

FRANCHISE DISCLOSURE DOCUMENT

Precision Concrete Cutting, Inc.
A Utah Corporation
3191 North Canyon Road
Provo, Utah 84604
801-224-0025
<http://www.safesidewalks.com>



We offer franchises to qualified individuals and entities to own and operate a franchise under our Precision Concrete Cutting™ service marks, trade names, programs, and systems. Our franchisees offer services to alter existing uneven sidewalk panels using a saw cutting technique. Saw cuts remove the abrupt and raised edge of the sidewalk tapering back according to the specifications of the particular client.

The total investment necessary to begin operation of a Precision Concrete Cutting franchise is \$215,000 - \$241,500. This includes \$195,000 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 government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in a different format, contact Matt Haney at 3191 North Canyon Road, Provo, Utah 84604 AND (801) 224-0025.

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 to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, N.W 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: May 29, 2019

STATE COVER PAGE

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

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

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

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION AND MEDIATION ONLY IN UTAH. OUT-OF-STATE LITIGATION OR MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE OR MEDIATE IN UTAH THAN IN YOUR HOME STATE.
2. UTAH STATE LAW GOVERNS THIS FRANCHISE AGREEMENT. UTAH STATE LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. YOUR INABILITY TO MAINTAIN THESE LEVELS MAY RESULT IN LOSS OF ANY TERRITORIAL RIGHTS YOU ARE GRANTED, TERMINATION OF YOUR FRANCHISE, AND LOSS OF YOUR INVESTMENT. THE FRANCHISOR HAS THE RIGHT TO TERMINATE THE FRANCHISE AGREEMENT IF YOU ARE UNABLE TO ACHIEVE THE MINIMUM MONTHLY AND ANNUAL SALES VOLUME. SEE ITEM 12 FOR COMPLETE DETAILS.

YOU RIGHTS TO YOUR OPERATING TERRITORY DEPEND ON YOU ACHIEVING ANNUAL SALES VOLUME AND MINIMUM MONTHLY REVENUE. WE HAVE THE RIGHT TO TERMINATE YOUR FRANCHISE AGREEMENT IF YOU ARE UNABLE TO ACHIEVE THE MINIMUM MONTHLY AND ANNUAL SALES VOLUMES. THE REQUIRED ANNUAL SALES VOLUMES ARE AS FOLLOWS: \$150,000 IN THE FIRST YEAR OF OPERATION; \$250,000 IN THE SECOND YEAR OF OPERATION; \$350,000 IN THE THIRD YEAR OF OPERATION; \$450,000 IN THE FOURTH YEAR OF OPERATION. THE REQUIRED MINIMUM MONTHLY REVENUE IS \$5,000.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: [See the following page]

* See State Specific Amendments in Exhibit D

This Uniform Franchise Disclosure Document is effective as of:

General FTC (for states not requiring registration) – May 29, 2019

States Requiring Registration (registration not approved if blank):

California:

Hawaii:

Illinois:

Indiana:

Maryland:

Michigan:

Minnesota:

New York:

North Dakota:

Rhode Island:

South Dakota:

Virginia:

Washington:

Wisconsin:

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 franchises.
- (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 the Michigan Franchise Investment Law. 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 thirty (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 furnishing 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 five (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 six (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 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) 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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, franchisee has the right to request an escrow arrangement.

Any questions regarding the notice of this Offering should be directed to:

CONSUMER PROTECTION DIVISION
ATTN: Marilyn McEwen
670 Law Building
Lansing, Michigan 48913
(517) 373-7117

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The franchisor is Precision Concrete Cutting, Inc. This Disclosure Document refers to Precision Concrete Cutting, Inc. as “we,” “us,” “Franchisor”, “Corporate”, “PCC”, or the “Company.” We refer to the person who buys a franchise from us as “franchisee,” or “you.” You and we will enter into a Franchise Agreement (Exhibit A to this Disclosure Document). If you do so, “you” also includes your corporation, partnership, sole-proprietor, or other entity.

Precision Concrete Cutting, Inc. was incorporated in Utah on October 28, 2004. Our principal business address is 3191 North Canyon Road, Provo, Utah 84604. We have no parent company or affiliates. We provide operational support for our franchisees and operate several businesses of the type that is being franchised in the states of Utah, Colorado, Washington, Arizona, California, and Nevada. We have offered Precision Concrete Cutting® franchises since 2002. We have never offered franchises in any other line of business and have no other business activities.

Our predecessor is Datigen.com, Inc. Datigen was located at 3191 N. Canyon Rd., Provo, Utah. Datigen was originally formed to provide database software but ceased operations in November 2000. Datigen purchased assets of Amerex on January 1, 2002 and continued Amerex’s operations, doing business as Precision Concrete Cutting® (“PCC”). Amerex offered concrete cutting trip hazard removal solutions since 1991 until the 2002 acquisition. Datigen offered PCC franchises from 2002 through 2004.

You will operate a business that alters existing uneven sidewalk panels using a proprietary saw cutting technique. Saw cuts will remove the abrupt and raised edge of the sidewalk tapering back according to the specifications of the particular client. These abrupt and raised edges of sidewalk are what we call “trip hazards.” We offer our services to both public as well as private entities that have responsibility for sidewalk maintenance, as well as anyone who has uneven concrete or asphalt and have a need for our service.

Competition to our franchisees includes other concrete cutting, grinding, or trip hazard removal companies that perform the same or similar services, as well as entities that have their own in-house equipment. The cost of opening a concrete cutting trip hazard removal company is relatively small, and you should consider the possibility of a competing business near you.

We encourage you to enter into strategic alliances with apartment managers, realtors, property managers, municipalities, employers, and other service-oriented businesses in your territory that can give you referrals. In states where multiple franchisees are established, we encourage you to pool resources for advertising purposes.

Revenues are often seasonal, peaking in the spring through fall months and dropping in the winter (depending on regional climate).

Agent for Service of Process

Our agents for service of process are outlined in Exhibit A to this Disclosure Document.

Regulatory Matters

If required by your state, you will need to obtain and continuously renew a contractors license. You are required to submit proof of your current contractors license annually in conjunction with taxes and proof of insurance. There are no other regulations specific to the industry that we are aware of. You must comply with all laws that apply to business in general. We strongly encourage you to investigate these laws and their possible effect on your business. You will operate your business under our Franchise Agreement. You are required to purchase certain items (including, but not limited to blades and hubs) from us. See Item 8 of this Disclosure Document.

ITEM 2

BUSINESS EXPERIENCE

CEO and Director: Aaron Ollivier

Mr. Ollivier has served as our President and Director in Provo, Utah since our inception in November 2004, overseeing all our operations and financial affairs and e-commerce development. In 2015 he became the company's CEO.

President and Director: Matthew Haney

Mr. Haney has served as our Vice President, since our inception in November 2004, overseeing franchise support and development. In 2015 he became the company's president.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Disclosure Document.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

The initial cost including the franchise fee (“Franchise Fee”) is \$195,000. You must pay a non-refundable \$5,000 of the Franchise Fee as a deposit before you schedule a demonstration week with us in your prospective area. You must pay the remaining \$190,000 balance upon signing the Franchise Agreement and before receiving training. The Franchise Fee must be paid in cash or cashier’s check.

The Franchise Fee is paid in consideration for our sales expense, administrative overhead, return on investment, start-up costs related to the execution of the Franchise Agreement, the opening of the franchise, and for our lost or deferred opportunity to sell franchises in your franchise territory to others. Our software, the initial equipment, and supplies for your first 2-3 months of operations, and the initial training program are included in the Franchise Fee.

The Franchise Fee is not refundable under any circumstances.

The initial fees are uniform except as described in this Item 5.

We may offer franchises at a reduced rate to prospective franchisees who in our opinion possess the knowledge and experience to conduct business with minimal training, assistance, or support from us or who are purchasing multiple franchise territories. Occasionally, we may grant new franchises to our owners and employees and their family members with reduced or no initial fees.

Neither the Franchise Fee nor the \$5,000 deposit (which is part of the Franchise Fee) are refundable in whole or in part under any circumstances other than those listed above.

ITEM 6

OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty Fee*	Nine percent (9%) of Gross Revenue. Royalties will commence after three (3) months of operations (three month period does not apply to renewals). The Royalty Fee is 14%, rather than the standard 9%, on Gross Revenues generated outside of your Operating Territory.	Royalty Fee payments are due by the last day of the month, or 20 days following the due date of reporting.	The Royalty Fee is waived during your first three months of operations (does not apply to renewal). The Royalty Fee is uniform and non-refundable (includes monthly billing services). We will auto-withdraw from your bank account

Name of Fee	Amount	Due Date	Remarks
			to cover Royalty Fee payments. We reserve the right to charge your credit card and assess a 4.5% convenience fee on the outstanding balance if auto-withdraw is unsuccessful to cover Royalty Fee payments, or any past due amounts, penalties or interest.
Marketing Fee	\$3,500, Payable in two semi-annual installments.	Each \$1,750 installment due on or before January 15 and July 1 of each year.	Paid by auto withdraw through bank draft. We reserve the right to charge your credit card and assess a 4.5% convenience fee on the outstanding balance if auto-withdraw is unsuccessful to cover Marketing Fee payments, or any past due amounts, penalties or interest.
Late Fees, Convenience Fees, Penalties, and Interest	10% of the total outstanding amount or \$250, whichever is greater for late payments. Plus, interest accrues at 12% or the maximum amount allowed by law. \$250 for late reporting. 4.5% convenience fee on the outstanding balance if auto withdraw is	Upon demand after your payment default.	We will auto-withdraw from your bank account to cover Royalty Fee payments or any past due amounts, penalties or interest on the last day of each month.

Name of Fee	Amount	Due Date	Remarks
	unsuccessful.		
Transfer fees*	\$10,000	Upon any assignment, sale or transfer of the franchise except to a spouse or child.	The transfer fee covers the evaluation of the new buyer.
Franchise Sale fee*	3% of sale price	Upon any sale of a franchise to a third party.	
Renewal*	\$10,000	Upon renewal	You must be current in paying Royalty Fees. If you have more than one Precision Concrete Cutting franchise agreement with us, upon renewal, you may opt to merge or incorporate the territory defined and outlined in such other existing franchise agreement(s) into the new, successor franchise agreement that you execute with us.
Additional training*	The prevailing 8-hour per day rate is currently \$500 plus travel, lodging and meals of our trainer when requested by you and approved by us. Additional training can be between two and five days in length, with an estimated cost of \$1000-\$2,500 (this does not include travel, lodging and meals of our trainer, which are estimated to	Before training begins.	Your travel, lodging and meals are your responsibility in addition to the amount due for the additional training. Current rate for additional training is \$500 per 8-hour day or \$75 per hour.

Name of Fee	Amount	Due Date	Remarks
	be \$100-\$250 per day). If training is performed at Corporate, travel, lodging and meals of our trainer are not required.		
Bid Boss Activation and Subscription Fees*	Currently \$37 monthly subscription fee, subject to change.	Upon activation of Bid Boss software application and on the 1 st of the month thereafter. This software is a requirement of your franchise ownership.	Credit card must be provided upon activation of Bid Boss software application. Activation fee and monthly subscription fee will be paid from credit card.
Terminal Monthly Fee*	Currently \$100 monthly fee per franchise territory, subject to change.	Upon activation and on the 1 st of the month thereafter. This software is a requirement of your franchise ownership.	Credit card must be provided upon activation of the Terminal application. The monthly subscription fee will be paid from credit card.
Audit fee*	Cost of audit plus legal interest rate from date of any underpayment or discrepancy in figures or reporting.	Upon billing	Payable only if understatement of at least .5% royalty due. Late payments bear an interest rate of 6% annually.

* All fees are imposed by and are payable to Precision Concrete Cutting. All fees are non-refundable and are uniformly imposed.

“Gross Revenues” includes all value received from your franchise business and is defined in more detail in the Franchise Agreement. Gross revenues do not include refunds or sales taxes.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to be Made
Franchise Fee ^(Note 1)	\$195,000	Lump Sum	On Signing Franchise Agreement	Us
Computer Equipment / CRM software ^(Note 2)	\$0 - \$1,500	Lump Sum	As Incurred	Third Parties
Automobile ^(Note 3)	\$0 - \$1,000 (\$0 - \$500 per Month)	Monthly	Before Use	Third Parties
Insurance, License and Bond ^(Note 4)	\$0 - \$10,000	Annually	As Incurred	Third Parties
Additional Funds- initial period ^(Note 5)	\$9,000 for the first three (3) months	As Incurred	As Incurred	Third Parties
Travel Expenses ^(Note 6)	\$1,000 - \$3,000	As Incurred	As Incurred	Third Parties
Rent / Improvements ^(Note 7)	\$0 - \$2,000 (\$0 - \$1,000 per month)	As Incurred	As Incurred	Third Parties
Sales Person / Sales Training ^(Note 8)	\$10,000 - \$20,000	As Incurred	As Incurred	Sales Person / Training Provider
Additional Funds- initial period ^(Note 8)	\$9,000 for the first three (3) months	As Incurred	As Incurred	Third Parties
TOTAL ^(Note 9)	\$215,000 - \$241,500			

You should anticipate the preceding initial expenditures in connection with the establishment of a Precision Concrete Cutting® franchised business. Additional factors relate to particular expenditure categories are described in the following notes. We estimate the initial phase covered by the above estimates to be approximately ~~2~~3 months. The high and low range estimates are based on our owners' and our franchisees' experience in opening and operating in the United States since 2004.

Notes:

- (1) The Franchise Fee includes training, opening inventory, and equipment. This fee is non-refundable. Precision Concrete Cutting does not finance any fees.

- (2) An Apple laptop computer will be provided to you as part of your franchise package. The computer will need to have Microsoft Office (Word, Excel, Powerpoint, Outlook), antivirus software, remote backup methods, and other programs that we may require from time to time. You must get and pay for a Salesforce.com or Pipedrive.com customer relationship management account along with the annual renewals for this tool. You will need to have high-speed Internet access (cable/DSL/T1), where available. You will also need a printer. Most franchisees will already have these programs on their home computer, but the estimated costs to obtain these items if you do not already have them is approximately \$1,000, you will also need to pay for internet service.
- (3) If you don't already have a truck or vehicle to pull the trailer of equipment, you will need to purchase or lease one. This amount is an estimate based on reasonable interest rates and other factors.
- (4) You must obtain insurance, including contractor's liability, insurance on your equipment, workers compensation, etc. You may also be required to obtain a contractor's license. Consult a licensed insurance professional for limits and coverage options.
- (5) The initial marketing effort requires significant driving to perform demonstrations of our service and visiting potential clients. This expense is significant particularly during the initial period of operation.
- (6) Most Franchisees will use their home as the initial business location. If you decide not to, rent is estimated at \$1,000 per month depending on factors such as size, condition and location of the leased premises and local economic real estate conditions.
- (7) We require that you hire a salesperson to assist with sales within 30 days of the commencement of your franchise. It is assumed that the compensation for a salesperson would likely be a base salary plus commission. The amount listed above is the estimated starting base salary without commission for a salesperson in your territory for the first few months. You have the option to receive third-party sales coaching and training. We estimate that this third-party coaching costs about \$800 to \$1,000 per month.
- (8) ~~Additional Funds~~ ~~Working capital~~ covers the initial expenses you are likely to incur while you establish the Franchise, and those you are likely to incur between the time you begin providing services and the time you begin having a steady cash flow from payments by customers. This amount total estimates additional start-up expenses such as payroll costs. Your expenditures will depend on factors like your business skills and experience, general and local economic conditions, competition, the prevailing wage rate, the amount of revenue you generate during the initial period, how well your business is performing, and the number of hours you are willing to invest in your Franchise. These expenses do not include any draw or salary for the owners of the Franchise.
- (9) ~~This total estimates additional start-up expenses such as payroll costs.~~ These figures are estimates and Precision Concrete Cutting cannot guarantee that you will not have additional expenses in starting the business. Your actual costs will depend on factors such as: your experience and business expertise, how specifically you follow Precision Concrete Cutting's methods of operations, your management abilities, local economic conditions, the acceptance of our services in the local area, the prevailing wage rate, the number of employees, competition, and sales abilities. These estimates are based on the initial phase of operations or approximately 32 months. Precision Concrete Cutting relied on franchisor and franchisees combined experience to compile these estimates as well as the cost to new franchisees. You should review these figures carefully with a business advisor or legal counsel or accountant before making any decision to purchase the franchise.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We will grant you access to online copies of our Confidential Operations Manuals at the mandatory training course described in Item 11, below. We may amend the Confidential Operations Manuals, including changes that may affect minimum requirements for your franchise operations. You will strictly follow the requirements of the Confidential Operations Manuals as we amend them. You will carry out immediately all changes at your cost, unless we otherwise specify. We reasonably may designate minimum standards for operations and designate guidelines, as specified in the Confidential Operations Manuals. The Confidential Operations Manuals are confidential and our exclusive property.

The Confidential Operations Manuals contain our system and related specifications, standards, operating procedures, accounting and bookkeeping methods, marketing programs and ideas, advertising layouts, advertising guidelines, operation requirements, public relations guidelines, service guidelines and other rules that we may prescribe.

We and our franchisees have an interest in ensuring the proper marketing and promotion of Precision Concrete Cutting services and in protecting the quality and integrity of our brand and our system, including know-how and trade secrets. To protect our common interests, we may require you to purchase certain products and services from us, from our designees, from suppliers or distributors we approve, or under our specifications.

You must purchase from us or approved or designated suppliers all advertising materials, clothing/uniforms, and any equipment, products, inventory, or other items that bear our name, marks, or approved logo in them.

Due to the nature of our equipment, you must purchase all blades, hubs, dust shrouds, and measuring tools from us. We negotiate purchase arrangements with suppliers, including price terms and volume discounts for the benefit of our franchisees and franchise system. The cost to you is the price we are charged from our suppliers plus mark up for quality control testing, shipping and handling. Other equipment and supplies may be purchased from other sources.

The initial equipment and supplies for your first 2-3 months of operations comes as part of the Franchise Fee and training (the "Initial Package"). The Initial Package includes your initial inventory of equipment and supplies; advertising and marketing materials like business cards and brochures; administrative material like letterhead proofs, office forms, and routine administration forms; access to our Confidential Operations Manuals (operations manual, marketing manual, maintenance manual, safety manual, employee training manual, and employee safety manual).

We are currently the only approved supplier for the items listed above. We do not intend to approve of any other supplier for the equipment outlined above. Our officers Aaron Ollivier and Matt Haney have an ownership interest in us.

All specifications that we require of you and lists of approved suppliers will be included in the Confidential Operations Manuals. We will upon request provide them to approved suppliers and

suppliers seeking approval. We will use our best judgment to set and modify specifications to maintain the integrity and quality of our franchise system.

We may derive revenue from our purchasing or distribution cooperatives and arrangements and by providing products and services to you. This revenue results from sales to our franchisees of products bearing our names and mark and the equipment outlined above. We also reserve the right to receive rebates, price adjustments, or discounts on products or services sold to you by recommended or approved suppliers. In 2018, we received revenues from required franchisee purchases in the approximate amount of \$480,081, which was approximately 5.39% of our 2018 gross revenue of \$8,903,086. We derived these figures from the financial records from which our audited financial statements were prepared (see Exhibit C to this Disclosure Document). We receive no rebates or revenue from your purchases of supplies, equipment, or inventory from outside sources we approve.

We estimate that approximately 5-10 percent of our total revenues will be from products and equipment purchased from us by our franchisees. We estimate that purchases from approved suppliers or us will be from 8 to 10 percent of the total purchases you make to establish your franchise. We estimate that purchases from approved suppliers or us will be from 8 to 10 percent of the total purchases you make to operate your franchise.

As part of the computer equipment we require you to purchase as disclosed in Item 6 and 7 above and Item 11 below, we have the proprietary Bid Boss application and Terminal software. You must use our proprietary software (Bid Boss and Terminal) and you are required to otherwise use systems specified by us or otherwise approved by us in writing. We also have an online intranet and training materials. You must lease, purchase or otherwise acquire, from sources of your choice and at your expense, software and hardware (including but not limited to programs, computer terminals and Internet); which strictly conform to our specifications as outlined in Item 11, below.

You are required to obtain and keep in force the following insurance:

(a) Insurance on the generally accepted “all risk” form insuring all personal property, leasehold improvements, and assets of every description and kind you use in the Franchised Business, for the full insurable value thereof;

(b) Commercial general liability insurance with a limit of not less than \$500,000 per occurrence (combined single limit for bodily injury and property damage) with respect to the activities you and any employee or other person performing work on your behalf conducts;

(c) Automobile liability insurance with limits of not less than \$500,000 per accident for all owned, hire, and non-owned vehicles you, your employees, or any other person performing work on your behalf operate; and

(d) Workers’ compensation insurance as required by state law, and employers’ liability insurance with limits of not less than \$100,000 per person.

All such insurance policies will be written by responsible insurers licensed to conduct business in your Operating Territory, will name us as an additional insured, and will provide that we receive 30 days' written notice before termination, expiration, or cancellation. You must submit to us a copy or certificate or other acceptable proof of such insurance at least 10 days before you begin operation of the franchise and each year. During the term of your franchise agreement, we may increase the minimum insurance limits from time to time and require different or additional kinds of insurance to reflect changes in insurance standards, normal business practices, court awards, and other relevant circumstances. If you at any time fail or refuse to maintain in effect any insurance coverage required by the franchise agreement, we may, at our option, obtain such insurance coverage on your behalf, and you will promptly execute any applications or other forms or instruments required to obtain any such insurance and, on demand, reimburse us for any and all costs or expenses we incur and premiums we pay related to such insurance.

You may not sell any products, services or activities other than those specifically recognized and approved by us as part of our franchise system without our prior written approval. The only approved service or product we have approved are the trip hazard removal and surveying service.

Except as stated above, we do not require you to purchase or lease any goods, services, supplies, fixtures, equipment, inventory, or real estate from us or our designated suppliers. We do require that items you purchase conform to OSHA guidelines and all other regulatory agency standards, federal, state or otherwise. We have no other required specifications, designated suppliers or approved suppliers for goods, services, or real estate related to your franchise business.

We currently provide material benefits to franchisees based on use of designated or approved sources including the right to renew your franchise rights and to obtain additional franchises.

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.

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition / lease	Section 1, 2	Item 12
b. Pre-opening purchases / leases	Section 4, 8	Items 7, 8
c. Site development and other pre-opening requirements	Section 3, 8	Items 11, 12
d. Initial and ongoing training	Section 4	Items 6, 7, 11
e. Opening	Section 3	Items 6, 11
f. Fees	Section 1, 4, 5, 8, 9, 10, 16	Items 5, 6, 7
g. Compliance with standards and policies / Operations Manual	Section 4, 5	Items 6, 8, 16
h. Trademarks and proprietary information	Sections 2, 4, 5, 7, 13, 15	Items 13, 14

Obligation	Section in Franchise Agreement	Disclosure Document Item
i. Restrictions on products / services offered	Section 2, 5	Item 16
j. Warranty and customer service requirements	Section 5 14	Item 8 17
k. Territorial development and sales quotas	Section 1	Items 11, 12
l. Ongoing product / service purchases	Section 4, 5	Items 6, 8
m. Maintenance, appearance and remodeling requirements	Section 5	Items 11
n. Insurance	Section 6	Items 7, 11
o. Advertising	Section 10	Items 6, 11
p. Indemnification	Section 17	Item 14
q. Owner's participation / management / staffing	Section 4, 5	Items 11, 15
r. Records and reports	Section 11	Item 11
s. Inspections and audits	Section 12	Items 6, 11
t. Transfer	Section 16	Items 6, 17
u. Renewal	Section 1	Items 6, 17
v. Post-termination obligations	Sections 15	Item 17
w. Non-competition covenants	Sections 15	Item 17
x. Dispute resolution	Section 18	Items 11, 17

ITEM 10

FINANCING

We do not offer direct or indirect financing and do not assist in providing financing for you. We do not guarantee your note, lease or financial obligations you may incur in setting up or operating your franchise.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Services Before Operation (Not Applicable to Renewal)

Before you open your Franchised Business, we will:

- (1) Meet with you and present the size and location of your specifically assigned Operating Territory for your Franchise. We have already pre-determined the size and location of your Operating Territory (Franchise Agreement, Schedule A). You are not required to establish a commercial business premises for the Franchised Business, you may operate from your home if your home is located within the Operating Territory. If otherwise, you must establish a commercial business premise in the Operating Territory. Other than this, there are no site requirements.

- (2) Make available to you and up to three (3) other participants the pre-opening training. Training consists of up to 3 days of Corporate Training in the operation of a Precision Concrete Cutting® franchise (Franchise Agreement, Section 4). We describe our Corporate Training more fully below in this Item 11.
- (3) Help arrange a visit (travel and lodging at your own expense) to an existing franchise location, of the franchisor's choosing, to participate in and learn the business practices and procedures of the business.
- (4) Provide you with your Initial Package and review its contents. We may use the equipment provided in your Initial Package to use in your training. See Item 8 of this Disclosure Document.
- (5) Loan to you a copy of and grant you online access to our Confidential Operations Manuals and other confidential and proprietary materials containing specifications and operating procedures we prescribe from time to time. We update and modify the Confidential Operations Manual and other items to meet the changes in our system and industry. On termination of the Franchise Agreement for any reason, you must immediately return all copies (hard or electronic) of the manuals and all other proprietary materials to us. (Franchise Agreement, Section 4.6). You must keep the manuals up-to-date with replacement pages and inserts, and you must protect the confidentiality of the manuals.
- (6) Allow you to use our technology, Bid Boss software and app, Terminal software, proprietary information and trade secrets (Franchise Agreement, Sections 5 and 7). The software and the computer equipment you will need are described in the notes to Item 7.
- (7) Upon receipt of the initial \$5,000 deposit, we will schedule and provide demonstrations in your prospective area to potential customers (typically six to eight demonstrations over four to five consecutive days).

