rider to the Development Rights Agreement on the date stated on the first page.

HWFP	**DEVELOPER**
HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

This Rider is entered into this ___ day of _____, 20__, by and between, a Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of Maryland, and/or (b) the Heavyweight Waste Business will be located or operated in Maryland.

2. **Assignment and Renewal.** The following language is added at the end of Section 13.C(3), 13.E and Section 14.B(3) of the Franchise Agreement:

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. **Fees**. Section 5.A of the Franchise Agreement is amended by adding the following:

> Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by you shall be deferred until we complete our pre-opening obligations under the Franchise Agreement.

4. **Termination**. The following language is added to the end of Section 15.B(18) entitled "Termination by HWFP":

> ; however, such provision might not be enforceable under federal bankruptcy law (11 U.S.C. Section 1010 et seq.), although we intend to enforce it to the extent enforceable.

5. **Jurisdiction**. The following language is added to the end of Section 18.H, entitled "Consent to Jurisdiction," of the Franchise Agreement:

> Notwithstanding the foregoing, you may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **Acknowledgements**. The following language is added to the Franchise Agreement as a new Section 21 entitled "Acknowledgements":

> **21. Acknowledgments**. All representations requiring you 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.

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE

[_____]

By: _____

Name: _____

Title: _____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Heavyweight Waste Business you will operate under the Franchise Agreement was made in the State of Minnesota, and/or (b) the Heavyweight Waste Business will be located or operated in Minnesota.

2. **Assignment and Renewal**. The following language is added to the end of Section 13C(3), 13.E, and Section 14.B(3) of the Franchise Agreement:

> Any release as a condition of renewal and/or assignment or transfer will not apply to the extent prohibited by law with respect to claims arising under Minn. Rule 2860.4400 D.

3. **Renewal and Termination**. The following language is added to the end of Section 15.B of the Franchise Agreement, entitled "Termination by HWFP," and to the end of Section 14 of the Franchise Agreement, entitled "Successor Franchise Rights":

> Minnesota law provides you with certain termination and non-renewal rights. Minn. Stat. Section 80C.14, subds, 3, 4 and 5 require, except in certain specified cases, that you be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice for non-renewal of this Agreement.

4. **Governing Law**. The following language is added to the end of Section 18.G, entitled "Governing Law," of the Franchise Agreement:

> Pursuant to Minn. Stat. § 80C.21 and Minn. Rule part 2860.4400(J), this section shall not in any way abrogate or reduce your rights as provided for in Minnesota Statutes 1984, chapter 80c, including the right to submit matters to the jurisdiction of the courts of Minnesota.

5. **Jurisdiction**. The following language is added to the end of Section 18.H, entitled "Consent to Jurisdiction," of the Franchise Agreement:

> Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota or requiring waiver of a jury trial.

6. **Limitation of Claims**. The following sentence is added to the end of Section 18.K of the Franchise Agreement:

> Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues.

7. **Waiver of Punitive Damages/Waiver of Jury Trial**. The following language is added to the beginning of Section 18.I, entitled "Waiver of Punitive Damages and Jury Trial," of the Franchise Agreement:

Except as otherwise required by the Minnesota Franchises Law,

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR	**FRANCHISEE**
HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN NEW YORK

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Heavyweight Waste Business you will operate under the Franchise Agreement was made in the State of New York, and/or (b) you are a resident of New York and will operate the Heavyweight Waste Business in New York.

2. **Assignment and Renewal**. The following language is added to the end of Section 13.C(3), 13.E and Section 14.B(3) of the Franchise Agreement:

> ; provided, however, that 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 GBL Sections 687.4 and 687.5 be satisfied.

3. **Termination**. The following language is added to the end of Section 15.A, entitled "Termination by Franchisee," of the Franchise Agreement:

> You may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

4. **Assignment by Franchisor**. The following language is added to the end of Section 13.A, entitled "Transfer by HWFP," of the Franchise Agreement:

> However, to the extent required by applicable law, no transfer will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

5. **Governing Law**. The following language is added to the end of Section 18.G of the Franchise Agreement, entitled "Governing Law":

> **; HOWEVER, THE GOVERNING CHOICE OF LAW SHALL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON YOU BY THE PROVISIONS OF ARTICLE 33 OF THE NEW YORK STATE GENERAL BUSINESS LAW.**

6. **Jurisdiction**. The following language is added to the end of Section 18.H, entitled "Consent to Jurisdiction," of the Franchise Agreement:

> However, to the extent required by Article 33 of the General Business Law of the State of New York, this Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law, as amended, and the regulations issued thereunder.

7. **Application of Rider**. There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York. However, an offer or sale is deemed to be made in New York if you are domiciled in and the franchise will be opened in New York. We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR	**FRANCHISEE**
HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is a resident of North Dakota and the Heavyweight Waste Business that Franchisee will operate under the Franchise Agreement will be located or operated in North Dakota, and/or (b) any of the franchise offer or sales activity occurred in North Dakota.

2. **Releases**. The following is added to the end of Sections 13.C(3), 13.E and Section 14.B(3) of the Franchise Agreement:

> (Any release executed will not apply to the extent otherwise prohibited by applicable law with respect to claims arising under the North Dakota Franchise Investment Law.)

3. **Covenant Not to Compete**. Section 12 and Section 16.D of the Franchise Agreement is amended by adding the following:

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. However, you acknowledge and agree that we intend to seek enforcement of these provisions to the extent allowed under the law.

4. **Governing Law**. The following language is added to the end of Section 18.G of the Franchise Agreement:

> Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to this Agreement.

3. **Arbitration.** The second sentence of Section 18.F of the Franchise Agreement is amended to read as follows:

> All proceedings during the arbitration that require the parties' physical presence will be conducted at a suitable location the arbitrator chooses that is within ten (10) miles of where Franchisor has its principal business address when the arbitration demand is filed, provided, however, that to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which Franchisor and Franchisee agree.

6. **Consent to Jurisdiction**. The following language is added to the end of Section 18.H of the Franchise Agreement:

> However, to the extent required by applicable law, but subject to Franchisee's arbitration obligations, Franchisee may bring an action in North Dakota.

7. **Waiver of Jury Trial**. If and then only to the extent required by the North Dakota Franchise Investment Law, the last paragraph of Section 18.I of the Franchise Agreement is deleted.

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR	**FRANCHISEE**
HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Heavyweight Waste Business you will operate under the Franchise Agreement was made in the State of Rhode Island, and/or (b) you are a resident of Rhode Island and will operate the Heavyweight Waste Business in Rhode Island.

2. **Governing Law**. Section 18.G of the Franchise Agreement, entitled "Governing Law," is deleted in its entirety and the following is substituted in its place:

> Except to the extent governed by the Federal Arbitration Act, United States Trademark Act of 1946 (the Lanham Act, 15 U.S.C. §§ 1051 *et seq*) or other federal law, and except as otherwise required by law for claims arising under the Rhode Island Franchise Investment Act, this Agreement will be construed and interpreted, and our relationship with you and the rights and obligations of the parties governed, in accordance with the laws of the State of Indiana (other than the choice of law provisions thereof).

3. **Jurisdiction**. The following is added to the end of Section 18.H of the Franchise Agreement, entitled "Consent to Jurisdiction":

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of laws of another state is void with respect to a claim otherwise enforceable under this Act."

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR

HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC

By: _____

Name: _____

Title: _____

FRANCHISEE

[_____]

By: _____

Name: _____

Title: _____

RIDER TO THE
FRANCHISE AGREEMENT, DISCLOSURE ACKNOWLEDGMENT STATEMENT, AND RELATED AGREEMENTS FOR USE IN WASHINGTON

This Rider is entered into this ___ day of _____, 20__, by and between Heavyweight Waste Franchise Partners, LLC, an Indiana limited liability company ("we," "us," or "our"), and _____ ("Franchisee," "you," or "your").

1. **Background**. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Heavyweight Waste Business you will operate under the Franchise Agreement was made in the State of Washington, (b) you are a resident of Washington, and/or (c) the Heavyweight Waste Business will be located or operated in Washington.

2. **Addition of Paragraphs**. The following paragraphs are added to the end of the Franchise Agreement:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act (the "Act"), Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede this Agreement in your relationship with us including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede this Agreement in your relationship with us 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 this Agreement, you may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the 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 franchisee'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 this 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 this Agreement or elsewhere are void and unenforceable in Washington.

IN WITNESS WHEREOF, the parties have executed this Rider to the Franchise Agreement on the date stated on the first page.

FRANCHISOR	**FRANCHISEE**
HEAVYWEIGHT WASTE FRANCHISE PARTNERS, LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

NEW YORK REPRESENTATIONS PAGE

THE FRANCHISOR REPRESENTS THAT THIS DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, 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 is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	May 9, 2023
Maryland	Pending
Michigan	April 28, 2023
Minnesota	June 29, 2023
New York	Pending
North Dakota	Pending
Rhode Island	June 5, 2023
South Dakota	May 9, 2023
Virginia	Pending
Washington	Pending
Wisconsin	April 28, 2023

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.

Item 23

RECEIPT

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 Heavyweight Waste Franchise Partners 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 requires that Heavyweight Waste Franchise Partners LLC gives 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.

Michigan requires that Heavyweight Waste Franchise Partners LLC gives 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 Heavyweight Waste Franchise Partners, 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is Heavyweight Waste Franchise Partners, LLC, located at 535 W. Carmel Drive, Carmel, Indiana 46032. Its telephone number is (844) 762-7400.

Issuance date: April 28, 2023

The name, principal business address, and telephone number of each franchise seller offering the franchise are as follows: Justin Haskin, whose contact information is 535 W. Carmel Drive, Carmel, Indiana 46032, (844) 762-7400; David Cernich, whose contact information is 535 W. Carmel Drive, Carmel, Indiana 46032, (844) 762-7400; and _____.

Heavyweight Waste Franchise Partners, LLC authorizes the respective state agents identified in Exhibit A to receive service of process for us in the particular states.

I received a Franchise Disclosure Document from Heavyweight Waste Franchise Partners, LLC, dated as of April 28, 2023, that included the following Exhibits:

A	List of State Agencies/Agents for Service of Process
B	Franchise Agreement
C	Development Rights Agreement
D	Current Form of Release
E	Operations Manual Table of Contents
F	List of Franchisees
G	List of Franchisees Who Have Left the System
H	Financial Statements
I	Additional Disclosures and Riders Required by State Franchise Laws

_____	_____
Date	Prospective Franchisee [Print Name]
(Date, Sign, and Return to Us)	Prospective Franchisee [Signature]

Item 23

RECEIPT

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 Heavyweight Waste Franchise Partners 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 requires that Heavyweight Waste Franchise Partners LLC gives 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.

Michigan requires that Heavyweight Waste Franchise Partners LLC gives 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 Heavyweight Waste Franchise Partners, 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

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_____	_____
Date	Prospective Franchisee [Print Name]
(Date, Sign, and Keep for Your Own Records)	Prospective Franchisee [Signature]