Time to Open

The typical length of time between the signing of the franchise agreement and the opening of the franchise for business is about 15 days. You must commence your franchise business operations within 15 days after you successfully complete our initial training programs (see below in this Item). Factors that may affect this time are arranging for the training session, financing and business permits, equipping the franchise and obtaining initial inventory, and your personal operation needs.

Confidential Operations Manuals

The Confidential Operations Manuals are confidential and remain our property. They contain mandatory and suggested specifications, standards, and procedures. We may modify the Confidential Operations Manuals, but the modifications will not alter your basic status and rights under the franchise agreement. Revisions may include advancements and developments in

supplies, products, equipment, sales, marketing, operational techniques, and other items and procedures used for the operation of the franchise. As of the date of this disclosure document, the current version of the Confidential Operations Manuals is hosted online through our intranet and consists of six manuals of approximately 91 aggregate pages, as follows:

Operations Manual

Introduction.....	3
Safety.....	4
Quality Work.....	5
Equipment	6
Measuring and Marking.....	7
Confidentiality.....	9
Insurance.....	10
Routine.....	11
Documents.....	13
Other Tools.....	16
Marketing.....	17

Safety Manual

Introduction.....	2
Equipment.....	3
Weekly Meetings.....	3
Emergencies.....	4
Teaching Safety.....	6
Cleaning Safety Gear.....	6
Safe Operation.....	7
First Aid Kits / Extinguishers.....	7
Driving.....	7
Back Safety / Fatigue.....	7
Elements.....	7
Certification.....	8
OSHA.....	9
Material Safety Data Sheets.....	13
Inspection Reports.....	14
Weekly Training Reports.....	16
Employee Report of Accident.....	17
Supervisor Report of Accident.....	18
Disciplinary Policy.....	20
Safety Oriented Time Cards.....	22
Sample Safety Meeting Topics.....	23

Marketing Manual

Corporate Identity / Brand Guidelines (Mission, Culture, Message).....	3
Systematic Approach to Selling (6 Step Process, Solution Selling).....	4

Proposals (Differentiation, Personalize, Options).....	8
Contracts (Sole-Source, RFP, Contract Specifications).....	9
Advertising (Trade shows, Print Ads, Email Campaigns).....	11
Other (Video, Support Documents, Additional Information).....	12

Maintenance Manual

Introduction.....	2
Generator Maintenance.....	3
Saw Maintenance.....	5
Blower Maintenance.....	8
Compressor Maintenance.....	10
Yamaha Maintenance.....	13
Vacuum Maintenance.....	18

Employee Cutting Manual

Introduction.....	1
Safety.....	1
Measuring.....	2
Worksheets.....	4
Equipment Operation.....	5
Cutting a Trip Hazard.....	8
Learning to Cut.....	9
Safety Equipment.....	12
General.....	13
Reporting To Manager.....	15

Employee Safety Manual

Introduction.....	1
General Guidelines.....	2
Personal Protection Equipment.....	3
Driving.....	4
Safety.....	5
Injury Management Disciplinary Policy.....	8
Safety Policies.....	11
Report of Accident.....	12

Initial Training

We will provide you with the initial training program described below. (Franchise Agreement, Sections 4.1 and 4.2). You must successfully complete the Pre-Opening Training and Corporate Training before you begin operating your Franchised Business. As of the date of this disclosure document, the current agenda for training includes:

PRE-OPENING TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	<i>Location</i>
Administration	1	0	Lindon, UT
Manual	1	0	Lindon, UT
Marketing	1	0	Lindon, UT
Operations	1	0	Lindon, UT
Maintenance	0	3	Lindon, UT
Safety	1	0	Lindon, UT
Cutting	0	10	Lindon, UT

- The training agenda may be amended.

Explanatory Notes:

1. Some of the training may be completed at your assigned Operating Territory, however due to the nature of our business, most training is done from our Lindon, Utah location or at another location that we designate. Any training done in your Operating Territory needs to be approved by us in advance. Our instructors and support staff will train you based on the written manuals we will lend you. We will discuss your questions, and walk you through the operation of the business. The time to complete the Pre-Opening Training varies depending on how much time you can devote to training and how quickly you understand the material. We expect Pre-Opening Training to take you 3 days to complete. We do not charge any additional fee for the Pre-Opening Training. All your accommodations, travel, room, board, and wage expenses during this period are borne exclusively by you. In addition to the training, we may also send an employee or trainer to your area to assist with initial work and make sure you have understood all information provided in the training.

2. Our training staff includes Jared Taylor, Matt Haney, Aaron Ollivier, and Mike Lamb.

Jared Taylor has worked in the sidewalk cutting and safety industry since 1995. He has served as one of our trainers in operations since 1998.

Matt Haney served as our VP Marketing from 2004 to 2015 and has served as one of our trainers with an emphasis in marketing since 2002.

Aaron Ollivier has supervised our operations and financial affairs since 2004 and has served as one of our trainers in both marketing and operations since 2002.

Mike Lamb has served as one of our trainers in maintenance, operations, and safety since 2007. Mike manages the sales team for the corporate owned branches.

Additional background information for Mr. Haney and Mr. Ollivier is disclosed in Item 2, above. They use our operations manuals for instructional material.

3. We strongly recommend that you attend a third-party sales training camp and also engage in bi-monthly coaching sessions along with your sales team. (Franchise Agreement, Section 4.4)

Pre-opening and additional training classes are held at our Lindon, Utah facility on an “as-needed” basis depending on the number of franchisees requesting training in a particular time frame and our training personnel’s availability. You must request to schedule a training session at least 30 days before it is to start.

Additional training or refresher courses are not required unless your performance is below standards set forth in the Franchise Agreement. We require our franchisees to attend our annual system meeting or Summit, generally held each January. There is no fee payable by you to us to attend our annual meeting or Summit, however, you are responsible for all expenses incurred in attending coming to our annual meeting or Summit. The annual meeting or Summit is generally held over a three to four-day period. At the annual meeting or Summit we present, discuss, and review best practices in operations and marketing and cover the latest advancements and products and any new skills and techniques. We estimate the cost to attend our annual meeting or Summit to range from \$700 to \$1,000.

For optional additional training, whether at our facility or within your Operating Territory the prevailing per-day rate is \$500 plus travel, lodging and meals of our trainer. Additional training can be between one and five days in duration, with an estimated cost of \$1,000-\$2,500 plus travel, lodging and meals of our trainer, which are estimated to be \$100-\$250 per day, if the additional training takes place within your Operating Territory. (See Item 4.4 of the Franchise Agreement)

Continuing Assistance

During the operation of your Franchised Business, we will:

- (1) Provide you with a toll-free number for telephone support and email support by our experienced staff and trainers in all aspects of your Franchised Business, including planning, hiring and training, marketing and promotion, insurance, etc. Support staff will be available during regular business hours Monday through Friday, 9:00AM – 4:00PM MST (Franchise agreement, Section 4.5)
- (2) Provide you with On-Site Training. Our experienced trainers conduct the On-Site Training in the field either in Utah or in your Operating Territory. This training will enable you to train your employees, and establish a marketing and sales program. (Franchise Agreement, Section 4.4). We describe our Training more fully below in this Item 11.
- (3) Hold Franchise Meetings or Conference Calls, to consult with you individually and/or to consult the entire group of franchisees.

- (4) If you request, consider any items you propose to us (like supplies, forms, or manuals) in your Franchised Business that we have not previously approved, to determine whether they meet franchise specifications. (Franchise Agreement, Section 4.5).
- (5) Offer you guidance concerning the prices you should charge in your Operating Territory. Although we will provide you with guidance, you do not have to take such advice except with regards to national accounts, where a minimum price should be charged; otherwise you have the sole right to decide how much you will charge for your services. (Franchise Agreement, Section 5.5).
- (6) Consult with you regarding your performance and your compliance with the Confidential Operations Manuals as needed or requested by you.
- (7) Will reimburse you up to \$300 for business cards and brochures that you will need as you initially start the business. We can help direct you to companies that have provided the printing for us and other franchisees.
- (8) Administer our advertising program and formulate and conduct national, regional, or local promotional programs.
- (9) We may provide other supervision, assistance, or services, although we are not bound by the franchise agreement or any related agreement to do so. These may include, among other things, advertising materials, literature, additional assistance or training, and bulletins on new products, services, or sales and marketing techniques or developments, which may be provided in a variety of formats, including, without limitation, on the password-protected website we refer to as the Portal or any other password-protected website operated by us.

Advertising and Promotion.

Currently we promote our franchises through print, internet, and direct mail media. Advertising programs may be implemented locally and regionally through regional group marketing efforts. We may use in-house advertising departments and may use regional advertising agencies. We may provide to you advertising materials and sales aids for you to use in your local advertising and promotional efforts. We will use your marketing fees to place advertising in geographic areas, in media, at times and using products and services we deem to be in the best interest of our franchisees and the System.

You are required to pay to us \$3,500 per year as an annual marketing fee. (See Item 6, above). In addition to the annual marketing fee, we strongly recommend that you expend sufficient amounts each month to advertise and promote your franchise. We also require that you spend a minimum of \$5,000 per year for joining trade organizations, promotion at trade shows, advertising in trade publications, etc.

We reserve the right to temporarily lower, suspend, or rebate the marketing fee at any time, upon prior written notice to you and to our other franchisees. We will administer the capital we receive as marketing fees and direct all regional and national advertising programs with sole discretion

over the creative ideas, materials, endorsements, placement, and allocation of overhead expenses. We may use the marketing fees to maintain, administer, direct, prepare, and review national, regional, or local advertising materials and programs as we, in our sole discretion, deem proper. We are under no obligation to use or administer the marketing fees to ensure that expenditures are proportionate to contributions of franchisees for any given market area or that any franchise benefits directly or proportionately from the development or placement of advertising. We shall not be obligated to expend all or any part of the marketing fees we receive during any specific period.

Each of our company-owned Precision Concrete Cutting® operations offering products and services similar to our franchisees will make marketing contributions equivalent to the contribution percentage required of our franchisees.

Any marketing fees not used in the fiscal year in which they were contributed will be applied and used for advertising expenses in the following year.

We do not use any of the marketing fee to advertise our franchise opportunity, although we will place notices that franchises are available on advertising materials and on the internet. While advertising materials note that franchises are available from us, no advertising fees or assessments we collect from our franchisees are used for advertising that is principally a solicitation for the sale of franchises.

Summary of Marketing Fee Contributions and Expenses for Fiscal Year 2018

Market level advertising	\$191,000	100%
Total expenses:	\$191,000	100%
Advertising fund contributions:	\$76,000	40%
Excess of expenses over contributions:	\$115,000	60%

The marketing fees are administered by us. The marketing fees are not audited. Neither we nor any of our parents, affiliates, or owners receive any payment for providing goods or services paid for by the marketing fees. You may obtain an accounting of the marketing fees and expenditures upon written request to us.

You will not use any advertising copy or other promotional material until we approve it. You specifically acknowledge and agree that any website will be deemed “advertising” under the Franchise Agreement and will be subject to, among other things, our approval, restrictions, and requirements outlined in the Operating Manuals. We do not allow you to create a website for your Franchised Business. We provide, through our own website, the opportunity for each franchisee to have their contact information published.

Advertising Cooperatives

We do not designate or administer any formal advertising cooperatives. However, some of our franchisees have formed a group to pool additional funds to market to particular demographics (typically within a particular region); we encourage you to participate in such group marketing efforts.

Other than the marketing fees described above, there are no other advertising funds or requirements in which you must participate.

Computer Systems

You must lease, purchase, or otherwise have or acquire, from sources of your choice and at your expense, software and hardware which strictly conform to our specifications. Most franchisees already have these programs on their home computer, but the estimated costs to obtain the required computer systems, hardware, software, and subscriptions if you do not already have them generally cost between \$500 to \$2,000.

You must have a computer with Microsoft Office (Word, Excel, Powerpoint, Outlook), antivirus software, remote backup methods, an FTP program such as SmartFTP or DropBox, and other programs that we may require from time to time. You must maintain a Salesforce.com or Pipedrive.com customer relationship management account. There are no initial set up costs and the monthly renewal subscription costs are currently \$10-50 per month, per user depending on the level of service to which you subscribe. You must have high-speed Internet access (cable/DSL/T1), where available. You must also have a printer. There may be other costs incurred by you regarding support and updates directly from Salesforce.com or Pipedrive.com. We do not anticipate that such costs will exceed 2% of your annual gross revenue.

You must have an iPad or iPhone smart phone and you and your employees must use our proprietary bidding software and system, PCC Bid Boss and Terminal system. PCC Bid Boss is an app for iPhone or iPad, which uses our bidding system to assist you in producing proposals and invoices for your customers. The current monthly subscription cost of \$37 per device, subject to change. We will provide support for your franchise with no additional cost to you. There are no required costs to you regarding updates to the PCC Bid Boss software. The Terminal system is a data management tool to help you be more efficient with your franchise and is also required and will require iPads and a desktop computer to operate. The current subscription cost for the Terminal system is \$100 per franchise territory per month, subject to change.

You are required to provide us and we will have independent remote access (log-in and password) to your PCC Bid Boss software, Terminal software and your Salesforce.com or Pipedrive Customer Retention Management (CRM) accounts with your monthly report of revenue. There is no contractual limitation on our ability to access and use this information.

E-Problem Disclaimer: Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, the Year 2000 and similar date related problems, and attacks by hackers and other unauthorized intruders ("E-Problems"). We have taken reasonable steps so that E-Problems will not materially affect our business. We do not guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, lenders, landlords, customers, and governmental agencies on which you rely have reasonable protection from E-problems. This may include taking reasonable steps to secure your systems including firewalls, password protection, and anti-virus systems, and to provide backup systems.

ITEM 12

TERRITORY

We will grant to you an exclusive and protected territory (which we refer to as your “Operating Territory”). We based the size of your Operating Territory on an approximate population base of 2 million people. We also take into consideration the number of municipalities in your Operating Territory and the concentration of the population. The exact determination of the Operating Territory will depend on your approval and our market analysis, market penetration plans and franchise placement strategies. Among the factors we consider to determine the feasibility of possible territory locations are population statistics and demographics and other business in the area pursuant to census and chamber of commerce information and information from similar sources. All territory maps for your area will be provided to you in advance of purchasing the franchise. If you have more than one Precision Concrete Cutting franchise agreement with us, upon renewal, you may opt to merge or incorporate the territory defined and outlined in such other existing franchise agreement(s) into the new, successor franchise agreement that you execute with us.

You will be the only person we authorize to use our System, which includes our Marks, in your Operating Territory. We will not operate or franchise the right to others to operate a business substantially similar to your franchised business within your Operating Territory. You are to establish your office in your Operating Territory, although we do not dictate where in the Operating Territory you must locate your office. You are to market, promote, and advertise your Franchise only in your Operating Territory. With our written permission, you can serve customers reasonably located outside of your Operating Territory, so long as they are not in the territory of any other franchisee (unless that franchisee consents). The Royalty Fee on revenue produced outside of your territory is 14% rather than the standard 9% (see Item 6, above). You will also provide additional information and explanation for any work you perform outside of your assigned Operating Territory. You will not be allowed to actively market to or advertise in an area outside your Operating Territory. Only we may place national or regional advertising. If you service a customer outside of your Operating Territory who is not in the territory of another franchisee, but we later sell that territory to another franchisee, you have to give up that customer. We have the right to determine the reasonable transfer time of customers from an existing franchise to a new franchise for customers that reside in the new territory. Before you sign the Franchise Agreement, we will define your Operating Territory in Schedule A to the Franchise Agreement, usually by a description of the geographic boundaries Territory or by a map. We cannot alter the size of your Operating Territory without your written agreement. (See Section 2 of the Franchise Agreement)

We do not operate or franchise others to operate any business in the United States offering services similar to those offered under the System under trade names or trademarks other than “Precision Concrete Cutting”

Your rights to your Operating Territory depend on you achieving annual sales volume of \$150,000 in the first year of operation. In your second year of operation your rights to your Operating Territory depend on you achieving annual sales volume of \$250,000. In your third year of operation your rights to your Operating Territory depend on you achieving annual sales volume of \$350,000. In your fourth year of operation your rights to your Operating Territory

depend on you achieving annual sales volume of \$450,000. In addition, every month you must produce minimum revenue of \$5,000 to keep rights to your Operating Territory. We have the right to terminate the franchise agreement if you are unable to achieve the minimum monthly and annual sales volume.

You must receive our written permission before you relocate your franchise. Any relocation will be at your sole expense. You must satisfy our then current franchise placement and demographics criteria, as expressed in the Confidential Operations Manuals.

You do not receive the right to acquire additional franchises or grant sub franchises within your Operating Territory or in contiguous territories. You are not granted any options, rights of first refusal, or similar rights to purchase or acquire additional territories or grant sub franchises within your Operating Territory or contiguous territories.

We retain all rights not specifically granted to you in the Franchise Agreement. This includes our right to operate or grant franchises at locations and on such terms and conditions as we may deem appropriate and the right to develop, market, and sell any product or service or own or operate any other business under the Marks. Neither we nor our affiliates are restricted from participating in other distribution methods, whether or not within or next to your Operating Territory, including Internet, other forms of media now or in the future developed, wholesale and mail order channels under marks and product configurations different than those offered through your franchise. We are not required to pay you for soliciting or accepting orders from inside your Operating Territory.

We retain the sole right to market on the Internet, including all use of web sites, domain names, URL's, linking, meta-tags, advertising, auction sites, e-commerce, and co-branding arrangements. You will provide us content for our Internet marketing, and follow our Intranet and Internet usage requirements. We also retain the sole right to use the marks on the Internet, including on web sites, as domain names, directory addresses, meta-tags, and in connection with linking, advertising, co-branding, and other arrangements. We retain the right to approve any linking or other use of our web site. You may not establish a presence on or market using the Internet except as we may specify, and only with our prior written consent. Subject to the terms of use on our web site, we may gather, develop and use in any lawful manner information about any visitor to the web site, including but not limited to your customers, franchisees or prospective franchisees regardless of whether they were referred to you via the web site or were otherwise in contact with you.

We have not established and do not intend to establish other franchises or company-owned outlets selling similar products or services under a different method of operation, trade name or trademark.

We may purchase or be purchased by, or merge or combine with, competing businesses, wherever located.

ITEM 13

TRADEMARKS

We own two trademarks, that we license to you under the Franchise Agreement (the “Marks”). The principal Mark you will typically use to identify your Franchised Business is the service mark “Precision Concrete Cutting ®.”

We registered the Mark “Precision Concrete Cutting” and “Trip Hazard Removal Specialists” on the Supplemental Register of the United States Patent and Trademark as follows:

Mark	Registration No.	Registration Date	Type of Mark
PRECISION CONCRETE CUTTING	3,833,200	August 10, 2010	Service Mark
TRIP HAZARD REMOVAL SPECIALISTS	3,833,216	August 10, 2010	Service Mark

We have filed all required affidavits and have not been required to renew this registration.

There are no presently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or the Trademark Administrator of any state or any court, that materially limit your right to use any Mark. There is currently no pending interference, opposition, or cancellation proceeding, nor any pending litigation, involving the Marks that is relevant to their use anywhere in the United States. There are currently no pending agreements in effect that affect or limit our use or our ability to license others to use the Marks in any manner material to your Franchise. To our knowledge, there are currently no superior rights or infringing uses that could materially affect your use of the Marks in any state.

If someone challenges your use of our trademark, we will take the action we think appropriate, this could include taking no action at all. Precision Concrete Cutting, alone, has the right to control any legal action or proceeding including settlement involving service mark infringement or trademarks. Precision Concrete Cutting will sue or defend an action at our sole discretion. You must notify us immediately upon learning about any possible infringement or challenge so we can take whatever action we deem necessary. We may take over the defense of this claim at any time and settle it as we think fit. Since we are registered on the Supplemental Register we may not be able to protect the franchisee against claims of infringement or unfair competition arising out of your use of the trademark.

You must modify or discontinue the use of a trademark if we modify or discontinue it. You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of the franchised system.

If another company located in your area already has use of the name “Precision Concrete Cutting” we will need to approve another name for your business. If you do business under another name, you need our permission to use our service marks with that name. You may not use our registered name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. All revenue generated under the business name is subject to Royalty Fees.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We claim common law rights and copyright protection and intend to affix a statutory notice of copyright in and to a number of different items you will use in operating your Franchised Business, including our Confidential Operations Manuals, most of our advertising, administrative and training materials, bidding software, invoicing and other office forms, etc. and to all modifications and additions to them. We have not registered any of these materials with the United States Registrar of Copyrights, although we may do so. There are no determinations, agreements, infringements, or obligations currently affecting these notices or copyrights. You have no rights to our copyrighted materials. You are granted the right and are required to use the copyrighted items only with your operation of the franchise during the term of your franchise agreement.

There are no other patents, pending patent applications, or registered copyrights that are material to your Franchise.

There are currently no material determination of the United States Patent and Trademark Office, the United States Copyright Office, or a court regarding the patents or copyrights, nor are there any currently-effective agreements between any third parties and us that will limit our right to use or license others to use any of our copyrighted material in any manner material to your Franchise.

We do not know of any infringing uses that could materially affect your use of our copyrighted material in this state or any state in which your Franchised Business is located.

We claim proprietary rights in the contents of our Confidential Operations Manual and in all other materials and information related to the Precision Concrete Cutting System including our methods of operating a business, techniques, specifications, marketing and sales techniques, advertising programs, equipment and supplies, supplier lists, price lists, expansion plans, advertising strategies, and other information we create or use. We consider certain portions and components of these proprietary systems and materials as our trade secrets. You agree to maintain the confidentiality of this information both during and after the term of the Franchise Agreement, and agree that you will not use this information in any other business or in any manner that we do not approve in writing. You may not communicate, divulge, or otherwise display this information to anyone other than your employees who have a need to know of it in order to operate your Franchised Business. You must have all your management personnel and employees execute on an annual basis a non-disclosure/non-compete agreement, in a form we prepare, to ensure that they maintain the confidentiality of our confidential and proprietary information. Your client lists are our property, and you cannot use them for any purpose other

than to support your Franchised Business. We have the right to take legal action against you if there has been an unauthorized use of our confidential information through you. Any litigation that is required for any reason in your Operating Territory is to be paid by you.

We are not required to protect or defend our copyrights or patents, although we intend to do so when it is in the best interests of Precision Concrete Cutting. We have the exclusive right to control any litigation. We are not required to participate in your defense or to indemnify you for damages or expenses you incur if you are a party to any administrative or judicial proceeding involving our confidential information or copyrighted materials. Any litigation that is required for any reason in your Operating Territory is to be paid by you.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We only grant franchises to individuals who are looking for an active, rather than passive, investment. You must directly supervise your Franchised Business. You may hire a manager or a management team to assist you as you deem appropriate. We have the right to approve any manager you hire before the manager assumes management responsibility for the Franchised Business. You are required to dedicate a minimum of 35 hours each week towards sales activities. After thirty (30) days from the signing of the Franchise Agreement, you must also hire a dedicated salesperson, who exclusively works to generate sales. After three (3) months from the signing of the Franchise Agreement, you must hire an additional sales person, who also exclusively works to generate sales. We recommend that all senior managers of your business attend our Corporate training class. You must have your managers and employees execute on an annual basis a non-disclosure/non-compete agreement, in a form we prepare, that obligates them to maintain the confidentiality of our trade secrets and confidential information, including but not limited to our Confidential Operations Manual.

You sign the Franchise Agreement in your individual capacity. You may assign the Franchise Agreement to a corporation, provided the corporation conducts no business other than the Franchised Business, and further provided that you actively manage the corporation and control the majority of its equity and voting power. You make the assignment through a Corporate Assignment Agreement (please request our current Corporate Assignment Agreement) in which you and your company agree to be bound jointly and severally by all provisions of the Franchise Agreement. You do not have to sign a personal guaranty. All obligations of confidentiality and non-competition under the Franchise Agreement are your personal obligations. All issued and outstanding share certificates of your company must bear a legend stating that you will not transfer, assign, or sell any share without Precision Concrete Cutting Corporate approval. If you assign your Franchised Business under the Corporate Assignment Agreement, the corporation may hire a manager or management team to supervise the day-to-day operations of the Franchised Business, subject to our requirements regarding the employment of managers. Your managers are not required to have an equity interest in your corporation or your Franchised Business. *See* Item 17 of this Disclosure Document.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISE MAY SELL

We require that you offer and sell only those products and services that are part of the System and that we approve in writing.

In offering these services, you may use only equipment, materials, supplies, uniforms, forms, and products that meet our specifications. You must operate your Franchised Business in complete compliance with our System, which permits us to dictate requirements about your uniforms, materials, procedures for performing the work, and advertising. We have the right to add additional authorized services that a franchisee is required to offer. There are no limitations on our right to make changes to the types of authorized goods and services.

You may provide these services to any customers you desire within your Operating Territory. You may not solicit or provide services outside your Operating Territory without our written permission. You must refer prospective customers outside your Operating Territory to the Precision Concrete Cutting® franchisee with rights to that territory, and to us. At our discretion we may permit you to do a limited amount of work outside your Operating territory.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of your Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
a. Term of the franchise	Section 1.1	5 Years
b. Renewal or extension of term	Section 1.2	If you meet certain requirements, you may renew for an additional 5-year term
c. Requirements for franchisee to renew or extend	Section 1.2	Full compliance with the agreement during initial term, give us notice, sign a new franchise agreement, pay a renewal fee, and sign a release. Your new agreement may have materially different terms and conditions than your original contract. The royalties and other fees may increase but they will be no greater than the royalties and other fees that we then impose on similarly situated renewing and new franchisees. If you have more than one Precision Concrete Cutting franchise

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
		agreement with us, upon renewal, you may opt to merge or incorporate the territory defined and outlined in such other existing franchise agreement(s) into the new, successor franchise agreement that you execute with us.
d. Termination by franchisee	Section 14.1	If we breach agreement and do not cure after 30-day notice and opportunity to cure
e. Termination by franchisor without cause	None	Not applicable
f. Termination by franchisor with cause	Sections 14.2 and 14.3	We can terminate if you default or commit any one of the several listed violations
g. "Cause" defined – curable defaults	Section 14.3	10 days to cure monetary defaults; 20 days to correct financial problems; 30 days for breach of certain provisions of agreement; 60 days to assign franchise after death of franchisee; 2 days for failure to actively operate franchise or for operating franchise in unsafe manner; 3 days for selling unauthorized products or services; or prompt response to satisfy customer complaints; or collusion with a competitor of PCC or one of its franchises.
h. "Cause" defined – non-curable defaults	Section 14.3	Assignment for the benefit of creditors, bankruptcy, insolvency, abandonment of franchise, execution, seizure, foreclosure, levy or distress against your assets; failure to report purchases; financial misrepresentation; attempted transfer of franchise without following procedures; unauthorized use of our trademarks or confidential information; repeated failures to submit required information to us; repeated understatement of Gross Revenues; receipt of 2 or more notices of franchise agreement violation or default during any 12-month period; violations of laws or regulations covering operation of franchise; and multiple violations of agreement whether or not cured
i. Franchisee's obligations on	Section 15	Pay outstanding amounts, de-identify (including changing telephone number),

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
termination/nonrenewal		return manuals and confidential information to us, return proprietary files, equipment and supplies, and a complete database of all past and current customers, comply with covenant against competing with us, sell us your franchise if we exercise our right to purchase, transfer your telephone numbers and directory listings to us, professionally correspond with customers and return equipment and manuals
j. Assignment of contract by franchisor	Section 16.1	We may freely assign the agreement in our absolute discretion
k. “Transfer” by franchisee – definition	Section 16.2	Includes direct, indirect or contingent transfer, in whole or in part, of any interest in the Franchised Business
l. Franchisor approval of transfer by franchisee	Sections 16.2, and 16.4	Right to withhold approval at our sole discretion
m. Conditions for franchisor approval of transfer	Sections 16.2, 16.3, and 16.4	Transferee meets our criteria, you are current on your obligations to us, you pay a transfer fee, you give us notice and sign a release, and transferee signs current franchise agreement
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 16.6	This right is triggered by your receiving a <i>bona fide</i> written offer to purchase your Franchised Business and its assets
o. Franchisor’s option to purchase franchisee’s business	Section 15.5	This option is triggered by the termination or non-renewal of your agreement
p. Death or disability of franchisee	Section 16.5	Your estate or representative may assign the Franchise Agreement to your spouse, or to any one or more of your adult children, on the same terms and conditions as you are permitted to assign the Franchise Agreement to a third party transferee.
q. Non-competition covenants during the term of the franchise	Section 5.6	You may not engage in any business that interferes with your obligation to manage your Franchised Business
r. Non-competition covenants after the franchise is terminated or expires	Section 15.4	No competition is allowed for 720 days in your territory, within a 100-mile radius any of your territory, within a 100-mile radius of any location or territory where

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
		we operate or have granted the franchise to operate a PCC business, and within the United States of America or Canada.
s. Modification of the agreement	Section 4.6 and 18.4	No modification without written agreement, but we may change the manual(s) without your consent
t. Integration/merger clause	Section 18.10	Only terms of the Franchise Agreement (including Schedules and Addenda) are binding, <u>subject to state law</u> . Nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations we make in the Franchise Disclosure Document. Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable.
u. Dispute resolution by arbitration or mediation	18.1	Mediation to be held in Utah County, Utah (subject to Utah State law)
v. Choice of forum	18.17	Litigation in state or federal courts in Utah County, Utah (subject to Utah State law)
w. Choice of law	Section 18.17	Utah law applies (subject to Utah State law) except as otherwise provided in the Franchise Agreement and except in those states whose franchise laws require exclusive application and except to the extent governed by the United States Trademark Act.

See the State Law Addendum for additional, state-specific disclosures and amendments.

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise. You have no right to use the name of any public figure for purposes of promotional efforts, advertising, or endorsements, except with our prior written consent. No public figure has an investment in the System or us.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC 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 Aaron Ollivier, 3191 N. Canyon Rd. Provo, UT 84604, 801-224-0025, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR FISCAL YEARS ENDED
AS OF DECEMBER 31, 2016, 2017, and 2018

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2016	52	55	+3
	2017	55	56	+1
	2018	56	57	+1
Company Owned	2016	5	6	+1
	2017	6	6	+0
	2018	6	6	+0
Total Outlets	2016	57	61	+4
	2017	61	62	+1
	2018	62	63	+1

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
AS OF DECEMBER 31, 2016, 2017, and 2018

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2016	1
	2017	0
	2018	0
California**	2016	0
	2017	3
	2018	0
North Carolina, Virginia, D.C., West Virginia**	2016	0
	2017	0
	2018	5
Massachusetts*	2016	0
	2017	0
	2018	1
Total	2016	1
	2017	3
	2018	6

*franchise was purchased by another franchise

**Franchise was sold to a new owner

TABLE NO. 3
STATUS OF FRANCHISED UNITS^(See Note 1)
FOR THE FISCAL YEARS ENDED
AS OF DECEMBER 31, 2016, 2017, and 2018

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non- renewals	Reacquired by Franchisor	Ceased Operation s Other Reasons	Outlets at the end of Year
Alabama	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Arkansas	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Australia	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
California	2016	8	0	0	0	1	0	7
	2017	7	0	0	0	0	0	7

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
	2018	7	0	0	0	0	0	7
Connecticut/ Rhode Island	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
District of Columbia	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Delaware	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Florida	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
Georgia	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Illinois	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Indiana	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Iowa/Nebraska	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Kansas	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Kentucky	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Louisiana	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
	2018	1	0	0	0	0	0	1
Massachusetts	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Michigan	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Minnesota/ South Dakota/North Dakota	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Mississippi	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
New Jersey	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
New York	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	1	0	1
	2018	1	0	0	0	0	0	1
North Carolina	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Ohio	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Oklahoma	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Oregon	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Pennsylvania	2016	1	0	0	0	0	0	1
	2017	1	2	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at the end of Year
	2018	3	0	0	0	0	0	3
South Carolina	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Texas	2016	3	0	1	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	1	0	0	0	0	3
Tennessee	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Virginia	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
West Virginia	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Wisconsin	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Canada	2016	5	2	0	0	0	0	7
	2017	7	0	0	0	0	0	7
	2018	7	0	0	0	0	0	7
Totals	2016	51	6	1	0	1	0	55
	2017	55	2	0	0	1	0	56
	2018	56	1	0	0	0	0	57

Explanatory Notes:

1. A Franchised Business represents a Franchise for a defined Operating Territory described in a Franchise Agreement.
2. The numbers in the “Total” column may exceed the number of Franchised Businesses affected because the several events may have affected the same Franchised Business. For example, the same Franchised Business may have had multiple owners or the

same Franchised Business may have been transferred, reacquired, and subsequently terminated.

TABLE NO. 4
STATUS OF COMPANY-OWNED BUSINESSES
FOR FISCAL YEARS ENDED
AS OF DECEMBER 31, 2016, 2017, and 2018

State	Year	Outlets at the Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Utah	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
Arizona	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
Colorado	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
Nevada	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
Washington	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
Orange County	2016	0	0	1	0	0	1
	2017	1	0	0	0	0	2
	2018	1	0	0	0	0	1
Total	2016	5	0	1	0	0	6
	2017	6	0	0	0	0	6
	2018	6	0	0	0	0	6

TABLE NO. 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2018 THROUGH DECEMBER 31, 2019

Column 1 Territory	Column 2 Franchise Agreements Signed But Business Not Yet Operational	Column 3 Projected New Franchisees in the Next Fiscal Year	Column 4 Projected Company- Owned Openings in Next Fiscal Year
Southern Illinois	0	1	0
Sydney, Australia	0	1	0
New Mexico	0	0	1
Totals	0	2	1

The following is a complete listing of all our franchisees and the addresses and telephone numbers of their franchises as of the date of this Disclosure Document:

Territory	Name	Address	City	State	Zip Code	Phone	#	Name
Alabama/Tennessee	Joseph Norris	10519 Vaughn	Pike Road	AL	36064	(334) 391-0901	2	Precision Concrete Cutting
Arkansas	Austin Horn	1200 Andrews Drive	Conway	AR	72032	(844) 450-5005	1	Precision Safe Sidewalks
Australia: Melbourne	Andrew Earls/Nick Hooper	21 Malvern Grove	Caulfield North	VIC	3161	045-506-1387	1	Safe Foot Paths
California: Long Beach	Ron Durna	13089 #C235 Peyton Dr.	Chino Hills	CA	91709	(909) 539-7740	1	Precision Concrete Cutting
California: Los Angeles/Riverside	Gary Beneduci	7514 Girard Ave.	La Jolla	CA	92037	(858) 699-1089	2	Precision Concrete Cutting
California: San Diego	Kevin Yocum	32428 Campo Drive	Temecula	CA	92592	(619) 206-1870	1	Precision Concrete Cutting
California: San Francisco/Silicon Valley/Sacramento	Marc Cussenot	335 Beach Rd	Burlingame	CA	94010	(415) 638-7006	3	Precision Concrete Cutting
Canada: Alberta/British Columbia/Saskatchewan/Manitoba	Quinn Hancock	2733 Signal Hill Bay SW	Calgary	AB	T3H 2L5	(403) 629-0605	4	Precision Safe Sidewalks
Canada: Ottawa	Doug Andress/ Mark Cosick	45 Wildwood Crescent	Brockville	ON	K6V 0A8	(613)-803-3117/ (205)-891-8361	1	Precision Concrete Cutting
Canada: Toronto/Hamilton	Ishak Delikanli	235 Bloor Street East, Unit 1513	Toronto	ON	M4W 3Y3	(406) 662-5276	2	Precision Concrete Cutting

Territory	Name	Address	City	State	Zip Code	Phone	#	Name
Connecticut/Massachusetts	Sal Ceneri	80 Platt Lane	Medford	CT	6461	(203) 410-3086	2	Precision Concrete Cutting
Delaware	Gary and Tanya Tucker	213 Maryland Ave	Newport	DE	1980 4	(302) 543-5833	1	Precision Concrete Cutting
Florida: North, Central/ South Carolina	Wendy and Alan Macmurray	970 SW 104 th Street Road	Ocala	FL	3447 6	(352) 857-9587	3	Precision Sidewalk Safety
Florida: South	Dina And Steve Sdankus	925 SW 42 Terrace	Plantation	FL	3331 7	(954) 792-0708	1	Florida Sidewalks Solutions
Georgia	Todd Fulk	PO BOX 14685	Bradenton	FL	3428 0	(941) 773-4902	2	Georgia Safe Sidewalks
Kansas	Tom Pitney	11922 Stearns	Overland Park	KS	6621 3	(913) 851-2004	1	Precision Concrete Cutting
Kentucky	Shayne Lingg	804 Yorkbar Court	Clarksville	TN	3704 3	(270) 881-2434	1	Precision Concrete Cutting
Louisiana/Mississippi	Cathy and Ron LeBoeuf	36401 Plantation Blvd	Prairieville	LA	7076 9	(225) 505-9585	2	Precision Concrete Cutting
Michigan/Indiana	Mark Bonkowski	1896 Goldeneye Drive	Holland	MI	4942 4	616) 403-1140	3	Precision Concrete
Minnesota/Nebraska/Iowa/N . Dakota/S. Dakota	Mark Quale	936 South Andrew Drive NE	New London	MN	5627 3	(320) 354-2100	2	Precision Concrete Cutting
New York: Albany	Tom Urmston	3 Daisy Lane	Montgomery	NY	1254 9	(760) 518-2179	1	Precision Concrete Cutting
North Carolina/Virgina/Washingto n D.C./West Virginia	Phillip Hester	2104 Duck Hunter Point	Florence	SC	2950 1	(760) 518-2179	5	Precision Safe Sidewalks
Ohio	Kevin Fuller/Al Schwecke	11952 North Harvest Moon Lane	Highland	UT	8400 3	(801) 492-3387/ (513) 900-7364	2	Precision Concrete Cutting
Oklahoma/ North Texas	Steve Baker	4300 North Sooner Road	Oklahoma City	OK	7314 1	(405) 301-2672	2	Precision Concrete Cutting
Oregon	Bryan Dickson	PO BOX 22174	Milwaukie,	OR	9726 9	(503) 206-2947	1	Safe Sidewalks
Pennsylvania/ New Jersey: North, South	Tom Sweitzer/ John Franklin	459 Lancaster Ave.	Devon	PA	1933 3	(267) 228-3421	5	Always Safe Sidewalks
Texas: Austin/Houston	Dave Lardner	1036 Liberty Park Drive 13B	Austin	TX	7874 6	(512) 369-2558	2	Precision Concrete Cutting

Territory	Name	Address	City	State	Zip Code	Phone	#	Name
Wisconsin/Illinois/ Minnesota: Twin Cities	Chris Ott	N1641 Waterlefe Drive	Greenville	WI	5494 2	(920) 202-0954	3	Safe Step

The following table is a list of all company owned operations.

Territory	Address	City	State	Zip Code	Phone
Arizona	1110 South Horne #103	Mesa	AZ	85204	(480) 588-5351
Colorado	745 Vallejo St	Denver	CO	80204	720-508-3963
Nevada	4852 Cecile Avenue	Las Vegas	NV	89115	(702) 665-5050
Orange County	650 S Grand Ave Unit 108	Santa Ana	CA	92705	(657) 245-3400
Utah	488 North 1200 West	Lindon	UT	84042	(801) 224-0025
Washington	5624 128 th Street E	Puyallup	WA	98373	(253) 848-1685

The following is a list of the names and last known home addresses and telephone numbers of every franchisee whose franchise was terminated, canceled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year, or who has not communicated with us within 10 weeks of the date of this Disclosure Document: **NONE**.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

The following is a list of any independent franchisee organizations that have asked to be included in this disclosure document: **NONE**.

Our standard franchise agreement, all renewal and transfer agreements, and all agreements to settle disputes with franchisees, generally contain confidentiality clauses. Thus, all our franchisees have signed a confidentiality clause with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

The following is a list, to the extent known to us, of the names, addresses, telephone numbers, email addresses, and web addresses of each trademark-specific franchise organization associated with the franchise system being offered which we have created, sponsored, or endorsed: **NONE**.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit E are our audited financial statements for the fiscal years ended December 31, 2016, 2017, and 2018. Our fiscal year-end is December 31.

ITEM 22

CONTRACTS

Attached are copies of the Franchise Agreement, Standard Renewal and Release, the State Law Addendum, National Account Policy Agreement, Non-Disclosure contracts, and all other related agreements and forms you may have to sign when you purchase or renew your franchise.

ITEM 23

RECEIPT

The last 2 pages of this Disclosure Document (Exhibit F) are a detachable document acknowledging that you received this Disclosure Document. You are required to sign each Receipt. If you are missing these Receipts, please contact us at this address or telephone number:

Precision Concrete Cutting, Inc.
3191 N. Canyon Rd
Provo, UT 84604
(801) 224-0025
matt@safesidewalks.com

EXHIBIT A TO FRANCHISE DISCLOSURE DOCUMENT

The Following Table Reflects Our Agents for Service of Process and the Relevant State Franchise Authorities:

NAMES AND ADDRESSES OF STATE REGULATORY AUTHORITIES AND REGISTERED AGENTS IN STATES

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
CALIFORNIA	California Commissioner of Business Oversight: Los Angeles: 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 Sacramento: 1515 K Street, Suite 200 Sacramento, CA 95814-4052 (916) 445-7205 San Diego: 1350 Front Street San Diego, CA 92101-3697 (619) 525-4233 San Francisco: One Sansome Street, Suite 600 San Francisco, CA 94104	Commissioner Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, CA 90013-1105 (213) 576-7505
CONNECTICUT	The Banking Commissioner Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299	The Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299
FLORIDA	[Not Applicable]	Senior Consumer Complaint Analyst Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, Florida 32399-0800 (850) 922-2770

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
HAWAII	Commissioner of Securities of the Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722	Commissioner of Securities of the Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Chief, Franchise Bureau Illinois Attorney General 100 W. Randolph Street Chicago, IL 60601 (312) 814-3892
INDIANA	Secretary of State Administrative Offices of the Secretary of State 201 State House Indianapolis, IN 46204 (317) 232-6681	Securities Commissioner Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
IOWA	[Not Applicable]	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, Iowa 50319-0066 (515) 281-4441
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottawa 670 Law Building Lansing, MI 48913 (517) 373-7117	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328	Deputy Commissioner Minnesota Department of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328
NEBRASKA	[Not Applicable]	Staff Attorney Department of Banking and Finance 1200 N Street Suite 311 P.O. Box 95006 Lincoln, Nebraska 68509 (402) 471-3445

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
NEW YORK	Secretary of State of the State of New York 162 Washington Street Albany, NY 12231	Assistant Attorney General New York State Department of Law Investor Protection Bureau 28 Liberty St New York, NY 10005 (212) 416-8211
NORTH DAKOTA	North Dakota Securities Commissioner Fifth Floor 500 East Boulevard Bismarck, ND 58505	Franchise Examiner Office of Securities Commissioner 600 East Boulevard, 5th Floor Bismarck, ND 58505 (701) 328-4712
OREGON	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Franchise Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director of Rhode Island Department of Franchise Regulation Division of Securities Suite 232 Providence, RI 02903 (401) 222-3048	Associate Director and Superintendent of Securities Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 222-3048
SOUTH DAKOTA	Department of Labor and Regulation Division of Securities 124 South Euclid Suite 104 Pierre, SD 57501 (605) 773-4823	Franchise Administrator Division of Securities 124 South Euclid Suite 104 Pierre, SD 57501 (605) 773-4013
TEXAS	[Not Applicable]	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769
UTAH	Aaron Ollivier 3191 North Canyon Road Provo, Utah 84604	Division of Consumer Protection Utah Department of Commerce 160 East Three Hundred South P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
WASHINGTON	Director of Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Administrator Dept. of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities P.O. Box 1768 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555
FEDERAL TRADE COMMISSION		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6th Street, NW Washington, D.C. 20580 (202) 326-3128

EXHIBIT B TO PCC FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT
BETWEEN
PRECISION CONCRETE CUTTING, INC.
AND

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SCHEDULES

- A - Description of Operating Territory

PRECISION CONCRETE CUTTING, INC.

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is made and entered into as of the _____ day of _____, 20__ (the “Effective Date”), by and between PRECISION CONCRETE CUTTING, INC., a Utah corporation with its principal place of business at 3191 North Canyon Road, Provo, Utah 84604 (“we,” “us,” “Corporate,” or the “Company”) and _____, whose principal address is shown on Schedule A to this Agreement (“you”).

WITNESSETH:

WHEREAS, we have certain rights to, the service mark “Precision Concrete Cutting,” and the patents, and styles related thereto (collectively, the “Marks”); and

WHEREAS, we offer franchises for protected territories.

WHEREAS, we have developed Maintenance, Marketing, and Safety Manuals and have established a methodology for the operation, and promotion of a business that offers uneven sidewalk repair under our Confidential Operations Manual, Employee Policy Agreement, and Other Manuals (collectively, the “Manuals”), training, standards, specifications, confidential information, procedures, materials, Marks, all of which is subject to change, improvement, and further development from time to time (collectively, the “System”); and

WHEREAS, you desire to establish an uneven sidewalk repair business using our System, including the Marks, Manuals, and methods, and have applied to us for such a right; and

WHEREAS, we desire to grant you such a right, under the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, and for other valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, you and we agree as follows:

1. GRANT AND RENEWAL OF FRANCHISE

- 1.1 Grant of Franchise. Subject to all the terms and considerations of this Agreement, we hereby grant you, and you hereby accept, the franchise and right (hereinafter the “Franchise”) to open and operate a business using the System (the “Franchised Business”) within the area (the “Operating Territory”) described in Schedule A attached to this Agreement, for a term of five (5) years (the “Term”), commencing on the Effective Date.
- 1.2 Renewal of Franchise. You may renew the Franchise without payment of our then-existing Initial Franchise Fee, provided:

- (a) You deliver written notice to us of your intention to renew, less than nine (9) months but more than six (6) months before the end of the Term;
- (b) You have been in full compliance with this Agreement during the Term, and you remain in full compliance with this Agreement at the end of the Term;
- (c) You execute our then-current standard franchise agreement, which may contain terms that differ significantly from the terms of this Agreement; which differences may include, without limitation, different provisions regarding ongoing fees and payments such as Royalty Fees and Marketing Fees, sales quotas, and the length of the Term;
- (d) You pay a renewal fee of \$10,000; and
- (e) You execute a general release, in a form we prepare at our sole cost and expense, of any and all claims against us and our affiliates, directors, officers, and employees.
- (f) For the purposes of this Section 1.2, you will be deemed to have irrevocably declined to renew the Franchise and the foregoing option will automatically terminate, if you fail to execute and deliver to us all documents required for such renewal, including a signed copy of the then-current franchise agreement and the general release, within thirty (30) days after we deliver them to you for signature.
- (g) If you have more than one Precision Concrete Cutting franchise agreement with us, upon renewal, you may opt to merge or incorporate the territory defined and outlined in such other existing franchise agreement(s) into the new, successor franchise agreement that you execute with us. In such event, the new, successor franchise agreement replaces and supersedes all other existing franchise agreements and the Operating Territory and other terms and provisions may materially differ from the preceding franchise agreements.

1.3 Effect of Termination. Termination or expiration of this Agreement will constitute a termination or expiration of the Franchise and will require immediate cessation of the Franchised Business.

2. EXCLUSIVITY OF OPERATING TERRITORY

We will not operate ourselves, nor enfranchise others to operate, a business substantially similar to the Franchised Business within your Operating Territory. Except as expressly limited above, we retain all rights to the System, including the Marks; including, without limitation, the right to operate or grant Franchises at locations and on such terms and conditions as we may deem appropriate and the right to develop, market, and sell any product or service or own or operate any other business under the Marks. With written permission only of Precision Concrete Cutting, Inc., you may provide the services licensed by this Franchise Agreement to locations outside of your Operating Territory, provided that the location does not fall within the operating territory of any other Precision Concrete Cutting franchise, or within an exclusive territory of any Precision Concrete Cutting business operated by us or any of our affiliates. Working, bidding or soliciting work outside of your Operating Territory is not allowed without the prior written consent of Franchisor. Franchisor may revoke a prior approval to conduct business outside of your Operating Territory at any time for any reason, without prior notification. Royalty on revenue

generated in any area outside of your Operating Territory is subject to 14% fee, rather than the standard and customary 9% fee. You will also provide additional information and explanation for any work you perform outside of your assigned territory in writing prior to bidding or performing work outside your territory. If the location falls within an operating territory of another franchise, you may provide services at that location only after receiving the express prior written consent of both the other franchise and from us, which consent may be revoked at any time by either of such consenting parties. We cannot alter the size of your Operation Territory without your written agreement. If you are servicing a location outside of the Operating Territory and not within the operating territory of another franchise, but the area in which that location is situated is later sold to another franchise, you will immediately upon receipt of notice from Franchisor, and at our discretion, cooperate in transferring the account over to the new franchisee or Franchisor, with no financial benefit accruing to you. If you purchase a territory that contains customers being serviced by another franchise, these customers will be turned over to you when the Franchisor determines it is appropriate. The transfer is at the sole discretion of the Franchisor and these rights may be revoked if we determine you fail to maintain these accounts to Precision Concrete Cutting standards.

You may not market or otherwise solicit business outside of your Operating Territory unless you receive express written consent from us. The only other exception to this rule is that you may advertise in publications that overlap into areas outside of the Operating Territory.

3. COMMENCEMENT OF BUSINESS

You may commence your Franchised Business only after you successfully complete our Pre-Opening Training and Corporate Training programs (*see* Section 4, below) and only if you are then in full compliance with the terms and conditions of this Agreement. You are not required to establish a commercial business premises for the Franchised Business, you may operate from your home. However, your home must be located within the Operating Territory or you may be required to establish a commercial business premise at a location you and we agree on. You will commence your Franchised Business as soon as possible after the date of this Agreement, but in any event not later than 15 days after you complete our Pre-Opening Training and Corporate Training programs.

4. TRAINING AND OPERATING ASSISTANCE

4.1 Training. Before you begin your operation of the Franchised Business, we will furnish our Pre-Opening Training involving the operation of a Precision Concrete Cutting Franchise. We will conduct the Pre-Opening Training through our Confidential Operations Manual and other support manuals. We will conduct the Corporate Training for up to three (3) days at the Precision Concrete Cutting corporate office in Lindon, Utah. You may be responsible for some expenses you and your attendees incur in connection with attending the Corporate Training including, without limitation, transportation, food, lodging, payroll, and benefit costs.

4.2 Completion of Training Program/Termination. You must complete the Pre-Opening Training to our reasonable satisfaction before you begin your operation of the Franchised Business. If, for any reason, you fail to satisfactorily prepare for or honor your training program obligations, you may be responsible for any additional expenses that may be incurred by our Trainer or Training Department to further train.

4.3 Hiring and Training of Employees. Unless trained by us or otherwise agreed to by us, you will hire, and train at your expense, all management employees of the Franchised Business. You will be solely responsible for the terms of employment and compensation of all employees you employ. You should perform a background check on every applicant you desire to employ. You will not employ anyone: (i) whose background check suggests that such person does not adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct; or (ii) who refuses or fails to complete satisfactorily the training program you or we, as the case may be, conduct. All your employees charged with management responsibility for the day-to-day operations of the Franchised Business may either be trained by us pursuant to Section 4.1 above or otherwise trained by you to our satisfaction. We must consent to the employment of all such management personnel in writing before they assume any such management responsibility, and all such management personnel as well as other employees must execute on an annual basis a non-disclosure/non-compete agreement we create that requires such personnel to maintain the confidential nature of our trade secrets, confidential and proprietary information, and the System, including the Manuals, during the term of their employment and thereafter.

You will be responsible to place sufficient employment advertising, in amounts and media as deemed appropriate by us for your market.

4.4 Additional Training. From time to time we offer additional training programs for you and/or your staff, including our annual system-wide meeting and retreat. Attendance is voluntary, but highly encouraged for all trainings. The above notwithstanding, we may require you to attend our annual meeting and retreat if you do not meet the annual or one-month revenue requirements outlined in this Agreement during the previous year. Expenses and training costs for attendance are your responsibility. The fee for additional training is the then-current prevailing 8-hour per day rate plus travel, lodging, and meals of our trainer. If training is performed at our corporate headquarters you are not required to pay for travel, lodging or meals of our trainer.

We strongly recommend that you attend a third-party sales training camp and also engage in bi-weekly coaching sessions along with your sales team.

4.5 Operating Assistance. We will furnish you with such advice and assistance in connection with the operation of the Franchised Business as we deem necessary. Operating assistance may consist of advice and guidance with respect to:

(a) Methods and procedures for the purchase and use of equipment, materials, forms, displays, supplies, and other items you need to conduct your Franchised Business;

(b) Such additional services and products as we may approve, from time to time, to be offered through your Franchised Business;

(c) Formulating and implementing advertising and promotional programs using such merchandising, marketing, and advertising research, data, and advice as we may develop from time to time and deem to be helpful in the operation of the Franchised Business;

(d) The establishment and implementation of administration, bookkeeping accounting, sales team or salesman, and general operating procedures for the proper operation of the Franchised Business;

(e) The operation of all equipment, machinery, and vehicles used in connection with the Franchised Business; or

(f) Additional advice regarding your use of the System.

(g) Provide you with toll-free telephone support in different aspects of operating the Franchised Business between the hours of 9AM and 4PM MST, Monday – Friday, excluding all national and Utah state holidays.

4.6 Confidential Operations Manual. In order to protect the reputation and goodwill associated with the System, the Marks, and other Precision Concrete Cutting franchises, you will conduct and operate your Franchised Business in accordance with the terms of this Agreement, our Confidential Operations Manual will be loaned to you during the Term, in addition our other Manuals, written directives we issue from time to time whether or not made a part of a particular Manual, and other materials we approve for use in operating the Franchised Business. The Manuals will contain mandatory specifications, standards, and operating procedures we prescribe from time to time for all Precision Concrete Cutting franchises and information related to your other obligations under this Agreement and to the operation of the Franchised Business. We will have the right to add to and otherwise modify any Manual from time to time to reflect changes in the System, including the Marks, authorized services, or the operation of the Franchised Business, or to issue written directives that will accomplish the same purpose. All such specifications, standards and operating procedures will be reasonable and consistent herewith and with your obligations under applicable law. Specifications, standards, and operating procedures we prescribe from time to time in the Manuals or otherwise communicated to you in writing will constitute provisions of this Agreement as if fully set forth herein. You will hold the Manuals and any other written directives or materials of ours in trust and as our confidential and proprietary information, and you will use all reasonable efforts to protect such confidentiality. You will not at any time copy, duplicate, or reproduce any Manual or other directive (the “Items”) and not distribute, disseminate, transfer, or otherwise make such Items available to any unauthorized person. You will return the Manuals and all other Items to us at the end of the Term or immediately on termination of the franchise or this Agreement for any reason. All such Items, including the Manuals, will at all times remain our sole property and will at all times be kept and maintained in a secure place on your business premises. We may publish the Confidential Operations Manual and any other Item electronically on line, on disk, or on some other medium, and you will be bound by this Agreement as to such Items to the same extent as if such Items were a printed or paper copy.

4.7 Group Purchasing. You will purchase blades, hubs, dust units, and measuring tools from Precision Concrete Cutting. We will endeavor to perform quality control on the blades and hubs and other materials you may purchase from us. We recommend that you also inspect all blades and hubs you receive from us for any defects.

4.8 Initial Inventory. We provide your initial package of materials (your “Initial Package”). The Initial Package will consist of a reasonable supply of inventory as well as the

equipment you will need to operate your franchise. We also provide a budget for signage to be installed on your trailer, business cards, and other marketing materials.

5. OPERATING STANDARDS AND SERVICES

5.1 Services. You will offer to the public and private entities a trip hazard removal service that will include measuring, bidding, marking, and cutting uneven sidewalk panels. You may only perform those services we authorize.

5.2 Supplies and Materials. You can order equipment, supplies, materials, etc. from us or local vendors. The only things you are required to purchase from us are blades, hubs, dust units, and measuring tools. If you have a supplier or new product you would like us to review we will not charge you any fee for reasonable examination or testing you request that we perform.

5.3 Use of Materials Imprinted with Names and Marks. You agree that the proper display of the Marks is important to the public recognition of the System and, as a result, to the growth of your Franchised Business and the franchised business of our other franchises. As a result, you agree that you will keep your trailer and vehicle in good repair and your equipment must be maintained and in good order to the standards described in the maintenance manual.

5.4 Standards of Service. You and your employees will at all times give prompt, courteous, and efficient service to customers of the Franchised Business. In all dealings with customers, suppliers, and the public, you and your employees will adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct. All your advertising and promotion of the Franchised Business and its services will be in strict compliance with these standards, will be completely factual, and will reflect the high standards of our service. You agree to refrain from any business or advertising practice that may be injurious to the goodwill associated with other Precision Concrete Cutting franchises or the System, including the Marks. You agree that you will not deviate from the standards we set for the operation of the Franchised Business. You will respond promptly to all inquiries and complaints in order to achieve customer satisfaction. You acknowledge that it may be necessary or desirable to change or modify the System and the methods and procedures you use to conduct the Franchised Business, and on notice from us, you will promptly implement such changes and modifications at your cost. You agree to comply with all of our specifications, standards, and operating procedures related to the operation of your Franchised Business; including, without limitation, specifications, standards, and operating procedures related to:

- (a) The selling process and methods;
- (b) Measuring techniques or tools used to bid/invoice;
- (c) The safety, maintenance, cleanliness, function, and appearance of your vehicles, equipment, accessories, and signs;
- (d) The uniforms or clothes to be worn by, and general appearance of, you and your employees;

- (e) The use of the Marks;
- (f) Your use of signs, posters, displays, brochures, flyers forms, marketing material and similar items; and
- (g) Your identification of yourself as the owner of the Franchised Business and a licensed user of the Marks;
- (h) The use of Bid Boss software and app for any smart phone.
- (i) The use of the Terminal software for your computer and iPads.
- (j) The use of Pipedrive.com or Salesforce.com or other customer retention management (CRM) tool specified by US.
- (k) The use of the Portal or other password-protected website or database operated by us.

In an effort to provide consistent service standards, you agree that every year, we may visit your location and work with you and your employees for a period of time not to exceed one week and you agree to make yourself and other employees and any items we request to be available during this time period. You also agree to pay to us the actual costs for our visit.

5.5 Pricing. We may from time to time offer you advice or guidance concerning suggested prices you may wish to charge that we reasonably believe would constitute a good business practice for you. You will not be obligated to accept any such advice or guidance and will have the sole right to determine the prices you charge, except for national accounts. No such advice or guidance will be deemed or construed to impose on you any obligation to charge any fixed, minimum, or maximum price for the service. Such advice or guidance concerning suggested prices may be contained in the Confidential Operations Manual, or advertisements we prepare or arrange.

5.6 Management/Conflicting and Competing Interests. You will directly manage the Franchised Business at all times, except for minor, temporary absences and reasonable vacations, in which case fully-trained management personnel will directly manage the Franchised Business at all times. You agree that you will at all times faithfully and diligently perform your obligations hereunder, that you will continuously devote your full-time attention, energy, and best efforts to promote and enhance the Franchised Business, and you will not engage in any business or other activity that will conflict with your obligations hereunder. You agree to invest a minimum of 35 hours per week to marketing and sales activities as part of your full-time effort, within thirty (30) days of signing the Franchise Agreement, you agree to hire a full-time salesperson dedicated exclusively to generating sales, and a second full-time salesperson within the first three (3) months of operation. In addition, you will actively manage or hire someone to oversee the sales staff. You will use Pipedrive.com or Salesforce.com for your Customer Retention Management (CRM) and sales efforts. You will send a report of activities from your account on a quarterly basis along with your updated username and password information. You acknowledge the operation of your Franchised Business is a full-time occupation and, therefore, you agree that

you will not, during the Term of this Agreement, without our written approval, have any interest as an owner (except of publicly traded securities), lender, director, officer, employee, consultant, representative, or agent, or in any other capacity, in any other business that is similar to the Franchised Business, except other Precision Concrete Cutting franchises, in the state(s) in which the Operating Territory is located, or in states that border such state(s).

5.7 Vehicles for All Business Transportation. You will use motor vehicles related to the Franchised Business, such vehicles will be clean, free of body damage, registered and licensed, relatively new motor vehicles, of a conservative type and color, particularly if the vehicle displays a logo.

5.8 Computer Requirements. You will be required to maintain your computer systems to meet the certain requirements necessary to run the System as we prescribe in the Confidential Operations Manuals from time to time. You and your employees are required to own a Smart Phone capable of operating the Bid Boss software and app. You are required to activate and subscribe to this software for you and your employees. You are also required to use the Terminal software which requires a desktop computer and iPads for technicians in the field. You are required to use the specified Customer Retention Management (CRM) tool and provide access upon request.

5.9 Compliance with Laws. You agree to comply with all laws (federal, state, and local) applicable to the operation of your franchised business, including, without limitation, all wage and hour laws, labor department, workers compensation and unemployment laws and rules.

5.10 National Account Agreement. You agree to participate in our National Account Agreement, where we provide structure for the governance of work that may be generated in territories beyond that of the franchise owner.

6. INSURANCE AND EMPLOYEE BOND

6.1 Insurance. You will procure, and maintain in full force and effect throughout the Term, the following insurance:

(e) Insurance on the generally accepted “all risk” form insuring all personal property, leasehold improvements, and assets of every description and kind you use in the Franchised Business, for the full insurable value thereof;

(f) Commercial general liability insurance with a limit of not less than \$500,000 per occurrence (combined single limit for bodily injury and property damage) with respect to the activities you and any employee or other person performing work on your behalf conducts;

(g) Automobile liability insurance with limits of not less than \$500,000 per accident for all owned, hire, and non-owned vehicles you, your employees, or any other person performing work on your behalf operate; and

(h) Workers’ compensation insurance as required by state law, and employers’ liability insurance with limits of not less than \$100,000 per person.

All such insurance policies will be written by responsible insurers licensed to conduct business in the Operating Territory, will name us as an additional insured, and will provide that we receive thirty (30) days' written notice prior to termination, expiration, or cancellation. At least ten (10) days before you begin operation of the Franchised Business, and annually thereafter, you will submit to us a copy or certificate or other acceptable proof of such insurance. During the Term, we may increase the minimum insurance limits from time to time and require different or additional kinds of insurance to reflect changes in insurance standards, normal business practices, court awards, and other relevant circumstances. If you at any time fail or refuse to maintain in effect any insurance coverage required by this Agreement, we may, at our option and in addition to our other rights and remedies under this Agreement, obtain such insurance coverage on your behalf, and you will promptly execute any applications or other forms or instruments required to obtain any such insurance and, on demand, reimburse us for any and all costs or expenses we incur and premiums we pay related to such insurance.

7. PROPRIETARY INFORMATION

7.1 Trade Secrets. You acknowledge that your knowledge of the operation of your Franchised Business and the particulars of the System is derived solely from information we disclose to you pursuant to this Agreement, the training we provide, the various manuals, all information obtained from any password-protected website operated by us (including, but not limited to, the Portal) and otherwise in connection with your use of the PCC system (the "Confidential Information"). You acknowledge and agree that the Confidential Information is a valuable asset of ours, is proprietary, includes trade secrets, and is disclosed to you solely to benefit the Franchised Business. You agree that you will not use the Confidential Information in connection with any other business and to maintain its secrecy and confidentiality during the Term and thereafter. In addition, you agree not to copy, reproduce, disseminate, or otherwise disclose the Confidential Information except with our written consent, or to your employees or others to the extent necessary for them to operate the Franchised Business, and will take all necessary action to prevent the unauthorized use of, or access to, the Confidential Information. Finally, you agree that you acquire no interest in the Confidential Information other than the right to use it in the operation of the Franchised Business. Any litigation costs required to protect the proprietary information and marks within your territory is your responsibility. This litigation may be directed by us but paid for by you. You are required to get a non-competition and non-disclosure agreement signed by each employee. If one of your employees violates the non-disclosure or non-compete agreement, you must take legal action against that employee at your cost, such as directed by us.

8. INITIAL FRANCHISE FEE AND INITIAL PACKAGE

8.1 Initial Franchise Fee. You will pay us, in full, on the delivery of this Agreement, a non-recurring initial franchise fee (the "Initial Franchise Fee"). The Initial Franchise Fee is fully-earned when you pay it and is non-refundable. The Initial Franchise Fee is a flat amount based on you operating a normal sized territory:

Initial Franchise Fee
\$195,000

8.2 Initial Package. You will purchase from us and pay us in full for, on the delivery of this Agreement, the Initial Package described in Section 4.8 of this Agreement. The cost of the Initial Package is as follows:

Training Equipment Tools and Supplies
Part of Franchise Fee

The amount of the Initial Package is fully-earned when you pay it and is non-refundable.

9. ROYALTY FEE

9.1 Amount and Payment of Royalty Fee. Commencing after three months of operations (not applicable for renewals), you will pay to us a monthly fee (the “Royalty Fee”) equal to 9% of Gross Revenue derived from or incurred by your Franchised Business during the preceding month. Royalties will commence after three (3) months of operations (three month period does not apply to renewals). The above notwithstanding, you shall pay to us 14% of any and all Gross Revenue generated by, derived from, or incurred by the franchised business outside of the Territory during the preceding month.

9.2 Monthly Revenue Reporting. Revenue reporting is due by the 10th of the month, following the month for which you are reporting. If your revenue report is not received by the 10th, a penalty of \$250 will be auto withdrawn from your bank account. (See Exhibit E)

Reporting is done on accrual basis, meaning that you report to us when you invoice your customers, not when you collect payment from your customers, or whichever takes place first.

Royalty Fees are invoiced on or around the 30th of each month and royalty amount will be auto-withdrawn from your bank account 20 days after the revenue reporting deadline. For example, if you are reporting December revenue, your revenue report is due (by electronic email) by the 10th of January. Royalty fees will be auto withdrawn from your bank account by the 30th of January to pay this amount. You are required to keep a credit card on file, in case the auto withdrawal fails or gets rejected or you otherwise fail to pay royalty on-time. Any amount not paid within the 10 days of the reporting deadline will receive an automatic 10% penalty on the total amount and will be auto-withdrawn from your bank account or charged to your credit card. (See Exhibit E)

The monthly revenue report should include the following:

1. Clients name and contact information (phone number, address, email, etc.)
2. Dollar amount invoiced to client
3. Amount of inch/feet cut on each specific job
4. Customer Type
5. Unit price charged to client for each specific job (inch/feet, linear feet, square feet, specialty work, mobilization, minimum charged, etc.)
6. Location of where work was preformed (name of city location), including detail if work was preformed outside of territory boundaries.
7. Date(s) of when client was invoiced

8. Login information from Salesforce.com or Pipedrive.com or current CRM
9. Complete database of customers
10. And other items we may request as part of the revenue reporting

Monthly revenue reporting that is incomplete, incorrect, late to report or late to pay royalty dues constitutes a violation of the agreement and grounds for termination of the franchise agreement. Incorrect classifying of revenue (inside territory verses outside) constitutes a violation of this agreement and will be assessed a \$250 fee per incident. Non-action by us to enforce penalties described in this section or any other section does not constitute a waiver, and we may take action on any of the above-mentioned violations at any time at our sole discretion.

9.3 Definition of Gross Revenue. As used in this Agreement, the term “Gross Revenue” means all receipts, sales, and invoices generated or received by the franchised business, without deduction for uncollected credit accounts, from any source, whether or not actually collected, including without limitation sales, rentals, exchanges, repairs, services, labor, interest payments, service charges, contracts, barter transactions, etc. whether for cash, credit, barter, or in kind, and whether in, upon, from, through or by any means, through the Franchised Business. Any and all business or transaction run through the franchised business or its bank accounts shall be included in the definition of “Gross Revenue” and shall be subject to the Royalty Fee and any other fee or charge calculated from or based upon “Gross Revenue”.

9.4 Electronic Funds Transfer. You acknowledge that we will enter into a relationship with a firm for electronic funds transfer service provider to arrange payments between our franchisees and us. As a result, you may be required to pay all Royalty Fees through the electronic funds transfer service we may establish or through credit card as a back up method of payment, and will follow all procedures we establish in connection therewith, which you acknowledge and agree may involve authorizing us or our designee through telephone or computer link to transfer funds electronically from your financial institution to one or more bank accounts we hold and/or a credit card. (See Authorization Agreement in Exhibits)

9.5 Payments with Credit Card. Any payment made with any type of credit card we accept, will be subject to a four and a half (4.5%) convenience fee regardless of the amount of payment.

10. ADVERTISING AND PROMOTION

10.1 Advertising and Promotion Fees. We will collect an annual marketing fee of \$3,500 to be paid via auto withdraw through a bank draft or credit card. Payments will be made two (2) times per year (January 15th and July 1st) in amounts of \$1,750 to be used towards advertisements or marketing efforts.

10.2 Some franchisees have formed a group to pool additional funds to market to particular demographics (typically within a particular region), we encourage you to participate in such group marketing efforts.

10.3 Franchisee’s Name and Photograph. You hereby grant us the right, without compensation to you, to use your name, address, photograph, and biographical information in

any publication related to the System, including in relation to the sale of other Precision Concrete Cutting franchises.

10.4 Internet Advertising. We do not allow you to create a website for your Franchised business. Precision Concrete Cutting does provide, through its own public website the opportunity for each franchisee to have their contact information published.

11. RECORDS AND REPORTING

11.1 Bookkeeping, Accounting and Records. You will maintain accurate financial records or employ a qualified bookkeeping service to maintain bookkeeping, accounting, sales and marketing records and all general record-keeping system for the Franchised Business. You will retain items that include but are not limited to: Invoices, time cards, customer lists, trade show/conference rosters, bids, notices to proceed, contracts, payroll records, bank deposit receipts, project manuals and contracts with clients, notices sent from Franchisor, equipment maintenance records and federal and state income tax returns. You will keep such documents at your business premises throughout the Term of the franchise ownership or a minimum of 10-years, whichever is longer, and thereafter will keep us advised of their location. You will provide names and contact information for all customers as part of your regular monthly reporting, please see section 9.1 for complete list of items required in monthly reports. Access to all sales information (sales software programs, spreadsheets, and all other forms of customer data and information and notes) must be available to Franchisor upon request at any time.

(a). You will use Salesforce.com or Pipedrive.com for your Customer Retention Management and sales efforts (or whichever CRM tool is specified by us) and provide reports of activities from your account on a regular basis along with your updated username and password. Delivery of request to view any of the above listed data and records must be completed within 5 business days of request. Records and information that is incomplete, incorrect or late to supply within 5 business day of request is subject to a \$250 penalty and is a violation of the agreement and grounds for termination of the agreement. In addition, failure to provide any requested documents and records within five (5) days, are subject to an audit performed by us or a firm chosen by us. You will be responsible for all costs associated with an audit, including but not limited to, all travel costs, services performed by the firm or by us.

(b). You will use QuickBooks Online to manage your accounting and financial records. No other accounting software may be used unless approved by us. PCC will assist you in the set up of your account upon starting your franchise operations. Your accounting records must be maintained daily including purchases, receipts, invoices, bills, payroll, etc. You may use Microsoft Excel or another program for actual invoices, but they must be tracked in QuickBooks as well. Pricing and inch/foot totals must be included in the QuickBooks records. PCC reserves the right to have full access to your QuickBooks Online account to determine royalties to charge, audit your records, and to advise you. If you are not accurately accounting for transactions in QuickBooks, you will be required to receive mandatory training at your expense. Any significant changes (i.e. account information, login/passwords, subscription level, etc.) must be approved and reported to PCC.

11.2 Reports and Tax Returns. You will furnish to us, at the times and in a form we prescribe from time to time:

- (a) A complete and properly filled out report of your Gross Revenue, as defined in Section 9.1 and 9.2 above, for each month. The report for the prior month must be transmitted so we receive within 10 days of the close of each month. The report must be submitted before 5:00 PM MST on the 10th day of the subsequent month. Any reports submitted past 5:00 PM MST are considered late. The report must account for all revenue invoiced in the reporting month using general accounting accrual method/practice. The report must contain the name, complete contact information, dollar amount invoiced, number of inch feet, price/rate charged and date work was completed for each client, we may also require additional information to be provided as part of this reporting upon request. To facilitate the transmittal of these reports, you agree to comply with reasonable operating procedures we establish and to send reports using modern technology to communicate with us;
- (b) An exact copy of all returns, schedules, extensions, reports and/or amendments you file for federal and state income, corporate, or sales tax purposes, on the 20th of April each year. If you filed for a tax extension beyond April 15th, you must provide a copy of the tax extension, provide a written timeline of when your taxes will be filed, and provide us a copy of your filed tax return within 5 business days of submitting your tax return to Federal and State agencies. Differences in Gross Revenue on your tax return and what you had reported in your monthly reporting are not allowed. Any differences in the tax return and your reporting to the Franchisor are subject to an audit by the Franchisor or a hired company chosen by the Franchisor at the cost of the Franchisee. Failure to not pay taxes or submit tax returns or differences in reported and tax revenue will result in immediate termination of the Franchise Agreement.
- (c) A copy of your annual ACORD Certificate of Insurance or other acceptable form of verification from your insurance carrier showing proof of all insurance coverage required pursuant to this Agreement;
- (d) A detailed list of customers, which includes name, phone number, email address, address, type of entity, all notes on customer and work completed for customer; and
- (e) The number of inch / feet (as defined during training and in your Operations Manual) for each customer that constitute the total Gross Revenue amount.

11.3 Audited Financial Statements. If we determine in our Reasonable Business Judgment that any report, financial statement, tax return, or financial schedule you furnish understates or overstates your Gross Revenue, distorts any other information, or is incomplete, unclear or misleading, we will have the right to require you to furnish audited financial statements for the fiscal year in question.

12. INSPECTIONS AND AUDITS

12.1 Our Right to Inspect. To determine whether you are complying with this Agreement, we will have the right, at any time during normal business hours, and without prior notice to you, to enter onto your business premises or such other premises where you are then conducting the Franchised Business or where you maintain the records of the Franchised

Business, and inspect your business records, which records will include, but will not be limited to, your bookkeeping and accounting records, invoices, payroll records, maintenance records, ledgers, sales reports, bids, client records, client lists, attendee rosters from tradeshow, access to any password protected software or documents, timecards, check stubs, bank deposits, receipts, sales tax records and returns, inventory records, and other documents. We will further have the right to take or supervise a physical count of all inventory, materials, and supplies associated with the Franchised Business. You will cooperate fully with our representatives making, conducting, supervising, or observing any such inspection. On notice that your bookkeeping or record keeping system is inadequate or that any materials or supplies do not meet specifications, standards, or requirements, or that the inspection otherwise reveals that you are in violation of this Agreement, you will take all appropriate action immediately to correct such deficiency or violation. Any direction given for correction must be completed and prove that said direction has been implemented within 15-days of notice, failure to do so is subject to termination of this agreement.

12.2 Our Right to Audit. We will have the right at any time during normal business hours, and without prior notice to you, to audit or cause to be audited including but not limited to, your books, records, reports, financial statements, sales reports or sales database, and tax returns that you are required to submit to us under this Agreement as well as those of any corporation to which you have assigned this Agreement. If we should determine that an audit is necessary after the expiration or termination of this Agreement, you will, on notice, deliver all required records and documents to us, failing which we may enter onto the premises where you are then keeping such records and documents and conduct such an audit. You will cooperate fully with our representatives and accountants conducting such an audit. In the event that any such audit should disclose an understatement or overstatement of Gross Revenue for any period or periods, you will pay, within fifteen (15) days after receipt of the audit report, the amount of such understatement and a reasonable interest rate for the amount of time that lapsed between the under reporting and when discovery occurred. Further, in the event such audit is made necessary by your failure to furnish books, inventory sheets, records, reports, financial statements, tax returns, or schedules as herein required, or if an understatement of Gross Revenue for any period is determined by any such audit to be greater than one-half percent (0.5%) of the Gross Revenue for such period, you will reimburse us for the cost of such audit including, without limitation, the charges of any accountant and the transportation, food, lodging, salary, and benefit expenses of our employees or representatives or hired firm who conducted the audit.

12.3 Information from Others. You hereby authorize us to make reasonable inquiries of your bank, bookkeeper, accountant, tax preparer, suppliers, and trade creditors, concerning the operation and business affairs of your Franchised Business, and hereby direct such persons and companies to provide to us with such information and copies of any such documents we may request. Failure to do so within 15 days constitutes a violation of this agreement and is subject to termination.

13. OWNERSHIP OF MARKS

13.1 Ownership of Names and Marks. You acknowledge that we are the owner of the Marks, that your right to use them is derived solely from this Agreement, and that such right is limited to the operation of the Franchised Business in accordance with this Agreement and all standards, specifications, and operating procedures we prescribe from time to time. You agree

that your usage of the Marks and any goodwill established in the Marks will inure to our exclusive benefit and that this Agreement does not confer any goodwill or other interest in the Marks on you except the limited and non-exclusive right of use set forth in this Agreement. You further agree that after the termination or expiration of this Agreement, you will not, directly or indirectly, at any time or in any manner, identify any premises or any other business as a franchise of ours, or yourself as a franchisee of or otherwise associated with us; nor will you use in any manner or for any purpose any of the Marks or colorable imitations of them.

13.2 Limitations on Your Use of Marks. You will use “Precision Concrete Cutting, Inc.” as the sole identification of the Franchised Business unless otherwise approved by us. All stationary and other written materials you use will conform to our standards and specifications but, in any event, such items will clearly indicate that you are a business independent from us and that you are solely a licensed user of the Marks. If local laws require that you file an affidavit or other registration disclosing that you are conducting business under an assumed or trade name, you will state in such filing or affidavit that you are using such name as our franchisee. You will not use any of the Marks as part of any corporate name or with any other prefix, suffix, or other modifying words, terms, designs or symbols (other than as required in this Agreement or with logos licensed to you under this Agreement), or in any modified form; nor will you use any Mark in connection with the sale of any unauthorized product or service or in any other manner we do not expressly authorize in writing. You will enter into contracts only in your name or the name of your corporation. If it becomes advisable at any time in our opinion for you to modify or discontinue use of any Mark, or to use one or more additional or substitute Marks, you agree to do so. You agree to follow the branding guidelines and other marketing guidelines and material in having a consistent, accurate brand as presented to you in your initial training and as new branding policies are established during the term of your franchise. You agree to comply with the standards of quality, service, and uniformity set forth in our Operations Manual.

13.3 Notification of Infringements and Claims. You will notify us immediately of any apparent infringement of, or challenge to, your use of any of the Marks, and of any claim by any person of any rights to any of the Marks. You will not communicate with any person other than us and our counsel in connection with any such infringement, challenge, or claim. We will have the right to take such action as we deem appropriate, and the exclusive right to control any litigation or administrative proceeding of a regulatory agency or court of law related to any infringement of, or challenge or claim to, any of the Marks, or in any way related to the Marks. Any damages or other benefits related to any such infringement, challenge, claim or proceeding will accrue exclusively to us.

14. TERMINATION OF FRANCHISE

14.1 By You. If you are in substantial compliance with this agreement and we breach this Agreement and do not correct such breach (or reasonably begin to correct and diligently pursue the correction until the breach is remedied) within thirty (30) days after we receive written or electronic mail (email) notice describing such breach, or if such breach cannot be cured within a thirty (30) day period and we do not undertake diligently to attempt to cure the breach within the cure period and continue to do so thereafter until the breach is cured, then you may terminate this Agreement effective ten (10) days after we receive your written notice of termination. Your termination of this Agreement except in accordance with this Section 14.1 will be deemed to be a termination without cause and a breach of this Agreement by you.

14.2 By Us: With Notice and No Refund of Initial Franchise Fee. You agree that it will be a default constituting a substantial breach of a material provision of this Agreement pursuant to relevant law, thus establishing good cause for termination of this Agreement and other franchise or related agreements between the parties if you (or your owners, officers, or key employees) or any corporation to which you have assigned this Agreement breach any term of this Agreement and do not correct the breach (or reasonably begin to correct and diligently pursue the correction until the breach is remedied) within 30 days after receipt of our written default notice. Termination will occur immediately upon delivery to you of our written declaration of termination for failure to correct the breach within the allowed time frame without any refund of the Initial Franchise Fee or any other fees paid under this Agreement,

14.3 By Us: Immediate Termination and No Refund of Initial Franchise Fee. This Agreement will terminate at the expiration of the Term unless renewed in accordance with Section 1 hereof. You agree that it will be default constituting a substantial breach of a material provision of this Agreement pursuant to relevant law, thus establishing good cause for us to immediately terminate this Agreement and any other franchise or related agreements between the parties without notice, without other cause, without any refund of the Initial Franchise Fee or any other fees paid under this Agreement, and without giving you an opportunity to cure, if you (or your owners, officers, or key employees) or any corporation to which you have assigned this Agreement:

(a) Commit an act of bankruptcy or become insolvent or admit to not being able to meet your obligations as they become due;

(b) File, or fail to contest within three (3) days of filing, any petition in bankruptcy;

(c) Fail to contest, satisfy, lift, or vacate, within ten (10) days, any execution, seizure, foreclosure, levy, or distress against the assets of the Franchised Business;

(d) Fail to contest and have removed, within ten (10) days, the appointment of any temporary or permanent receiver or other custodian of the Franchised Business or any part of its assets;

(e) Take the benefit of any act or proceeding for winding up your affairs or compromising your debts;

(f) Make a Transfer, as defined in Sections 16.2 and 16.3 below, of the Franchise or Franchised Business without first complying with the relevant provisions of this Agreement;

(g) Make any unauthorized use of the Marks, make an unauthorized copy or disclosure of the Confidential Information, make an unauthorized copy or disclosure of the Confidential Operations Manual or other documents / manuals, or seek to challenge our ownership rights in the System;

(h) Abandon or surrender or transfer control of the operation of the Franchised Business or fail to continuously and actively conduct the Franchised Business as

required in this Agreement for 5 consecutive days or for two (2) days after notice of such default is given or for any shorter period after which it is reasonable under the facts and circumstances to conclude that you do not intend to continue to operate the Franchised Business; provided, however, we will not terminate this Agreement solely as a result of abandonment of the operation of the Franchised Business due to your death without first giving ten (10) days' prior written notice to your trustee, executor, administrator, or next of kin as shown in our files;

(i) Submit on two (2) or more occasions at any time during any calendar year, a report, financial statement, tax return, schedule, or other information, or any supporting record, that understates your Gross Revenue for any period by more than one-half of one percent (.5%), unless you demonstrate that such understatement resulted from inadvertent error;

(j) Fail or refuse to submit any report, financial statement, tax return, schedule, or other information or supporting record required under this Agreement, or submit such report or record more than five (5) days late on two (2) or more occasions during the Term;

(k) Operate the Franchised Business in a manner that presents a health or safety hazard to your customers, employees, or the public, and such manner of operation continues uncorrected for two (2) days after notice to correct such hazard;

(l) Fail or refuse to pay any amount you owe us or any affiliated company for any debt whatsoever within ten (10) days after a demand for payment, or fail to honor on two (2) or more occasions during the Term checks presented to us or any affiliated company for payment, or repeatedly and consistently pay any amount due under this Agreement after its due date;

(m) Offer for sale or sell any unauthorized product or service for more than three (3) days after notice to cease such offers or sales;

(n) Fail to comply with any other provision of this Agreement or any other specification, standard, or operating procedure we prescribe and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you;

(o) Violate any law, ordinance, rule, or regulation applicable to the Franchised Business or involving moral turpitude, and do not correct such violation promptly after notification thereof from any source, unless there is a *bona fide* dispute as to the violation or status of such law, ordinance, rule, or regulation, and you promptly resort to courts of appropriate jurisdiction to contest such violation or status;

(p) Receive two (2) or more notices of default or violation under this Agreement during any twelve (12) consecutive month period, regardless or whether or not you cure such defaults, and whether or not they relate to the same default;

(q) Appear in our Reasonable Business Judgment applying generally accepted accounting principles to be in danger of becoming an insolvent person or entity unless within twenty (20) days after notice of default under this subparagraph you demonstrate to our

satisfaction that you are, in fact, in no danger whatsoever of becoming insolvent and that you are financially able to fulfill all of your obligations to your customers, us, and all other creditors;

(r) Die or become permanently incapacitated, as described in Section 16.5 below, and the Franchise and Franchised Business have not been assigned to a person acceptable to us within sixty (60) days after such death or incapacity; or

(s) Fail to satisfy or respond the complaints of your customers.

(t) Fail to make timely payments to any of the vendors we have designated to you and do not bring those payments current within ten (10) days of receipt of notice from us.

(u) Fail to produce annual revenue in excess of one hundred fifty thousand dollars (\$150,000) in the first year of operation. Fail to produce annual revenue in excess of two hundred fifty thousand dollars (\$250,000) in the second year of operation. Fail to produce annual revenue in excess of three hundred fifty thousand dollars (\$350,000) in the third year of operation. Fail to produce revenue of four hundred fifty thousand dollars (\$450,000) in the fourth year of operation. Fail to produce minimum monthly revenue of five thousand dollars (\$5,000).

(v) Fail to respond or communicate with official notices we have sent to you via email, phone, mail, etc. within three (3) days of receiving official notice(s). Official notices consist of failure to meet minimum monthly revenue requirements, failure to report revenues when due, failure to file submit tax documents, failure to respond to requests, notice of late invoices, failure to report in the form required, provide client information, sales reports, etc.

(w) Fail to pay any marketing fee when due.

(x) Fail to expend five thousand dollars (\$5,000 per year) in local marketing efforts, including trade shows, advertising in trade publications, and joining trade organizations.

(y) Fail to pay for costs associated with any litigation that is your responsibility as directed by us.

(z) Do not commence operating the Franchised Business as required in Section 3 above;

(aa) Fail to satisfactorily complete, in our Reasonable Business Judgment, the Pre-Opening Training, Corporate Training, or On-Site Training, as required in Section 4 above;

(bb) Make or have made any material misrepresentation or misstatement on the franchise application or with respect to the ownership or operation of the Franchised Business.

(cc) Allow the Franchised Business or franchise equipment, inventory, or assets, to be seized, taken over, or foreclosed by a creditor, lien holder, or lessor.

(dd) Are convicted of a felony or crime of moral turpitude, or are convicted of any criminal misconduct relevant to the operation of the Franchised Business.

(ee) Operate the Franchised Business in a manner that creates an imminent danger to public health or safety.

(ff) Do not keep Confidential Information related to the Franchised Business as confidential, except to employees or persons authorized to know or fail to obtain confidentiality and non-disclosure agreements from your employees to keep Confidential Information confidential.

(gg) Attempt to unilaterally repudiate this Agreement or the performance or observance of any of its terms, conditions, covenants, provisions or obligations by any conduct or communication evidencing your intention to no longer comply with or be bound by this Agreement.

(hh) Fail to attend the annual franchise meeting if we inform you your attendance is mandatory.

(ii) Fail to obtain or maintain a contractor's license where required by state law.

Non-action by us on any of the items above does not constitute a waiver, and we may take action on any of the above-mentioned violations at any time at our sole discretion. The provisions of this Agreement may state periods of notice less than those required by applicable law, if applicable they will be extended or modified to comply with applicable law.

15. YOUR RIGHTS AND OBLIGATIONS ON TERMINATION OR EXPIRATION

15.1 Payment of Amounts Owed. You agree that within five (5) days after the effective date of termination or expiration of this Agreement, you will pay all amounts you owe to us and any affiliate of ours, and you will pay our trade and other creditors that are then unpaid. All periodic payments will be deemed to accrue daily and will be adjusted accordingly.

15.2 Return of Manuals and Retention of Records. You agree that within five (5) days after the effective date of termination or expiration of this Agreement, you will return to us all copies of all Confidential Information previously received from us; including, without limitation, all Manuals, and a complete list of your past and present customers, including their addresses, emails, telephone numbers and any notes or history with the communication of your customers. You will retain all business records described above in Section 12 of this agreement (including ledgers, sales reports, accounts, and checks) for at least six (6) years after the effective date of termination or expiration and will keep us advised of the location of such records. You will permit us to inspect such records at any time during normal business hours.

15.3 Cancellation of Names and Discontinue Use of Marks. You agree that within five (5) days after the effective date of termination or expiration of this Agreement, you will cancel any trade names or d/b/a names using our name or any of the Marks. Substantial damages that are difficult to determine at the date of execution of this Agreement will accrue to us if you do not complete with the requirements and obligations upon the expiration or termination of this Agreement. Upon expiration or termination of this Agreement, you will immediately cease using the Marks (or any names or marks deceptively similar to them).

15.4 Termination of Licenses to Use Software, Confidential Information. You agree that within five (5) days after the effective date of termination or expiration of this Agreement: (i) all rights, licenses and authorizations to use the Bid Boss Software, the Terminal software, and all other software and apps provided by us will immediately terminate and that you will (A) immediately cease all use of and other activities with respect to the Bid Boss software, the Terminal software, and all other software and apps provided by us; (B) you will deliver to us, or at our written request destroy, and permanently erase from all devices and systems you directly or indirectly control, the Bid Boss software, the Terminal software, and all other software and apps provided by us, along with any copies of our Confidential Information, including all documents, files, and tangible materials (and any partial and complete copies) containing, reflecting, incorporating, or based on any of the foregoing, whether or not modified or merged into other materials; and (C) certify to us in a signed written instrument that you have complied with the requirements of this Section 15.4.

15.5 Covenant Not to Compete. In express consideration for this Agreement, if this Agreement either expires and is not renewed, or is terminated prior to its designated expiration date by us in accordance with the provisions of this Agreement or by you without cause, you agree that for a period of 720 days, commencing on the earlier of: (i) the effective date of any injunction or other court order against you barring you from conducting the Franchised Business and using the Marks; or (ii) the date on which you cease to conduct the Franchised Business, you will assure that you and your owners, shareholders, partners, directors, officers, employees, and agents, will not directly or indirectly participate or have any interest as owner (except up to a 5% ownership interest in publicly held corporations registered under the Securities Exchange Act of 1934), partner, director, officer, lender, employee, consultant, representative, relative, franchisee, franchisor, distributor, advisor or agent or serve in any other capacity, in any other business engaged directly or indirectly in the offer, sale, internet dissemination, or promotion of correcting uneven sidewalk or concrete panels or any business that offers products or services that are essentially the same as, or substantially similar to, the products and services that are part of the Precision Concrete Cutting system, nor will you influence or attempt to influence your customers or former customers to divert their business from us or another Precision Concrete Cutting franchise. This covenant applies within the Operating Territory, within a 100-mile radius of the Operating Territory, within a 100-mile radius of any location or territory where we operate or have granted the franchise to operate a Precision Concrete Cutting business, and within the United States of America or Canada.

If all or any portion of a covenant in this Section 15.5 is held unreasonable or unenforceable by a court, agency, or other tribunal having valid jurisdiction in an unappealed final decision to which we are party, you agree to be bound by any lesser covenant that imposes the maximum duty permitted by law, as if the resultant covenant were separately stated in and made a part of this Section 15.5. Furthermore, you acknowledge and agree that we will have the right, in our sole discretion, to reduce the scope of any covenant contained in this Section 15.5 without your consent, effective immediately on your receipt of written notice, and you agree that you will comply forthwith with any covenant so modified.

15.6 Our Right to Purchase. In the event this Agreement is terminated for any reason or is not renewed, we will have the right, but not the obligation, exercisable by written notice delivered to you at any time after delivery of a notice of default under this Agreement or within

thirty (30) days after the date of termination or expiration, to purchase all or part of your physical assets used in the Franchised Business except your personal assets. There will be no compensation for goodwill, and the purchase price for such assets will be equal to their fair market value less such goodwill. All proprietary material, tools and equipment associated with the operation of your franchise must be returned. If you and we cannot agree on the purchase price for the assets that we desire to purchase within ten (10) days following our exercise of our option to buy, an independent appraiser you and we agree on will determine the fair market value, and you and we will share equally the cost of the appraiser. Such appraiser's decision will be final and binding with no appeal there from. The closing of the purchase will take place at a location, and on a date, we choose in our Reasonable Business Judgment, and will be completed in accordance with all applicable bulk sales legislation. At closing, you will deliver to us a bill of sale for the assets, in a form acceptable to us. We will be entitled to set off against the purchase price any amounts you then owe us or any affiliate of ours, and to pay out of the purchase price any of your unpaid creditors. In addition, and whether or not we purchase your business assets, we have the right, upon termination or non-renewal, to assume your lease for your business premises and take over possession of such premises.

15.7 Continuing Obligations. All obligations of the parties hereto that expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect notwithstanding such expiration or termination. In particular, but without limiting the generality of the foregoing, the provisions of Sections 7, 13, 15, and 17 hereof will survive termination or expiration of this Agreement.

15.8 Signs and Appearance of Your Business Premises. After the termination or expiration of the Franchise, you agree that you will immediately make such removals of or changes in signs and colors as we reasonably request so as to distinguish the Franchised Business, its premises, and its vehicles from those of any other Precision Concrete Cutting franchise. If you fail to make such changes immediately, then we may enter on such premises or take temporary possession of such vehicles and make such changes at your expense without such action constituting a trespass.

15.9 Transfer of Domain Names, Phone Numbers, and Websites. On termination or expiration of this Franchise Agreement, you shall authorize all telephone, internet, email, electronic network, directory and listing entities, etc. to transfer all numbers, addresses, domain names, locators, directories and listings to us or our designee. You appoint us as your agent and attorney-in-fact to effect the transfer of these numbers, addresses, domain names, and listings to us. You acknowledge and agree that we will have the absolute right to notify InterNIC, ICANN, and all other Internet authorities of the termination or expiration of your right to use all domain names, phone numbers, websites, and other search engines for the Franchised Business and to authorize the above and such other search engines to transfer to us or our designee all domain names, phone numbers, websites, and search engines associated with the Franchised Business. You acknowledge and agree that we have the absolute right to, and interest in, all domain names, websites, and search engines related to the Franchised Business and that we have the full right and authority to direct the above and all search engines to transfer your domain names, websites, and search engines to us or our designee if this Franchise Agreement expires or is terminated for any reason. You further acknowledge that this Agreement will constitute a release by you of the above and all other search engines from any and all claims, liabilities, actions, and damages that

you may, at any time, have the right to allege against them in connection with this Section 15.9 or because such entities follow our instructions.

16. ASSIGNMENT, TRANSFER, AND ENCUMBRANCE

16.1 By Us. This Agreement is fully assignable by us in whole or in part, and will insure to the benefit of and be binding on any assignee or other legal successor to our interest in this Agreement; provided, however, we will not assign this Agreement to any party unless we, in our Reasonable Business Judgment, determine that such party is able to perform all our obligations set forth in this Agreement.

16.2 By You. You will not assign, pledge, or encumber this Agreement, the Franchise, or the Franchised Business. This Agreement and the Franchise are personal to you and, except as provided in Section 16.3 below, neither this Agreement nor any part of the ownership in the Franchise or the Franchised Business may be voluntarily or involuntarily, directly or indirectly, assigned, subdivided, sub-franchised, or otherwise transferred by you (including, without limitation, any such attempted transfer by your personal representatives in the event of your death, or by will, declaration of trust, or the laws of intestate succession) without our prior written approval, which approval we will not unreasonably withhold or delay. If we grant such approval, it will be conditioned on the following:

- (a) You paying us all amounts due and unpaid plus a transfer fee of \$10,000. The transfer fee, which will include, but not be limited to, reasonable attorneys' fees actually incurred, the cost of investigating the transferee, and our administrative expenses, including employee salaries, sales staff commissions, travel costs, telephone charges, and out-of-pocket costs, properly attributable to the transfer, the cost of training the transferee, which will include, but not be limited to, the transportation, food, lodging, salary expenses, and benefit costs of our employees involved in such training;
- (b) The transferee executing our then-current form of franchise agreement and which may contain financial terms different from those contained in this Agreement. The transferee will also execute such other documents as we then customarily use to grant Precision Concrete Cutting franchises;
- (c) You executing a general release, in form we prepare, of any and all claims against us and our affiliates, directors, officers, shareholders, employees, and agents, and the successors and assigns of us and any of them;
- (d) You executing a non-competition agreement that is consistent with Section 15.4 above, and which will provide that; (i) you will not for a period of ten (10) years after the transfer have any interest or involvement, directly or indirectly, in any similar business; and (ii) you will not influence or attempt to influence your former or existing customers to divert their business from us or another Precision Concrete Cutting franchise;
- (e) The transferee purchasing all of your assets used in the Franchises Business and assuming all of your liabilities associated with the Franchised Business;

- (f) The transferee being an individual having adequate financial resources who will have completed our then-standard Pre-Opening Training and Corporate Training for franchisees, and who we determine in our Reasonable Business Judgment is otherwise capable of operating a Precision Concrete Cutting franchise;
- (g) Compliance by you and the transferee with such other requirements as we deem appropriate in our Reasonable Business Judgment.
- (h) Written notification of at least 30 days identifying whom you wish to sell and/or transfer to;
- (i) Review and approval of the terms of the sale or transfer to another person by us. Minimum of 10 days for us to review such sale or transfer; and
- (j) Approval of entity or person you wish to sell to. They will be required to do several things, including but not limited to, filling a franchise application, receiving a credit check, and going through our screening process.
- (k) Upon sale of the franchised business, a fee of three percent (3%) of the purchase price is due to the franchisor as part of the transaction.

16.3 Assignment to Corporation. A franchisee who is an individual may assign this Agreement without charge, once only, to a newly-formed corporation that will conduct no business other than the Franchised Business, which you actively manage, and in which you own and control all of the equity and voting power. Such assignment will not relieve you of your personal obligations to us under this Agreement. To effectuate this assignment, you and your corporation will execute our then-current form of Corporate Assignment Agreement.

16.4 Transfer Among Franchisees. In the event that you comprise two or more individuals, we will not unreasonably withhold our consent to a sale, assignment, or transfer of any kind (a "Transfer") of the interest of one of you under this Agreement (the "Transferor") to the other or others (whether one or more, the "Transferee"); provided, however:

- (a) The Transferor must transfer all of his or her interest in this Agreement;
- (b) The Transfer will not relieve the Transferor of his or her obligations under this Agreement to us;
- (c) The Transfer will be completed in accordance with all applicable bulk sales legislation;
- (d) The Transferor will give us at least thirty (30) days' prior written notice of the proposed Transfer together with all details of the Transfer that we request; and,
- (e) The Transferee is capable, in our Reasonable Business Judgment, of operating the Franchised Business without the Transferor.

16.5 Your Death or Incapacity. On your death or permanent incapacity, you or your estate may assign this Agreement and the Franchised Business to your spouse, or to any one or more of your adult children, on the same terms and conditions as you are permitted to assign this Agreement to a third party transferee pursuant to Section 16.2 above. For the purposes of this Agreement, “death or permanent incapacity” will be deemed to have occurred if, due to mental or physical infirmity, you fail to participate actively in the Franchised Business for a total of ninety (90) days at any time or times throughout any 365-consecutive-day period.

16.6 Our Right of First Refusal. If you determine at any time to sell the Franchised Business or an ownership interest in the Franchised Business, you will obtain a *bona fide* executed written offer to purchase the Franchised Business and all assets you use in the Franchised Business from a responsible and fully-disclosed purchaser, and will submit an exact copy of such offer to us. We will, for a period of ten (10) days from the date we receive such documented offer, have the right, but not the obligation, exercisable by written notice to you, to purchase all of the Franchised Business and its assets for the price (minus any sales commission that would have been payable as a result of the proposed sale and on the terms and conditions contained in such offer; provided, however, we may substitute cash for any other form of consideration proposed in such offer. We may deduct from the purchase price any unpaid debts you owe us and may pay out of the purchase price any of your unpaid trade creditors. If we do not exercise our right of first refusal, you may complete the sale of the Franchised Business to such purchaser on the same terms as offered to us, subject to the provisions of Section 16.2 of this Agreement. If the sale to such purchaser is not completed within sixty (60) days after delivery of such offer to us, or if the purchaser makes any proposed material modifications to the offer, we will again have the right of first refusal set forth in this Section 16.6.

16.7 Our Temporary Operation of Business. In the event that you:

- (a) Fail to conduct the Franchised Business during the hours of business we specify;
- (b) Abandon the Franchised Business; or
- (c) Die or become permanently incapacitated (as described in Section 16.5 above), and you or your estate, as the case may be, fail to assign this Agreement by means of an assignment (with our approval) pursuant to Sections 16.2 or 16.5 of this Agreement;

Then unless and until we terminate this Agreement pursuant to Section 14 hereof, we may enter the Operating Territory and operate and manage Franchised Business for you or your estate’s account until this Agreement is terminated or assigned to a party acceptable to us, or until you resume control over the Franchised Business and operate it in accordance with this Agreement; provided, however, no such operation and management by us will continue for more than ninety (90) days without your written consent or the written consent of the representative of your estate. In the event that we so operate the Franchised Business, we will account to you or your estate for all net income from such operation, less the reasonable expenses we incurred in, and a reasonable management fee for, our operation of the Franchised Business.

17. INDEMNIFICATION

17.1 By Us. We agree to indemnify you against and to reimburse you for all damages for which you are held liable, and all costs you reasonably incur in the defense of any such claim brought against you, in any proceeding arising out of:

- (a) Your proper use of the Marks in accordance with this Agreement, subject to the provisions of Section 13.2 of this Agreement;
- (b) False representations or warranties we made; or
- (c) The negligent or willful acts or omissions of us or our directors, officers, employees, or agents under this Agreement.

We will have the right to participate in, and to control, any litigation or proceeding related to the claim, including the right to compromise or settle such litigation or proceeding, to the extent that we deem necessary or advisable. As a condition of this indemnification, you must timely notify us of a claim subject to indemnification and have otherwise complied with this Agreement.

17.2 By You. You agree to indemnify, defend, and hold harmless us, our affiliates, directors, officers, shareholders, employees, and agents, and the successors and assigns of us and any of them, against, and to reimburse us and them for, all loss, claims, or obligations that are related to or are based on your acquisition, management, or operation of the Franchised Business; including, without limitation:

- (a) Your breach of any provision contained in this Agreement or any other agreement between you and us or an of our affiliates;
- (b) Acts, errors, or omissions of you or any of your agents, servants, employees, contractors, partners, affiliates, or representatives;
- (c) Your violation, breach, or asserted violation or breach of any federal, state, or local law, rule, ordinance, regulation, standard, or directive, or of any industry standard;
- (d) Your taxes, liabilities, costs, or expenses related to the Franchised Business;
- (e) Any advertising or promotional material distributed, broadcast, or in any way disseminated by you or on your behalf, unless we have produced such material or approved it in writing in advance; and
- (f) The negligent operation of the Franchised Business.

For purposes of this indemnification, “loss, claims, or obligations” will include, without limitation, all loss, losses, damage, damages (whether compensatory, exemplary, or punitive), fines, charges, costs, lost profits, attorneys’ fees and costs, accountants’ fees, expenses, court costs, settlement amounts, judgments, expert witness fees, other litigation expenses, and travel and living expenses. We will have the right to defend any such claim against us in such manner

as we deem appropriate in our Reasonable Business Judgment. This indemnification will survive the termination of this Agreement.

18. MISCELLANEOUS

18.1 Enforcement. If a dispute arises, you and we agree to participate in at least six hours of mediation in accordance with the mediation procedures of the US Arbitration and Mediation Service or of any similar organization that specializes in the mediation of commercial business disputes. You and we agree to equally share the costs of mediation.

You acknowledge that any failure by you to comply with the terms of this Agreement could cause us irreparable harm that may not be compensable by the payment of money; and, therefore, you agree that we will be entitled to appoint a receiver of the Franchised Business and to seek to obtain declarations, temporary and permanent injunctions, and orders of specific performance enforcing the provisions of this Agreement related to your use of the Marks, your obligations on termination or expiration of this Agreement, and assignment of this Agreement, and to prohibit any act or omission by you, or any employee of yours, that constitutes a violation of any applicable law, by-law, or regulation, is dishonest or misleading to Precision Concrete Cutting customers or prospective customers; or constitutes a danger to employees, customers, or to the public; or that may impair the goodwill associated with the Marks. If we secure any such injunction, declaration, or order of specific performance, or bring any proceeding to enforce the provisions of this Agreement, you agree to pay to us an amount equal to the aggregate of our reasonable costs of obtaining such relief including, without limitation, attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, travel and living expenses, and any damages related to the breach of any such provision.

18.2 Severability. All provisions of this Agreement are severable. In the event that any provision of the Agreement is ruled by a court, agency, or arbitrator having jurisdiction over the subject matter and the parties to be invalid or unenforceable, this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in this Agreement; and all partially valid and enforceable provisions will be enforced to the extent they are intelligible, valid, and enforceable. If any provision of this Agreement that restricts competitive activity is declared invalid or unenforceable due to its scope, geographic restriction, or length of time, but could be enforceable if any of the foregoing are reduced, you agree that the restrictions will be enforced to the fullest extent permitted by law in the jurisdiction in which we seek enforcement.

18.3 Compliance with Local Law. If an applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement that is required under this Agreement, or the taking of some other not required under this Agreement, the prior notice or other action required by such law or rule will be substituted for the notice requirements set forth in this Agreement. Such modifications of this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

18.4 Waiver of Obligations and Amendments. Either party to this Agreement may, by written instrument delivered to the other, unilaterally waive any obligation of, or restriction placed solely on, the other party under this Agreement. No acceptance by us of any payment by you, and no failure, refusal, or neglect of us or you to exercise any right under this Agreement or

to insist on full compliance by the other with its obligations under this Agreement, will constitute a waiver of any provision in this Agreement. Any waiver we grant will be without prejudice to any other rights we may have and may be revoked at any time, and for any reason, by written notice. No failure, refusal, or neglect of the parties to this agreement to exercise any rights contained in this agreement will be deemed a waiver of such rights unless notice is given in writing as provided in this Agreement. Any modification or amendment to this Agreement, except as noted above, will be in writing signed by all parties to this Agreement.

18.5 Withholding Payments. You will not, for any reason, withhold payment of any Royalty Fees, Advertising Fees, Bid Boss activation and subscription fees, Terminal subscription fees, Marketing Fees, Invoices, or any other fees or payments due to us under this Agreement. You will not have the right to withhold or offset any liquidated or unliquidated amounts, damages, or other monies allegedly due to you by us against any Royalty Fees, Marketing Fees, Advertising Fees, or any other fees due to us under this Agreement. No endorsement or statement on any check or payment of any sum less than the full sum due to us will be construed as an acknowledgement of payment in full or an accord and satisfaction, and we may accept and cash such check or payment without prejudice to our right to recover the balance due or pursue any other remedy provided in this Agreement or by law. We may set off sums we owe you against any unpaid debts you owe us.

18.6 Rights of Parties Are Cumulative. The rights of the parties under this Agreement are cumulative, and no exercise or enforcement by a party of any right or remedy under this Agreement will preclude the exercise or enforcement by that party of any other right or remedy contained in this Agreement, or to which it is entitled by law.

18.7 Construction. The headings of the several sections and paragraphs of this Agreement are for convenience only and do not define, limit, or have any effect on the construction of the contents of such sections or paragraphs. The term “you” as used in this agreement is applicable to one or more persons, a corporation, a limited liability company, or a partnership, as the case may be, and the singular usage (where applicable) includes the plural, and the masculine and neuter usages (where applicable) include the other and the feminine. All dollar amounts in this Agreement described are United States dollars. The word “Term” will include a renewal Term hereof, if this Agreement is renewed in accordance with Section 1.2 above, unless the context requires otherwise. When calculating the date on which, or the time within which, any act is to be done under this Agreement, the date that is the reference date in calculating such period will be excluded. If the last of such period is non-business day, the period in question will end on the next business day.

18.8 Independent Contractors. The parties to this agreement are independent contractors and no training, supervision, or assistance we give will be deemed to negate such independence. You acknowledge that the success of the Franchised Business depends substantially on your own efforts and on circumstances beyond our control, such as general economic conditions and the economic conditions in your Operating Territory, competition, and ability to defend our marks, and you hereby assume the sole responsibility for its success or failure. You will conspicuously identify yourself at the Franchised Business premises as the owner or tenant, as the case may be, of the premises and a licensed franchisee of ours. Neither party to this agreement will make any agreements, representations, or warranties (except by us in advertising as provided for in this Agreement) in the name of, or on behalf of, the other, or that their relationship is other than that

of franchisor and franchisee; neither party hereto will be obligated by nor has any liability for, any agreements, representations, or warranties made by the other (except by us in advertising as provided for in this Agreement); nor will we be liable for any damages to any person or property, directly or indirectly, related to your operation of the Franchised Business. We will have no liability for any sales, use, exercise, income, property, or other tax levied on the Franchised Business or its assets related to the services you perform.

18.9 General Due Date; Interest and Late Charges. All invoices and other amounts payable under this Agreement or any other agreement between the parties; (i) will, except where a due date is otherwise specified, be due thirty (30) days after we deliver notice of the amount due, or demand for payment of the amount due, to you; (ii) will have a penalty of ten percent (10%) of the total outstanding amount or \$250, whichever is greater, if paid after thirty (30) days, except where a due date is otherwise specified, (iii) will bear interest after the date on which such payment becomes due at twelve percent (12%) per annum, or the maximum legal rate of interest, whichever is less, and (iv) may be auto-withdrawn from your bank account or charged to your credit card.

Revenue Reports are due 10 days after the end of each month. Reports not received on the 10th will be subject to a \$250 penalty, which will be auto-withdrawn from your bank account or charged to a credit card on file. (See Section 9)

Payments of Royalty must be submitted monthly and is due 20 days after the Revenue Report is due as provided in this Agreement. Royalty payments will be auto withdrawn from your bank account after 20 days of the report being due, or on the last day of the month, whichever is first. You are required to have a credit card on file as a backup to the auto withdrawal, if a credit card is used it is also subject to a 4.5% convenience fee in addition to any late fees. Any payment not received when due is subject to a fee of either \$250 or ten percent (10%) of the amount past due, whichever is greater. This fee is assessed as a penalty to cover our administrative and collection costs related to such payment. (See Section 9) Non-action by us on any of the terms described in this Section 18.9 does not constitute a waiver, and we may take action on any of the above-mentioned violations at any time at our sole discretion.

18.10 Entire Agreement. This Agreement including Schedules and any other documents expressly referred to herein or otherwise attached hereto, sets forth the sole and entire agreement between the parties and supersedes all prior discussions, understandings, and agreements between the parties with respect to the matters contained herein. The parties expressly confirm that there are no other oral or written agreements, “side-deals,” arrangements, or understandings between them except as set forth herein. No modification, amendment, or waiver of this Agreement, or any provision hereof, will be binding on either party unless evidenced by an instrument in writing duly signed by an authorized officer or employee of the party against whom enforcement is sought. You acknowledge and agree that you have not been induced to enter into this Agreement in reliance on, nor as a result of, any statements, representations warranties, covenants, promises, or inducements whatsoever, whether oral or written, and whether directly related to the contents hereof or collateral thereto, made by us or our affiliates, directors, officers, shareholders, employees. You acknowledge that we have granted you the Franchise in reliance on the information you supplied to us in your application for a Precision Concrete Cutting franchise.

Nothing in this Agreement or in any related agreement is intended to disclaim the representations we made in our franchise disclosure document that we furnished to you.

18.11 Notices. Any notice, request, or demand that the parties to this Agreement may be required or permitted to give to the other party (collectively the “Notice”) will be in writing and will be delivered by: (i) personal delivery; (ii) email; (iii) courier delivery by a national courier service, such as Federal Express, or UPS, for overnight delivery; or (iv) prepaid certified mail; and will be deemed given on the earlier of: (a) receipt; (b) refusal to accept delivery; (c) copy printout of email communication sent; or (d) three (3) business days after deposit in the mail. All such notices will be addressed as shown on the first page or Schedule A of this Agreement, to the site of the franchised business in case of notices given to you, or to such other address as may be designated by a party to this Agreement by written notice to the other party.

18.12 Force Majeure. Neither party to this Agreement will be liable for any loss or damage due to any delay in the due performance of the terms of this Agreement (except for the payment of money) by reason of strikes, lockouts, fires, riots, wars, embargoes, civil commotion, or acts of God. Any such delay will extend performance only so long as such event is in progress.

18.13 Time of the Essence. In all respects, time will be of the essence to this Agreement.

18.14 Further Assurances. Each party to this Agreement will execute and deliver such further instruments, contracts, forms, and other documents, and will perform such further acts, as may be necessary or desirable to carry out, complete, and perform all terms, covenants, and obligations contained in this Agreement.

18.15 Joint and Several Liability. In the event that you as franchisee consist of more than one person, entity, or combination of the two, your liability under this Agreement will be both joint and several. A breach of this Agreement by one such person or entity will be deemed to be a breach by both or all persons or entities.

18.16 Successors Bound. This Agreement will inure to the benefit of, and be binding on, the parties to this Agreement and their permitted successors and assigns.

18.17 Governing Law/Venue. Except as otherwise provided in this Agreement, and to the extent governed by state franchise laws requiring exclusive application, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq.*), or any other federal law, this Agreement will be construed in accordance with, and be governed by the laws of the State of Utah, without regard to its conflict of law principles. You agree that all actions related to this Agreement will be tried in any state or federal court of general jurisdiction in the County of Utah, State of Utah, and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to the jurisdiction or venue of such court. To the extent permitted by law, and except as otherwise permitted under this Agreement, you and we waive any right or claim for any punitive or multiplied damages against the other and agree that in the event of a dispute between you and us, each will be limited to the recovery of actual damages sustained. Furthermore, you and we, to the extent permitted by law, irrevocably waive trial by jury on any action, proceeding or counterclaim, whether at law or equity, brought by either against the other. To the extent permitted by applicable law, any and all claims related to this Agreement or the

relationship between you and us will be barred unless an action or proceeding is commenced within one year from the date on which you and we knew or should have known, in the exercise of reasonable investigation, of the facts giving rise to such claims. This limitation of claims will not apply to claims or proceedings for the recovery of monies owed under this Agreement.

18.18 Schedules. The following schedules form part of this Agreement:

Schedule A - Description of Your Operating Territory

18.19 Acknowledgements. You acknowledge that you have:

(a) Received a copy of our complete Disclosure Document required by the Federal Trade Commission and the governing authorities of the state in which the Operating Territory will be located at 14 calendar days (10 business days in California) prior to the date on which you executed this Agreement or any related agreement or paid any consideration to us or our affiliate in connection with the franchise sale;

(b) Read and understood this Agreement, and all related agreements, before signing this Agreement;

(c) Been accorded ample time and opportunity to consult with advisers of your own choosing before signing this Agreement;

(d) Either received this Agreement containing all substantive terms at the time of delivery of the Disclosure Document, or, if we unilaterally changed or modified any of the terms or conditions of our standard franchise agreement attached to our Disclosure Document, then you received a copy of this Agreement and its exhibits in complete and final form at least 7 days before signing it;

(e) Received no representations, promises, guarantees, projections, or warranties of any kind from us to induce the execution of this Agreement or related to this Agreement except as specifically set forth in writing in this Agreement; and

(f) Received no guarantee from us or any other party as to your success in the Franchised Business; and that the number of qualified households within the Operating Territory is not an indicator or predictor of future success.

You acknowledge that you have had ample time to read this Agreement and our Disclosure Document. You understand and accept the terms, conditions and covenants contained in this Agreement. They are necessary to maintain our high standards of quality, service and uniformity at all franchises. They protect and preserve the goodwill of our names and marks and the confidentiality and value of our system. You have received advice from advisors of your own choosing regarding all pertinent aspects of this Franchise and the franchise relationship created by this Agreement. You also acknowledge that you believe you have made a good decision for yourself or your partners or your corporation based upon what you believe is your ability to run and control a business of your own.

You are aware that some present and future PCC franchisees may operate under different forms of agreement and, consequently, that our obligations and rights in respect to our various present and future franchisees may differ materially in certain circumstances.

The success of your franchise is speculative and depends, to a large extent, upon your ability as an independent businessperson. You recognize that the business venture contemplated by this Agreement involves business risks. We do not make any representation or warranty, express or implied, as to the potential success of the Franchise.

You acknowledge that you have entered this Agreement after conducting an independent investigation of us and of the Franchise. Your success will be dependent upon your ability as an independent businessperson. You have not relied upon any representation as to gross revenues, volume, cost savings, potential earnings or profits which you in particular might realize. Except as outlined in Item 19 of our Disclosure Document, we expressly disclaim the making of, and you acknowledge that you have not received, any representation, warranty, or guarantee, express or implied, concerning the potential revenues, cost savings, volume, profits, or success of the business venture contemplated by this Agreement. You acknowledge that neither we, nor any of our officers, directors, shareholders, employees, agents or servants, made any other representation about the business contemplated by this Agreement or that are not expressly set forth in this Agreement or our Disclosure Document to induce you to accept this Franchise and execute this Agreement. Any oral representations made by our representatives to you, whether or not set forth in earlier versions of our standard form franchise agreement, have either been ratified by us by including the representations in this document or have been disavowed by excluding them from this Agreement.

Prior to your execution of this Agreement, we have not given you any advice or review of any of your business plans or third party loan applications related to your purchase of and proposed operation of the franchise. We do not receive or review business plans and loan applications before a franchisee signs the relevant franchise agreement. We have strongly recommended that you retain and work with your own independent accountant and financial advisors to fully review all financial aspects of your potential franchise investment for you. You acknowledge that we will not provide financial assistance to you and that we have made no representation that we will buy back from you any products, supplies, or equipment you purchase in connection with your franchise.

You acknowledge that we will not provide or designate locations for you. You have investigated the potential of the market area in which you are to establish and operate your franchise business and the laws and regulations applicable thereto. You agree and represent that that market area is reasonable and the Franchise Fee represents fair consideration for the opportunity to establish and operate a PCC franchise.

You acknowledge that a PCC business involves hard work and sometimes long hours, similar to most small businesses that are owner operated. We have not represented that this business is going to be easy for you, your partners, officers or directors. You or your majority owner if you are a corporation, limited liability company or partnership, must actively participate in the daily affairs of the business. You represent that you or your majority owner are in good health and able to devote your full time and best efforts in the day to day operations of your franchised business

or that you have the business management skills necessary to successfully hire a general manager to run the day to day operations of your franchised business.

Neither you, nor your spouse, nor your children, nor your parents, nor anyone who has an interest in or who will manage the franchise, nor any of your partners or affiliates:

1. supports terrorism,
2. provides money or financial services to terrorists,
3. receives money or financial services from terrorists or institutions that support terrorists
4. is engaged in terrorism, or
5. is on the current U.S. or Canadian government lists of persons and organizations that support terrorism as provided for by law, such as the list of “Specially Designated Nationals” and “Blocked Persons” under the “USA Patriot Act” 18 USC Section 1900 et seq.

Neither you nor any of these persons has engaged in or been convicted of fraud, corruption, bribery, money laundering, narcotics trafficking or other crimes, and each is eligible under applicable U.S. immigration laws to communicate with and travel to the United States to fulfill your obligations under your agreements with us.

18.20 Reasonable Business Judgment. “Reasonable Business Judgment” means that our determinations or choices will prevail, even if other alternatives are also reasonable or arguably preferable, if we intend to benefit, or are acting in a way that could benefit, the System (by, for example, enhancing the value of the Marks, increasing customer satisfaction, minimizing possible customer confusion as to the Marks or the location of any Precision Concrete Cutting business, or increasing our financial strength). You agree to this concept of Reasonable Business Judgment in acknowledgment of the fact that we should have at least as much discretion in administering the System as a corporate board of directors has in directing a corporation and because the long-term interests of the System and all franchisees and owners of Franchised Businesses in the System require that we have the latitude to exercise Reasonable Business Judgment. We shall not be required to consider your particular economic or other circumstances or to slight our own economic or other business interests when exercising our Reasonable Business Judgment. You acknowledge that: (i) we have a legitimate interest in seeking to maximize our profit; and (ii) the fact that we benefit economically from an action will not be relevant to showing that we did not exercise Reasonable Business Judgment. Neither you nor any third party (including but not limited to any third party acting as a trier of fact) shall substitute your or its judgment for our Reasonable Business Judgment. You agree that, in a given situation, you have the burden of establishing, by clear and convincing proof that we failed to exercise Reasonable Business Judgment.

WE HAVE NOT MADE ANY REPRESENTATIONS, PROMISES, GUARANTEES, PROJECTIONS, OR WARRANTIES OF ANY KIND TO YOU, YOUR OWNERS, OR THE GUARANTORS TO INDUCE THE EXECUTION OF THIS AGREEMENT OR CONCERNING THIS AGREEMENT EXCEPT AS SPECIFICALLY SET FORTH IN WRITING IN THIS AGREEMENT AND IN OUR FRANCHISE DISCLOSURE DOCUMENT THAT WE DELIVERED TO YOU. YOU ACKNOWLEDGE THAT NEITHER WE NOR

ANY OTHER PARTY HAS GUARANTEED YOUR SUCCESS IN THE BUSINESS CONTEMPLATED BY THIS AGREEMENT.

IN WITNESS WHEREOF, the parties to this Agreement, intending to be legally bound, hereby have duly executed and delivered this Agreement in multiple counterparts, any of which will have the effect of an original and all of which, when taken together, will constitute one and the same instrument, as of the Effective Date first above written.

US: PRECISION CONCRETE CUTTING,
INC.

YOU: _____

By: _____

Aaron Ollivier

Its: CEO

Date: _____

By: _____

Print Name: _____

Title: _____

Date: _____

SCHEDULE A

PRECISION CONCRETE CUTTING, INC.

DESCRIPTION OF YOUR OPERATING TERRITORY

Your Operating Territory will be: _____

Your Principal Business Address is: _____

INITIAL

Date

Us

You

EXHIBIT C TO PCC FRANCHISE DISCLOSURE DOCUMENT

**PRECISION CONCRETE CUTTING, INC.
RENEWAL AND RELEASE AGREEMENT**

THIS AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20____ (the "Effective Date"), by and between PRECISION CONCRETE CUTTING, INC., a Utah corporation with its principal place of business at 3191 North Canyon Road, Provo, Utah 84604 ("we," "us," "Corporate," or the "Company") and _____, whose principal address is _____ ("you").

On or about the following date, you and we entered into a Precision Concrete Cutting® franchise agreement (the "Franchise Agreement") for the operation of a franchise at the following location:

_____.

You desire to renew the franchise on the terms of our current franchise agreement forms. You desire to release us from any and all claims whatsoever arising out of the negotiation, execution, delivery, and performance of the Franchise Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, and for other valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, you and we agree as follows:

1. Renewal of Franchise Agreement.

- A. The Franchise Agreement, including all appurtenant addenda, certificates, exhibits, options, and obligations of the parties is terminated. The provisions of the Franchise Agreement concerning your obligations upon termination and renewal will continue in full force and effect. The parties agree that this Agreement fully and completely expresses the present understanding between the parties.
- B. Contemporaneously with execution of this Agreement, you agree to execute our current franchise agreement forms and pay the relevant renewal fee for the renewal of the franchise. These forms may vary materially from the Franchise Agreement. Royalty Fees, Marketing Fees, Bid Boss activation and subscription fees, Terminal software fees and other fees will be set at the currently prevailing rates and terms.

If you have more than one Precision Concrete Cutting franchise agreement with us, upon renewal of the Franchise Agreement, you may opt to merge or incorporate the territory defined and outlined in such other existing franchise agreement(s) into the new, successor franchise agreement that you execute with us pursuant to this Agreement. In such event, the new, successor franchise agreement replaces and supersedes all other existing franchise agreements and the Operating Territory and other terms and provisions may materially differ from the original franchise agreements.

- C. You will pay to us the renewal fee outlined in your original Franchise Agreement.
- D. You will refurbish and equip your franchise to conform to the current Operations Manual and standards of our system. This includes:

If we so require in our reasonable discretion, you or your designated manager will attend and successfully complete the following retraining programs at your expense, including travel, meals, lodging, and our current training fee.

2. Communication of Confidential Information. Neither you nor your owners, officers, directors, or other persons enumerated in the Franchise Agreement will communicate or divulge to any person or entity the contents of this Agreement, the contents of the Franchise Agreement, the substance of the Precision Concrete Cutting® franchise operations manuals, or any other nonpublic information related to the operation of the Precision Concrete Cutting® franchise system. You represent and warrant that neither nor any listed individual has communicated or divulged any such information to anyone prior to the date of this Agreement. You will continue to comply with all the confidentiality requirements of the Franchise Agreement.

3. Release. You (and your owners, members, partners, officers, and directors) agree to the following general release, subject to and following laws applicable in your jurisdiction, to release us from any claims you may have against us:

In consideration of the mutual covenants and understandings set forth in this release agreement, you release and discharge us and our respective current and former owners, partners, directors, officers, employees and agents from all obligations, duties, covenants and responsibilities to be performed under the franchise agreement with us related to the franchise and the franchise premises (“your Prior Franchise Agreement”).

You release and forever discharge us and our respective current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of your Prior Franchise Agreement and any related agreements between you and us and out of any other action or relationship between you and us arising prior to the date of the release agreement.

You and we will represent that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims, known or unknown, arising directly or indirectly out of your Prior Franchise Agreement and the relationship between you and us prior to the date of the renewal [transfer] agreement including, but not limited to, economic loss.

It is expressly understood and agreed that this release is intended to cover and does cover not only all known losses and damages but any further losses and damages not now known or anticipated but which may later develop or be discovered, which arise under your Prior Franchise

Agreement prior to the date of the renewal [transfer] agreement, including all effects and consequences.

These releases are intended to waive, release and discharge all claims against us, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

You will waive the benefit of both statute and any other legal doctrine or principle of similar effect in any jurisdiction.

4. Miscellaneous Provisions. This writing constitutes the entire agreement between the parties. It supersedes all prior understandings among the parties with respect to its subject matter. This Agreement may not be modified or amended in a manner adverse to any party except by written agreement signed by that party.

Time is of the essence of this Agreement.

Any party may seek and obtain in any court of competent jurisdiction specific performance and injunctive relief to restrain a violation by the other party of any covenant contained in this Agreement. The prevailing party in any suit or action to enforce this Agreement will be entitled to recover its court costs and reasonable legal fees to be set by the court, including costs and legal fees on appeal.

If a dispute arises, you and we agree to participate in at least six hours of mediation in accordance with the mediation procedures of the US Arbitration and Mediation Service or of any similar organization that specializes in the mediation of commercial business disputes. You and we agree to equally share the costs of mediation.

This Agreement is accepted in the State of Utah and will be governed by the laws of Utah, which laws will prevail, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et seq.). This choice of laws will not include and does not extend the scope of application of any Utah franchise or business opportunity laws. All issues or disagreements relating to this Agreement, will be mediated, tried, heard, and decided in Utah County, Utah.

This Agreement will benefit and bind the respective heirs, executors, administrators, successors, and assigns of the parties.

This Agreement may be executed in counterparts.

[Signature Page Immediately Follows]

US:
PRECISION CONCRETE CUTTING, INC.

By: _____

Aaron Ollivier

Its: CEO

Date: _____

YOU:

(Signature)

(Print Name)

(Signature)

EXHIBIT D TO PCC FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT STATE LAW ADDENDUM

The following modifications and additions are part of the Precision Concrete Cutting® Franchise Disclosure Document ("FDD") and Franchise Agreement ("FA") as required by relevant state laws.

These states have statutes which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of the Franchise:

ARKANSAS (Stat. Section 70-807)
CALIFORNIA (Bus. and Prof. Code Sections 20000-20043)
CONNECTICUT (Gen. Stat. Section 42-133e et seq.)
DELAWARE (Code, tit.)
HAWAII (Rev. Stat. Section 482-E1)
ILLINOIS (815 ILCS 705/1-44)
INDIANA (Stat. Section 23-2-2.7)
MICHIGAN (Stat. Section 19.854(27))
MINNESOTA (Stat. Section 80C.14)
MISSISSIPPI (Code Section 75-24-51)
MISSOURI (Stat. Section 407.400)
NEBRASKA (Rev. Stat. Section 8-401)
NEW JERSEY (Stat. Section 56:10-1)
SOUTH DAKOTA (Codified Laws Section 37-5A-51)
VIRGINIA (Code 13.1-557-574, 13.1-564)
WASHINGTON (Code Section 19.100.180)
WISCONSIN (Stat. section 135.03)

These and other states may have court decisions which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of the Franchise.

CALIFORNIA

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 DISCLOSURE DOCUMENT.

Our website address is www.safesidewalks.com. **OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT, ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.**

FDD COVER PAGE

REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER.

FDD Item 17, FA Sections 1.2, 9, 11.1, 14.3, 15.4, 16, and 18.17

(1) California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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

(3) The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

(4) The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

(5) You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

(6) The Franchise Agreement provides that all issues or disagreements relating to the Franchise Agreement will be mediated, tried, heard and decided at Utah County, Utah with the costs being borne by the non-prevailing party. 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 a franchise agreement restricting venue to a forum outside the State of California.

(7) The Franchise Agreement requires application of the laws of the State of ~~Utah~~[Nevada](#). This provision may not be enforceable under California law.

(8) Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

FDD Item 1

To operate a Precision Concrete Cutting® franchise in California, franchisees must possess a valid contractor's license from the Contractors State License Board within the California Department of Consumer Affairs. (cslb.ca.gov). To obtain such a contractor's license, you must: (1) have the requisite experience or receive oversight from a qualifying individual; (2) complete the application and receive notification of an accepted application; (3) apply for and pass the contractor's license examination; and (4) pay the licensing fees and obtain the requisite bond and insurance coverage.

FDD Item 3

Neither the franchisor nor any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

NEW YORK

FDD Cover Page

FRANCHISE DISCLOSURE DOCUMENT COVER PAGE

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT E OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY THE STATE OF NEW YORK DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY ST., 2ST FLOOR, NEW YORK, NEW YORK 10005.

FDD Item 3

Except as described 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; 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 franchises 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 been held liable in a civil action alleging: violation of a franchise, antitrust, or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; 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 any 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 these person from membership in these associations or exchanges; 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.

FDD Item 4

Except as disclosed above, neither the franchisor nor any of its affiliates, its predecessor, officers, or general partners have, during the 10 year period immediately preceding the date of the Franchise Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the U.S. 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 the officer or general partner of ours held this position in the company or partnership

FDD Item 5

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

FDD Item 17

The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for franchisee to renew or extend,**” and Item 17(m), entitled “**Conditions for franchisor approval of transfer**”:

However, 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 provision of General Business Law 687.4 and 687.5 be satisfied.

The following is added to the end of the “Summary” sections of Item 17(d), titled “**Termination by franchisee**”:

You may terminate the Franchise Agreement on any grounds available by law.

The following is added to the end of the “Summary” sections of Item 17(j), titled “**Assignment of contract by franchisor**”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of Forum**”, and Item 17(w), titled “**Choice of Law**”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by the Article 33 of the General Business Law of the State of New York.

THE NEW YORK SECTION OF THIS ADDENDUM APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF NEW YORK OR WHO LOCATE THEIR FRANCHISES IN NEW YORK

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing state law addendum for the state of _____, if any, supersedes any inconsistent portion of the Franchise Agreement (to which this Addendum is attached) of this same date, and of the Franchise Disclosure Document. All terms of the Franchise Agreement, including these State Law Addendum provisions for the relevant state, have been agreed to at the time the Franchise Agreement was signed, to the extent that they are valid requirements of an applicable, effective, and enforceable state law. However, this addendum will have effect only if the Franchise Agreement or our relationship with you satisfies all of the jurisdictional requirements of the relevant state's franchise laws, without considering this Addendum .

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum as of the Effective Date of the Franchise Agreement.

**US: PRECISION CONCRETE CUTTING,
INC.**

By: _____

Aaron Ollivier

Its: CEO

Date: _____

YOU:

(Signature)

(Print Name)

(Date)

EXHIBIT E TO PCC FRANCHISE DISCLOSURE DOCUMENT

THE PRECISION CONCRETE CUTTING, INC. FINANCIAL STATEMENTS

AS OF December 31, 2018, 2017 and 2016



**Financial Statements
December 31, 2018 and 2017**

With report of Independent Auditors:



170 South Main Street, Suite 800
Salt Lake City, UT 84101

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders

PRECISION CONCRETE CUTTING, INC.

We have audited the accompanying financial statements of **Precision Concrete Cutting, Inc.** (the Company), which comprise the balance sheets as of December 31, 2018 and 2017, and the related statements of income and retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

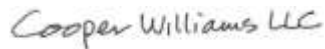
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Precision Concrete Cutting, Inc.**, as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Salt Lake City, Utah
May 29, 2019

PRECISION CONCRETE CUTTING, INC.

BALANCE SHEETS

As of December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Current Assets		
Cash	\$ 529,693	\$ 178,106
Accounts receivable	1,167,940	1,376,034
Inventory	27,557	21,319
Total Current Assets	<u>1,725,190</u>	<u>1,575,459</u>
Property and Equipment		
Furniture and fixtures	217,612	217,612
Machinery & equipment	226,197	226,198
Vehicles	1,448,510	1,251,671
Building	249,102	249,102
Land	62,276	62,276
	<u>2,203,697</u>	<u>2,006,859</u>
Less: accumulated depreciation	<u>(1,387,608)</u>	<u>(1,170,092)</u>
Property and equipment, net	<u>816,089</u>	<u>836,767</u>
Intangible Assets	<u>344,805</u>	<u>344,805</u>
TOTAL ASSETS	<u>\$ 2,886,084</u>	<u>\$ 2,757,031</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 237,184	\$ 293,873
Bank Overdrafts	763,603	463,479
Deferred revenue	263,940	261,985
Notes payable, current portion	12,518	11,944
Total Current Liabilities	<u>1,277,245</u>	<u>1,031,281</u>
Note Payable, net of current portion	204,146	216,540
Deferred revenue	<u>265,292</u>	<u>409,641</u>
TOTAL LIABILITIES	<u>1,746,683</u>	<u>1,657,462</u>
Stockholders' Equity		
Common stock, no stated value		
Authorized 50,000,000 shares		
Issued 120,600 shares	1,277,571	1,277,571
Treasury stock, 771,984 shares at cost	(1,261,846)	(1,261,846)
Additional paid-in capital	20,500	20,500
Retained earnings	<u>1,103,176</u>	<u>1,063,344</u>
Total Stockholders' Equity	<u>1,139,401</u>	<u>1,099,569</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 2,886,084</u>	<u>\$ 2,757,031</u>

See Independent Auditors' Report and the notes to these financial statements

PRECISION CONCRETE CUTTING, INC.
STATEMENTS OF INCOME AND RETAINED EARNINGS
For the Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Revenue		
Initial franchise fees and royalties	\$ 2,288,106	\$ 1,948,286
Concrete cutting services and products	6,614,980	5,820,129
Total Revenue	<u>8,903,086</u>	<u>7,768,415</u>
Direct Costs	<u>4,032,681</u>	<u>3,432,839</u>
Gross Margin	<u>4,870,405</u>	<u>4,335,576</u>
Operating Expenses		
General and administrative	3,826,286	2,703,710
Depreciation	<u>239,443</u>	<u>224,484</u>
Total Operating Expenses	<u>4,065,729</u>	<u>2,928,194</u>
Income from Operations	<u>804,676</u>	<u>1,407,382</u>
Interest Expense	(12,224)	(10,203)
Other income (expense)	<u>(19,148)</u>	<u>6,995</u>
NET INCOME	<u>773,304</u>	<u>1,404,174</u>
RETAINED EARNINGS - BEGINNING BALANCE	1,063,344	796,695
Distributions to Stockholders	<u>(733,472)</u>	<u>(1,137,525)</u>
RETAINED EARNINGS - ENDING BALANCE	<u>\$ 1,103,176</u>	<u>\$ 1,063,344</u>

See Independent Auditors' Report and the notes to these financial statements

PRECISION CONCRETE CUTTING, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash Flows From Operating Activities		
Net income	\$ 773,304	\$ 1,404,174
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation	239,443	224,484
Changes in current assets and liabilities:		
Accounts receivable	208,094	(350,917)
Inventory	(6,238)	39,244
Accounts payable and accrued liabilities	243,435	140,462
Net Cash Flows Provided by Operating Activities	<u>1,458,038</u>	<u>1,457,447</u>
Cash Flows From Investing Activities		
Proceeds from the sale of equipment	63,283	185,375
Purchase of property and equipment	(282,048)	(282,353)
Net Cash Flows Used by Investing Activities	<u>(218,765)</u>	<u>(96,978)</u>
Cash Flows From Financing Activities		
Payment of stockholder distributions	(733,472)	(1,137,525)
Principle payments on notes payable	(11,820)	(11,516)
Change in deferred revenue	(142,394)	(242,650)
Net Cash Flows Used by Financing Activities	<u>(887,686)</u>	<u>(1,391,691)</u>
Net Increase (Decrease) in Cash	351,587	(31,222)
Cash at Beginning of Period	178,106	209,328
Cash at End of Period	<u>\$ 529,693</u>	<u>\$ 178,106</u>
Supplemental Disclosures		
Cash paid during the year for interest	<u>\$ 10,495</u>	<u>\$ 10,203</u>
Cash paid during the year for taxes	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report and the notes to these financial statements

PRECISION CONCRETE CUTTING, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of business

PRECISION CONCRETE CUTTING, INC. (the Company) began in 1992 as a small trip hazard business in Provo, Utah. Later, in 2004, the Company became incorporated under the laws of the State of Utah.

The Company is a specialized concrete cutting company that uses a patented concrete cutting process to remove trip hazards from uneven sidewalks. The Company founder developed a patented saw design for use in the process.

The Company provides concrete cutting services throughout the State of Utah and in several western states. The Company also sells franchises throughout the United States. Customers that are in demand for the concrete cutting services primarily include municipalities, school districts and others that are required to maintain even concrete surfaces.

Basis of Accounting

The financial statements of the Company have been prepared using the accrual method of accounting and are presented in conformity with accounting principles generally accepted in the United States of America.

The following policies are considered to be significant.

Reclassification

Certain prior year amounts have been reclassified for consistency with the current year presentation.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make certain estimates and assumptions. These estimates and assumptions affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. They also affect the reported amounts of revenues and expenses during the reporting period. Differences between these estimates and actual results could be material to the Company's financial position and results of operations.

Cash and Cash Equivalents

For purposes of the balance sheets and statement of cash flows, the Company considers all highly liquid investments, which are readily convertible into known amounts of cash and have a maturity of three months or less when acquired to be cash equivalents. At December 31, 2018 and 2017 management believes that the carrying amount of cash equivalents approximates fair value because of the short maturity of these financial instruments.

See Independent Auditors' Report

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PRECISION CONCRETE CUTTING, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

Accounts Receivable

Accounts receivable are recorded at the invoiced amount and do not bear interest. Account balances are charged off after all means of collection have been exhausted and the potential for recovery is considered remote. An allowance for doubtful accounts is recorded when the Company determines, based on historical experience, that an account is uncollectible. As of December 31, 2018 and 2017, there was no allowance for doubtful accounts.

Inventory

Inventories consist primarily of equipment held for resale and are valued at the lower of actual cost or market. Cost is determined by specific identification of each individual unit.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated lives of the related assets, ranging from three to seven years. Normal maintenance and repair items are charged to costs and expensed as incurred. The cost and accumulated depreciation of property and equipment sold or otherwise retired are removed from the accounts and gain or loss on disposition is reflected in net income.

Income Taxes

Effective January 1, 2007, the Company and its shareholders have made an election to be treated as an "S Corporation" under section 1362(a) of the Internal Revenue Code (Subchapter S of Chapter 1), whereby federal and (most) state income taxes on earnings of the Company are passed on to the shareholders of the Company and are therefore not reflected in these financial statements.

If the Company and its shareholders had elected to be treated as a corporation, the accompanying financial statements would include the effect of income tax expense and net operating loss carry-forward and /or carry-back and other applicable federal tax items.

However, the financial statements may not include a deferred income tax liability for the following reasons:

- The difference between the book and tax methods for computing depreciation may not be significant.
- Other items that may give rise to deferred tax items in the financial statements are not significant.

The Company and its shareholders may be subject to routine audits by taxing jurisdictions; however, there are no audits for any tax periods in progress. The Company and its shareholders believe they are no longer subject to income tax examinations for years prior to 2015.

Revenue recognition

Revenue from the sales of franchises is recognized when the franchisor has no remaining obligation to either refund cash or to forgive any unpaid balance due, has substantially performed all initial services required by the agreement, and has no material obligations or

See Independent Auditors' Report

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PRECISION CONCRETE CUTTING, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

conditions remaining. Franchise revenue related to multi-year contracts is deferred and amortized over the life of the contract.

Advertising Costs

The Company's policy is to charge advertising costs to expense as incurred. Advertising costs totaled approximately \$229,000 and \$191,000, for the years ended December 31, 2018 and 2017, respectively.

NOTE 2 - CASH AND CASH EQUIVALENTS

The Company maintains cash in bank deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

The cash and interest-bearing accounts are not subject to significant market fluctuations; thus, management believes cost and market values are substantially equivalent.

NOTE 3 - GOODWILL

The Company, in its initial phases, purchased a company, whose ideas helped in the eventual development of the ultimate concepts of the Company's processes and products. The amount related to this is included on the balance sheet as goodwill. In accordance with Financial Accounting Standards Board – Accounting Standards Codification (FASB-ASC) 350, goodwill is not subject to amortization, but is tested for impairment annually. Accordingly, the Company performs an annual impairment assessment of goodwill, and has not determined that an impairment exists at December 31, 2018 and 2017, respectively.

NOTE 4 - FRANCHISES

The Company sold one franchise during the year ended December 31, 2018 and two during the year ended December 31, 2017. Initial franchise fees during the years ended December 31, 2017 and 2016 were \$85,000 and \$45,835, respectively.

A total of 57 franchised outlets were in operation at December 31, 2018, and 56 outlets were in operation at December 31, 2017. Royalty fees from the franchisees during the years ended December 31, 2018 and 2017 were \$1,997,683 and \$1,624,004, respectively.

The Company has six franchisor-owned outlets in operation, located in Lindon, Utah; Las Vegas, Nevada; Denver, Colorado; Puyallup, Washington; Santa Ana, California; and Mesa, Arizona.

NOTE 5 - RELATED PARTY TRANSACTIONS – VARIABLE INTEREST ENTITY

The Company leases office and warehouse space in three locations from a company partially owned by a stockholder. Rent expense to the related party was approximately \$157,000 and 141,000 for the years ended December 31, 2018 and 2017, respectively. The Company also rented office space from a related party. 2018 rent expense was \$25,000 in 2018.

See Independent Auditors' Report

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PRECISION CONCRETE CUTTING, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

Variable Interest Entity (VIE) – According to FASB ASC 810-10, the financial statements of entities determined to be VIEs should be consolidated with the financial statements of the VIE's primary beneficiary. Due to the equity investment of the Company's primary stockholder, and the primary stockholder's ability to exercise control over the entity described above, the consolidation criteria have likely been met. However, in March 2014 Accounting Standards Update (ASU) 2014-07 Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements was issued, which allows private company lessees to elect an alternative not to apply VIE guidance (under FASB ASC 810-10 described above) if certain conditions are met, which the Company believes it has met.

The accounting update permits early application (i.e., before its effective date of periods beginning after December 15, 2015), including application to any periods for which the financial statements have not yet been made available for issuance. Thus, the Company has elected the alternative to not apply the VIE guidance.

NOTE 6 – NOTES PAYABLE

During 2016, the Company entered into \$240,000 of non-recourse debt relating to the acquisition of land and a building, maturing at December 21, 2031. The stated interest rate is fixed at 4.7% with scheduled monthly payments of principal and interest of \$1,870. The scheduled principal payments, as of December 31, 2018, were as follows:

2019	\$ 12,518
2020	13,119
2021	13,749
2022	14,409
2023	15,101
Thereafter	<u>147,767</u>
	\$ 216,664

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The Company, in the normal course of business receives claims, which may occasionally rise to the level of a lawsuit. However, management does not believe that the outcome of any such matter will have a material adverse effect on the Company's financial statements.

NOTE 8 - SUBSEQUENT EVENTS

Company management has evaluated subsequent events through May 29, 2019, the date which the financial statements were available to be issued. No subsequent events were noted during this evaluation that required recognition or disclosure in these financial statements.

See Independent Auditors' Report

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**Financial Statements
December 31, 2017 and 2016**

With report of Independent Auditors:



136 South Main Street, Suite A300
Salt Lake City, UT 84101

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders PRECISION CONCRETE CUTTING, INC.

We have audited the accompanying financial statements of **Precision Concrete Cutting, Inc.** (the Company), which comprise the balance sheets as of December 31, 2017 and 2016, and the related statements of income and retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Precision Concrete Cutting, Inc.**, as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Salt Lake City, Utah
July 10, 2018

PRECISION CONCRETE CUTTING, INC.
BALANCE SHEETS
As of December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash	\$ 178,106	\$ 209,328
Accounts receivable	1,376,034	1,025,117
Inventory	21,319	60,563
Total Current Assets	<u>1,575,459</u>	<u>1,295,008</u>
Property and Equipment		
Furniture and fixtures	217,612	217,612
Machinery & equipment	226,198	226,198
Vehicles	1,251,671	958,959
Building	249,102	249,102
Land	62,276	62,276
	<u>2,006,859</u>	<u>1,714,147</u>
Less: accumulated depreciation	<u>(1,170,092)</u>	<u>(963,559)</u>
Property and equipment, net	<u>836,767</u>	<u>750,588</u>
Intangible Assets	<u>344,805</u>	<u>344,805</u>
TOTAL ASSETS	<u>\$ 2,757,031</u>	<u>\$ 2,390,401</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 293,873	\$ 153,411
Bank Overdrafts	463,479	249,793
Notes payable, current portion	11,944	22,439
Total Current Liabilities	<u>769,296</u>	<u>425,643</u>
Note Payable, net of current portion	<u>216,540</u>	<u>217,561</u>
TOTAL LIABILITIES	<u>985,836</u>	<u>643,204</u>
Stockholders' Equity		
Common stock, no stated value		
Authorized 50,000,000 shares		
Issued 120,600 shares	1,277,571	1,277,571
Treasury stock, 771,984 shares at cost	(1,261,846)	(1,261,845)
Additional paid-in capital	20,500	20,500
Retained earnings	1,734,970	1,710,971
Total Stockholders' Equity	<u>1,771,195</u>	<u>1,747,197</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 2,757,031</u>	<u>\$ 2,390,401</u>

See Independent Auditors' Report and the notes to these financial statements

PRECISION CONCRETE CUTTING, INC.
STATEMENTS OF INCOME AND RETAINED EARNINGS
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Revenue		
Initial franchise fees and royalties	\$ 1,705,636	\$ 1,766,309
Concrete cutting services and products	<u>5,820,129</u>	<u>5,334,574</u>
Total Revenue	<u>7,525,765</u>	<u>7,100,883</u>
Direct Costs	<u>3,432,839</u>	<u>3,326,852</u>
Gross Margin	<u>4,092,926</u>	<u>3,774,031</u>
Operating Expenses		
General and administrative	2,703,710	2,802,748
Depreciation	<u>224,484</u>	<u>196,608</u>
Total Operating Expenses	<u>2,928,194</u>	<u>2,999,356</u>
Income from Operations	<u>1,164,732</u>	<u>774,675</u>
Interest Expense	(10,203)	(100)
Other income (expense)	<u>6,995</u>	<u>418</u>
NET INCOME	<u>1,161,524</u>	<u>774,993</u>
RETAINED EARNINGS - BEGINNING BALANCE	1,710,971	1,554,080
Distributions to Stockholders	<u>(1,137,525)</u>	<u>(618,102)</u>
RETAINED EARNINGS - ENDING BALANCE	<u>\$1,734,970</u>	<u>\$ 1,710,971</u>

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See Independent Auditors' Report and the notes to these financial statements

PRECISION CONCRETE CUTTING, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Net income	\$ 1,161,524	\$ 774,993
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation	224,484	196,608
Changes in current assets and liabilities:		
Accounts receivable	(350,917)	(189,529)
Inventory	39,244	(57,096)
Accounts payable and accrued liabilities	140,462	60,835
Net Cash Flows Provided by Operating Activities	<u>1,214,797</u>	<u>785,811</u>
Cash Flows From Investing Activities		
Proceeds from the sale of equipment	185,375	
Purchase of property and equipment	(282,353)	(524,029)
Net Cash Flows Provided by (Used in) Investing Activities	<u>(96,978)</u>	<u>(524,029)</u>
Cash Flows From Financing Activities		
Payment of stockholder distributions	(1,137,525)	(618,102)
Principle payments on notes payable	(11,516)	
Proceeds from note payable		240,000
Net Cash Flows Used in Financing Activities	<u>(1,149,041)</u>	<u>(378,102)</u>
Net Increase (Decrease) in Cash	<u>(31,222)</u>	<u>(116,320)</u>
Cash at Beginning of Period	<u>209,328</u>	<u>325,648</u>
Cash at End of Period	<u><u>\$ 178,106</u></u>	<u><u>\$ 209,328</u></u>
Supplemental Disclosures		
Cash paid during the year for interest	<u>\$ 10,203</u>	<u>\$ 821</u>
Cash paid during the year for taxes	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report and the notes to these financial statements

PRECISION CONCRETE CUTTING, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of business

PRECISION CONCRETE CUTTING, INC. (the Company) began in 1992 as a small trip hazard business in Provo, Utah. Later, in 2004, the Company became incorporated under the laws of the State of Utah.

The Company is a specialized concrete cutting company that uses a patented concrete cutting process to remove trip hazards from uneven sidewalks. The Company founder developed a patented saw design for use in the process.

The Company provides concrete cutting services throughout the State of Utah and in several western states. The Company also sells franchises throughout the United States. Customers that are in demand for the concrete cutting services primarily include municipalities, school districts and others that are required to maintain even concrete surfaces.

Basis of Accounting

The financial statements of the Company have been prepared using the accrual method of accounting and are presented in conformity with accounting principles generally accepted in the United States of America.

The following policies are considered to be significant.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make certain estimates and assumptions. These estimates and assumptions affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. They also affect the reported amounts of revenues and expenses during the reporting period. Differences between these estimates and actual results could be material to the Company's financial position and results of operations.

Cash and Cash Equivalents

For purposes of the balance sheets and statement of cash flows, the Company considers all highly liquid investments, which are readily convertible into known amounts of cash and have a maturity of three months or less when acquired to be cash equivalents. At December 31, 2017 and 2016 management believes that the carrying amount of cash equivalents approximates fair value because of the short maturity of these financial instruments.

Accounts Receivable

Accounts receivable are recorded at the invoiced amount and do not bear interest. Account balances are charged off after all means of collection have been exhausted and the potential for recovery is considered remote. An allowance for doubtful accounts is recorded when the Company determines, based on historical experience, that an account is uncollectible. As of December 31, 2017, and 2016, there was no allowance for doubtful accounts.

See Independent Auditors' Report

PRECISION CONCRETE CUTTING, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 1- ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Inventory

Inventories consist primarily of equipment held for resale and are valued at the lower of actual cost or market. Cost is determined by specific identification of each individual unit.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated lives of the related assets, ranging from three to seven years. Normal maintenance and repair items are charged to costs and expensed as incurred. The cost and accumulated depreciation of property and equipment sold or otherwise retired are removed from the accounts and gain or loss on disposition is reflected in net income.

Income Taxes

Effective January 1, 2007, the Company and its shareholders have made an election to be treated as an "S Corporation" under section 1362(a) of the Internal Revenue Code (Subchapter S of Chapter 1), whereby federal and (most) state income taxes on earnings of the Company are passed on to the shareholders of the Company and are therefore not reflected in these financial statements.

If the Company and its shareholders had elected to be treated as a corporation, the accompanying financial statements would include the effect of income tax expense and net operating loss carry-forward and /or carry-back and other applicable federal tax items.

However, the financial statements may not include a deferred income tax liability for the following reasons:

- The difference between the book and tax methods for computing depreciation may not be significant.
- Other items that may give rise to deferred tax items in the financial statements are not significant.

The Company and its shareholders may be subject to routine audits by taxing jurisdictions; however, there are no audits for any tax periods in progress. The Company and its shareholders believe they are no longer subject to income tax examinations for years prior to 2014.

Revenue recognition

Revenue from the sales of franchises is recognized when the franchisor has no remaining obligation to either refund cash or to forgive any unpaid balance due, has substantially performed all initial services required by the agreement, and has no material obligations or conditions remaining.

Advertising Costs

The Company's policy is to charge advertising costs to expense as incurred. Advertising costs totaled approximately \$191,000 and \$184,000, for the years ended December 31, 2017 and 2016, respectively.

See Independent Auditors' Report

PRECISION CONCRETE CUTTING, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 2 - CASH AND CASH EQUIVALENTS

The Company maintains cash in bank deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

The cash and interest-bearing accounts are not subject to significant market fluctuations; thus, management believes cost and market values are substantially equivalent.

NOTE 3 - GOODWILL

The Company, in its initial phases, purchased a company, whose ideas helped in the eventual development of the ultimate concepts of the Company's processes and products. The amount related to this is included on the balance sheet as goodwill. In accordance with Financial Accounting Standards Board – Accounting Standards Codification (FASB-ASC) 350, goodwill is not subject to amortization, but is tested for impairment annually. Accordingly, the Company performs an annual impairment assessment of goodwill, and has not determined that an impairment exists at December 31, 2017 and 2016, respectively.

NOTE 4 - FRANCHISES

The Company sold two franchises during the year ended December 31, 2017 and six during the year ended December 31, 2016. Initial franchise fees during the years ended December 31, 2017 and 2016 were \$45,835 and \$204,514, respectively.

A total of 56 franchised outlets were in operation at December 31, 2017, and 55 outlets were in operation at December 31, 2016. Royalty fees from the franchisees during the years ended December 31, 2017 and 2016 were \$1,792,128 and \$1,624,004, respectively.

The Company has six franchisor-owned outlets in operation, located in Provo, Utah; Las Vegas, Nevada; Denver, Colorado; Seattle, Washington; Santa Ana, California; and Phoenix, Arizona.

NOTE 5 - RELATED PARTY TRANSACTIONS – VARIABLE INTEREST ENTITY

The Company leases office and warehouse space in three locations from a company partially owned by a stockholder. The lease terms are month-to-month. Rent expense to the related party was approximately \$141,000 and \$65,000 for the years ended December 31, 2017 and 2016, respectively.

Variable Interest Entity (VIE) – According to FASB ASC 810-10, the financial statements of entities determined to be VIEs should be consolidated with the financial statements of the VIE's primary beneficiary. Due to the equity investment of the Company's primary stockholder, and the primary stockholder's ability to exercise control over the entity described above, the consolidation criteria have likely been met. However, in March 2014 Accounting Standards Update (ASU) 2014-07 Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements was issued, which allows private company lessees to elect an alternative not to apply VIE guidance (under FASB ASC 810-10 described above) if certain conditions are met, which the Company believes it has met.

See Independent Auditors' Report

EXHIBIT F TO PCC FRANCHISE DISCLOSURE DOCUMENT

CONDITIONAL ASSIGNMENT OF PHONE NUMBER

_____ ("you") operate your franchise business at _____.
In consideration of the granting of a franchise to you and other valuable consideration given by **PRECISION CONCRETE CUTTING, INC.**, a Utah corporation ("us"), you assign to us all telephone numbers and listings you use in the operation of the franchise. We assume the performance of all of the terms, covenants and conditions of your agreement with the Telephone Company concerning the telephone numbers and telephone listings with the full force and effect as if we had been originally issued the telephone numbers and telephone listings. We will hold this assignment, and will deliver it to the Telephone Company or other interested third parties only upon termination of the Franchise Agreement between us and you dated _____.

DATED this ____ day of _____, 20__.

("we/us"): **PRECISION CONCRETE CUTTING, INC.**

By: _____
Title: _____

(jointly and severally "you"):

By: _____
Title: _____

EXHIBIT G TO PCC FRANCHISE DISCLOSURE DOCUMENT

**AUTHORIZATION AGREEMENT
FOR PREAUTHORIZED PAYMENTS**

PRECISION CONCRETE CUTTING, INC. ("COMPANY")
ID NUMBER: 04-3800739

The undersigned ("DEPOSITOR") authorizes COMPANY to initiate debit entries to the Checking Account indicated below at the DEPOSITORY named below, and authorizes DEPOSITORY to debit to such account all entries COMPANY initiates.

DEPOSITORY
NAME _____ BRANCH _____

CITY _____ STATE _____

CHECKING ACCOUNT NO. _____

ROUTING NUMBER _____

DEPOSITOR agrees that this authorization will remain in full force and effect until DEPOSITOR has given COMPANY written notice of its revocation in such time and in such manner as to afford COMPANY and DEPOSITORY a reasonable opportunity to act on the notice.

DEPOSITOR'S
NAME _____ FEIN _____

DEPOSITOR'S SIGNATURE _____

TITLE OF PERSON SIGNING (if signed in a representative capacity) _____

DATE _____

NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE DEPOSITOR MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE DEBIT ORIGINATOR (COMPANY) IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

PLEASE ATTACH VOIDED CHECK OF THE BANK ACCOUNT TO BE DEBITED ALONG WITH INFORMATION ON YOUR CREDIT CARD HERE.

CREDIT CARD TYPE (MC, VISA, ETC.) _____

NUMBER: _____

EXPIRATION DATE: _____

NAME ON CARD: _____

AUTHORIZATION SIGNATURE: _____

EXHIBIT H TO PCC FRANCHISE DISCLOSURE DOCUMENT



National Account Policy Agreement

This agreement is designed to manage the situation where a franchise generates a project, job, or contract (hereinafter referred to as “Work”) where the physical locations of the Work extend beyond their own territory and into the territory of another franchise territory and/or an un-franchised territory. Corporate PCC will act as mediator if any conflict arises out of this agreement.

The person who generates the Work (hereinafter referred to as “Franchise A”) will notify corporate and any franchised territory where work is to be performed (hereinafter referred to as Franchise B) of any prospective work to be performed outside of their territory with at least 14-days notice. This should provide time for Franchise B to be introduced to the client (Scenario 1) or choose to allow Franchise A to perform the work within their territory (Scenario 2).

Upon notification, Franchise B would have the choice to perform the work using his own employees or allow Franchise A to perform the work.

Scenario 1: FRANCHISE B PERFORMS WORK

In the event that Franchise B chooses to perform the work, Franchise A will notify its client of a sister company where its client has requested work to be completed. Franchise B will then manage the work directly with the client. Franchise A will receive a ten percent commission (10%) for one-year from when the first day of cutting takes places for generating the work. Franchise B will receive ninety percent (90%) of the revenue of the project and complete all work using his own equipment and communicate directly with the client regarding the progress of the project.

The work and customer satisfaction is to be of equal or higher standard than what Franchise A had developed with the customer to maintain consistency throughout all franchisees. Work is to be completed in a reasonable amount of time, typically within 30 days of notification by Franchise A. If Franchise B cannot commit to complete the work and manage the client relation that Franchise A has developed within the 30-day timeframe, or fails to complete the work within that same timeframe, Franchise A will have the opportunity to complete the work and manage the client. Franchise B will receive a 10% commission if Franchise A completes work within Franchise B’s territory.

Scenario 2: FRANCHISE A PERFORMS WORK

Upon notification of the work by Franchise A, Franchise B can elect to have Franchise A perform the work in Franchise B’s territory. In this scenario, Franchise A would receive ninety

percent (90%) of the Work revenue and Franchise B would receive ten (10%) of the Work revenue.

Corporate reserves the right (at it's sole discretion) to have Franchise A perform the work if it determines that having Franchise A perform the work is in the company's or clients best interest.

If the client requests the initial meeting or work to be performed outside of the territory owned by Franchise A, such initial meeting can be performed with notification given to the owner of the territory or notification to corporate if the initial meeting is done in a non-franchised territory.

In order to be favorable to all interested parties, a minimum price of \$28/IF is to be charged. Any Work obtained less than \$28/IF will be the discretion of Franchise B and corporate to perform or not. Notification must be given to corporate at least 14 days prior to any work to be done outside of your territory, franchised or not franchised. If work is to be preformed at 1:12 slope, a minimum of \$34/IF is to be charged.

In the event the client will only work with one entity for all their projects then corporate will have the option to choose to manage the account and interface with the client on issuing more work, billing, and customer service. Ten percent (10%) commission would still be paid to Franchise A for one year from the start of the first job for generating the work. Corporate also reserves the right to allow Franchise A to continue to manage the account and interface with the client on issuing more work, billing, and customer service. If Franchise A continues to manage the client, then Franchise B will continue to pay Franchise A ten percent (10%) commission for the duration of Franchise A managing the account. Under this event, Franchise B is a sub-contractor under corporate or Franchise A, only approved to cut the work. The ten percent (10%) would be the only amount paid, other than the regular royalty paid directly to corporate.

Corporate reserves the right to perform any work in an un-franchised territory and pay the franchisee whom booked the work a ten percent (10%) commission. If corporate chooses to allow the franchisee that booked the work to perform the work, then a commission/royalty shall be paid to corporate based on their out of territory royalty percentage according to the franchise agreement.

Any disagreements with regard to the interpretation of this agreement are to be decided by corporate at its sole discretion. If any disputes arise that cannot be resolved between two franchised territories then corporate will become involved and make decisions to resolve the dispute to achieve maximum customer satisfaction and revenue.

Print Name: _____

Signed: _____

Franchised Territory(s): _____

EXHIBIT I TO PCC FRANCHISE DISCLOSURE DOCUMENT

NON-COMPETITION / NON-DISCLOSURES

**PRECISION CONCRETE CUTTING INC.
NONDISCLOSURE AGREEMENT**

This Nondisclosure Agreement entered into as of this ____ day of _____, 20____ (the "Agreement"), is made by and between Precision Concrete Cutting, Inc., a Utah corporation, (the "Disclosing Party"), and _____ ("Recipient"), referred to individually as a "Party" and collectively as the "Parties".

For and in consideration of the covenants described below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree:

1. Acknowledgments. The Parties acknowledge and agree that:
 - a. The Disclosing Party possesses certain confidential and proprietary information relating to the business of the removal and repair of concrete trip hazards, and the cutting, grinding, smoothing and altering of concrete and concrete surfaces (the "Business Opportunity"); and
 - b. It is the desire of the parties to explore the possibility of working together in some capacity to advance the business of the Disclosing Party; and
 - c. It is necessary for the Disclosing Party to furnish certain information to Recipient which is non-public, confidential and/or proprietary in nature to enable the parties to explore the possibility of working together (the "Potential Transaction"), including the demonstration of its proprietary, patented, and confidential process for the removal and repair of concrete trip hazards, and the cutting, grinding, smoothing, and altering of concrete and concrete surfaces; and
 - d. The Disclosing Party is also the owner of six separate patents covering its proprietary processes for the repair and removal of concrete trip hazards, and the cutting, grinding, smoothing and altering of concrete and concrete surfaces; the Disclosing Party, from time to time, may also be awarded separate additional patents covering such processes; and
 - e. Recipient hereby confirms its desire to examine, or be otherwise exposed to, Disclosing Party's confidential and proprietary information for the purpose of evaluating the Business Opportunity (the "Evaluation") and, in consideration of being furnished with such information, agrees as follows:

2. Non-Disclosure and Restrictions on Use of Information.

- a. Information. For purposes of this Agreement, "Information" shall mean,

2. Non-Disclosure and Restrictions on Use of Information.

a. Information. For purposes of this Agreement, “Information” shall mean, without limitation, the identity of the Business Opportunity, all intellectual property, processes, strategic information, financial statements or projections, business plans, prototypes, drawings, data, trade secrets, business records, customer lists, supplier agreements, partnership or joint venture agreements, license agreements, marketing plans, employee lists, policies and procedures, information relating to processes, technologies or theory and any or all other information which may be disclosed by the Disclosing Party to the Recipient in accordance with this Agreement.

b. Non-Disclosure of Information. The Recipient acknowledges the competitive value and confidential nature of the Information and the damages that would result to the Disclosing Party if any such information were disclosed, therefore the Information will be kept confidential and shall not be disclosed by the Recipient in any manner whatsoever, in whole or in part, except that:

i. the Recipient may disclose the Information to its directors, officers, employees, agents, and legal and financial advisers (collectively, its “Agents”) solely for the purposes of the Evaluation; provided the Recipient shall transmit the Information only to Agents who need to know the Information in connection with the Evaluation; and provided, further, Recipient shall notify each of the Agents that the Information is to be held by them in confidence and not disclosed to others, or permit others to use for their benefit or to the detriment of the Disclosing Party, any of the Information; and

ii. the Recipient shall have no non-disclosure obligation hereunder with respect to any Information which (A) has been legally made public, other than by acts of the Recipient or its Agents in violation of this Agreement or (B) was or becomes independently known or available to the Recipient, on a non-confidential basis, from a source other than the Disclosing Party and which is not subject to any restrictions or disclosure.

iii. Recipient shall use the same degree of care to avoid disclosure of the Information as it employs with respect to its own information which it does not desire to disclose, but at all times shall use at least reasonable care.

c. Restrictions on Use/Non-Circumvention. Recipient shall not use the Information, directly or indirectly, for any purpose other than Recipient’s Evaluation of the Business Opportunity, and such permitted use shall absolutely cease if and when the Disclosing Party has notified the Recipient that it no longer considers the Recipient a candidate for the Potential Transaction. Without limiting the generality of the foregoing: (i) the Recipient shall not use any of the Information to perform, manufacture, distribute, deliver, use or sell products or services embodying any such information for its own gain or the gain of any other party, or otherwise compete with, circumvent, or act to the detriment of the Disclosing Party, and (ii) the Recipient shall not use the Information in

any judicial or administrative proceeding, except as provided in paragraph 2.

d. Loss or Misuse of the Information. The Recipient shall keep a record of the location of the Information and shall notify the Disclosing Party promptly of any loss, misuse or misappropriation of the Information.

e. Indemnification. The Recipient hereby agrees to indemnify Disclosing Party against all losses, damages, claims or expenses (including attorneys' fees) incurred or suffered by Disclosing Party as a result of Recipient's breach of this Agreement.

f. Title to and Return of the Information. Recipient agrees that no license, either expressed or implied, is hereby created or granted to Recipient by Disclosing Party to use any of the Information other than solely for the purpose of the Evaluation of the Business Opportunity. Title to the Information shall remain in the Disclosing Party, and in the event a Potential Transaction is not consummated, the Information (and all copies, summaries, and notes of the contents thereof) shall be returned to the Disclosing Party by the Recipient in accordance with the Disclosing Party's instructions.

3. Response to Legal Process. In the event Recipient (or anyone to whom it transmits the Information, whether or not in compliance with this Agreement) is requested, pursuant to subpoena or other legal process, to disclose any of the Information, Recipient shall provide Disclosing Party with immediate notice so that Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or Disclosing Party waives compliance with the provisions of this Agreement, Recipient (or such other person) shall furnish only that portion of the Information which is legally required and shall exercise its best efforts to obtain a protective order or other assurance satisfactory in form and substance to Disclosing Party that confidential treatment will be accorded the Information in accordance with this Agreement.

4. Disclaimer of Accuracy of Information. Although the Disclosing Party has endeavored to include in the Information such information known to it which it believes to be relevant for the purpose of the Evaluation, the Recipient understands that neither the Disclosing Party nor any of its representatives or advisors has made or herein makes any representation or warranty as to the accuracy or completeness of the Information.

5. Remedies. The parties agree that the disclosure of the Information by Recipient in violation of this Agreement may cause irreparable harm, the amount of which would be impossible to ascertain, and that there is no adequate remedy at law for any breach by Recipient of this Agreement. Therefore, Disclosing Party shall have available the right to obtain an injunction from a court of competent jurisdiction restraining such breach or threatened breach and to specific performance of any provision of this Agreement, in addition to any other rights and remedies it may have.

a. Recipient further agrees that no bond or other security shall be required in

obtaining such equitable relief and consents to the issuance of such injunction and to the ordering of specific performance.

b. Nothing herein shall be construed as prohibiting the Disclosing Party from also pursuing any other remedies available to the Disclosing Party for such breach or threatened breach, including the recovery of damages from the Recipient. Furthermore, any action, or no action, taken by the Disclosing Party in pursuing a given remedy shall not constitute an election to forego any other available remedies.

6. Assignment. Recipient shall not have the right to assign its rights under this Agreement, expressly or by operation of law. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.

7. Governing Law. The laws of the State of Utah shall govern this Agreement. If Utah's conflict of law rules would apply another state's laws, the Parties agree that Utah law should still govern.

8. Consent to Jurisdiction and Venue. Employee or Contractor agrees that any claim arising out of or relating to this Agreement shall be brought in a state or federal court of competent jurisdiction in Utah. Employee or Contractor consents to the exclusive personal jurisdiction of the state and/or federal courts located in Utah. Employee or Contractor waives (i) any objection to jurisdiction or venue, or (ii) any defense claiming lack of jurisdiction or improper venue in any action brought in such courts.

9. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of the remainder of this Agreement or any other provision hereof.

10. Modification; Waiver. No oral modifications shall be effective, and no delay or failure on the part of either party to insist on compliance with any provision hereof shall constitute a waiver of such party's right to enforce such provision.

11. Integration. This Agreement may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of such taken together shall constitute only one Agreement, superseding all prior understandings, oral or written; and it is expressly understood and that this Agreement does not obligate either party to enter into any other or further agreements.

12. Attorneys' Fees. In the event litigation shall be instituted to enforce any provision of this Agreement, the prevailing party in such litigation shall be entitled to recover reasonable attorneys' fees and expenses incurred in such litigation in addition to any other recovery to which such party may be legally entitled.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first above written.

DISCLOSING PARTY:

PRECISION CONCRETE CUTTING, INC.,
a Utah corporation

By: _____
Its: _____
Address: _____

_____,
a _____ corporation

By: _____
Its: _____
Address: _____

RECIPIENT:

[Name of Company or Individual]

By: _____
Title: _____
Address: _____

NON-DISCLOSURE / NON-COMPETE AGREEMENT

This Non-Competition Agreement (the "Agreement") is entered into this ____ day of _____, 20 ____ ("Effective Date"), by and between _____, (the "Company"), and _____ ("Employee" or "Contractor" whichever the case may be.)

For and in consideration of the mutual covenants described below, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree:

1. **Covenant Not to Compete.**

a. Employee or Contractor acknowledges that while employed by or during the course of any contract with Company, Employee or Contractor will gain valuable knowledge, experience, and skills that may subsequently be used by Employee or Contractor to the detriment of the Company.

b. During the term of any employment or contractual relationship between the Company and Employee or Contractor, and continuing for two (2) years after the termination of any such employment relationship or termination of any contract, regardless of the reasons for or terms of such termination, Employee or Contractor hereby covenants not to directly or indirectly:

i. Engage in, or attempt to engage in, the "Restricted Business" (as defined below) anywhere in _____, and within 100 miles of such county or locality.

ii. Induce or attempt to persuade any former, current or future employee, agent, manager, consultant, director, or other participant in Company's business operations to terminate such employment or other relationship in order to enter into any relationship with Employee or Contractor, any business organization in which Employee or Contractor is a participant in any capacity whatsoever, or any other business organization in competition with Company's business.

iii. Definition of the term "Indirectly". The term "indirectly", as used in subsection 1(b) above, includes acting as a paid or unpaid director, officer, agent, representative, employee of, or consultant to any enterprise, or acting as a proprietor of an enterprise, or holding any direct or indirect participation in any enterprise as an owner, partner, limited partner, joint venturer, shareholder, or creditor.

iv. Definition of the term "Restricted Business". The term "Restricted Business", as used in subsection 1(b)(i) above, means the business of the removal

and repair of concrete trip hazards, and the cutting, grinding, smoothing and altering of concrete and concrete surfaces.

2. Injunctive Relief. If Employee or Contractor breaches any part of Paragraph 1 of this Agreement, Employee or Contractor agrees that:

- a. The Company would suffer irreparable harm;
- b. Employee or Contractor understands that the provisions of this Section 2 are intended to protect the business and goodwill of the Company, and that a breach of these provisions will irreparably and continually damage the Company.
- c. It would be difficult if not impossible to determine damages, and monetary damages alone would be an inadequate remedy for the injuries suffered by Company. Notwithstanding the foregoing, in the event of breach, Company is entitled to damages in such amount as Company may prove, or \$75.00 per day, whichever is greater.
- d. If the Company seeks injunctive relief to enforce this Agreement, Contractor will waive and will not (i) assert any defense that the Company has an adequate remedy at law with respect to the breach, or (ii) require that the Company submit proof of the economic value of any Trade Secret or Confidential Information.
- e. The Company shall have the absolute right to obtain injunctive relief against Employee or Contractor and anyone acting in concert with Employee or Contractor, including temporary, preliminary, or permanent injunctive relief, without the need for the Company to further establish the existence of irreparable harm over and above the agreed upon irreparable harm set forth in this document, and without the need for the Company to post any amount of security as a condition of such relief, and Employee or Contractor shall pay the Company any and all costs and attorney's fees incurred by the Company in addressing such breach, regardless of whether a lawsuit is actually filed.

3. Governing Law. The laws of the State of _____ shall govern this Agreement.

4. Consent to Jurisdiction and Venue. Employee or Contractor agrees that any claim arising out of or relating to this Agreement shall only be brought in a state or federal court of competent jurisdiction in _____. Employee or Contractor waives (i) any objection to jurisdiction or venue, or (ii) any defense claiming lack of jurisdiction or improper venue in any action brought in such courts.

5. Waiver. The Company's failure to enforce any provision of this Agreement shall not act as a waiver of that or any other provision. The Company's waiver of any breach of this Agreement shall not act as waiver of any other breach.

6. Amendments, Changes, Modifications in Writing. No amendment, change or modification of this Agreement shall be valid unless set forth in writing, signed by all parties hereto and expressly stating that it constitutes an amendment, change or modification of this Agreement.

7. Severability. The provisions of this Agreement are severable. If any provision is determined to be invalid, illegal, or unenforceable, in whole or in part, then such provision shall be modified so as to be enforceable to the maximum extent permitted by law. If such provision cannot be modified to be enforceable, the provision shall be severed from this Agreement only to the extent that it is unenforceable. The remaining provisions and any partially enforceable provisions shall remain in full force and effect.

8. Independent Enforcement. The covenants set forth in Paragraph 1 of this Agreement shall be construed as agreements independent of any other agreements or any other provision in this Agreement, and the existence of any claim or cause of action by Employee or Contractor against the Company, whether predicated on this Agreement or otherwise, regardless of who was at fault and regardless of any claims that either the Employee or Contractor or the Company may have against the other, shall not constitute a defense to the enforcement by the Company of the covenants set forth in Paragraph 1 of this Agreement. The Company shall not be barred from enforcing the covenants set forth in Paragraph 1 of this Agreement by reason of any breach of any other part of this Agreement or any other agreement with the Employee or Contractor.

9. Binding Upon Successors. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

10. No Benefit to Third Parties. Notwithstanding any other term or provision of this Agreement, nothing herein shall be construed to be for the benefit of any third party, nor is it intended that any provision shall be for the benefit of any third party.

11. Entire Agreement. This Agreement constitutes the entire agreement between the parties, and the parties declare that there is no promise or agreement relating to the subject matter of this Agreement which is not expressly set forth in this Agreement.

THE COMPANY:

By: _____
Its: _____
Address: _____

EMPLOYEE OR CONTRACTOR:

By: _____
Its: _____
Address: _____

EXHIBIT J TO PCC FRANCHISE DISCLOSURE DOCUMENT

RECEIPT (OUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Precision Concrete Cutting, Inc. 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.

If Precision Concrete Cutting, Inc. 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 state agency listed on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise are:

Aaron Ollivier, 3191 North Canyon Road, Provo, UT 84604, (801) 224-0025

Matt Haney, 3191 North Canyon Road, Provo, UT 84604, (801) 224-0025

Other:

Date of Issuance: May 29, 2019

See Exhibit A for our registered agents authorized to receive service of process.

I have received a Disclosure Document dated as indicated above that included the following Exhibits:

A — List of State Administrators and Agents for Service of Process

B — Franchise Agreement

C — Standard Renewal and Release

D — State Law Addendum

E — Financial Statements

F — Conditional Assignment of Telephone Number

G — Debit Form

H — National Account Policy Agreement

I — Non-Disclosure/Non-Competition Agreements

J — Receipt

DATED this __ day of _____, 20__.

Signatures of All Prospective Franchisees:

Individuals: _____

Print Name:

Name of Corporation/LLC/Partnership: _____

By: _____ Title: _____

Sign and date this copy and retain it for your files

RECEIPT (YOUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Precision Concrete Cutting, Inc. 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.

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J — Receipt

DATED this __ day of _____, 20__.

Signatures of All Prospective Franchisees:

Individuals: _____

Print Name:

Name of Corporation/LLC/Partnership: _____

By: _____ Title: _____

Please sign and date this copy and send it to Precision Concrete Cutting, Inc. by email attachment to info@safesidewalks.com, by fax to (801) 373-6088, or by mail to 3191 North Canyon Road, Provo, UT 84604