FRANCHISE DISCLOSURE DOCUMENT

Brothers Parsons Franchising LLC
An Arizona limited liability company
8100 E. Indian School Road, Suite 201
Scottsdale, Arizona 85251
Tel: (844) 464-3672
franchiseinfo@brothersgutters.com
www.brothersgutters.com

The franchise that we offer is for The Brothers that just do Gutters®, a business that provides gutter installation, maintenance, cleaning, repair, and related services and products.

The total investment necessary to begin operation of the franchised business under a franchise agreement within a single base territory is $145,250 to $285,000. This includes $50,500 to $53,500 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of the franchised business under a franchise agreement with a base territory that has been supplemented with additional households or territories is $145,251 to $578,500. This includes $50,501 to $347,000 that must be paid to the franchisor or its affiliates.

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 form that is more convenient for you. To discuss the availability of disclosures in different forms, contact Danny Horboychuk, Brand Leader, Brothers Parsons Franchising LLC, at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251, and (844) 464-3672.

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

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

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

Issuance Date: April 24, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits F and G.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Brothers Gutters Business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Brothers that just do Gutters franchisee?	Item 20 or Exhibits F and G list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Mandatory Minimum Payments**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

NOTICE REQUIRED BY THE STATE OF MICHIGAN

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.

The Michigan Franchise Law states in Sec. 445.1527, Sec. 27 that each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

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

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

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

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five 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 months advance notice of franchisor's intent not to renew the franchise.

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

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

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

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

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

(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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Antitrust & Franchise
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373-7117

The Brothers that just do Gutters®
Franchise Disclosure Document

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Brothers Parsons Franchising LLC, the franchisor of the Franchised Business, is referred to in this disclosure document (the "Disclosure Document") as "we," "us" or "our" as the context requires. A franchisee is referred to in this Disclosure Document as "you" and "your" as the context requires. If you are a corporation, partnership or other legal entity (a "Corporate Entity"), our Franchise Agreement will also apply to your individual owners, shareholders, members, officers, directors, other principals, and their respective spouses.

The Franchisor and any Parents, Predecessors and Affiliates

Brothers Parsons Franchising LLC is an Arizona limited liability company that was organized on November 15, 2023 in New York and relocated to Arizona on March 7, 2025. Our principal business address is located at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Our agent for service of process is disclosed in Exhibit B to this Disclosure Document. We also do business under the name "The Brothers that just do Gutters." We do not and have not engaged in any other line of business and have never offered franchises in any other line of business. We do not currently operate businesses of the type being offered under this Disclosure Document. Our affiliate, Brothers Parsons HV LLC f/k/a The Brothers That Just Do Gutters HV, Inc. has operated a similar business in Poughkeepsie, New York since 1999, and has never offered franchises in this or any other line of business. On November 17, 2023, we merged with The Brothers Franchising, Corp., a New York corporation incorporated on July 22, 2014, with its principal business address at 55 Page Park Drive, Poughkeepsie, New York 12603, and we are the surviving entity. The Brothers Franchising, Corp. began offering franchises under the mark "The Brothers that just do Gutters" since July 2014 and has never offered franchises in any other line of business.

Our parent, EHC Holding Company, LLC ("EHCH"), is a Delaware limited liability company with a principal business address of 630 Fifth Avenue, Suite 400, New York, New York 10111. EHCH was formed on October 25, 2021. EHCH is directly or indirectly controlled by Riverside Micro-Cap Fund VI-A, L.P. which is managed by The Riverside Company, a global private equity firm focused on investing in and acquiring growing businesses and it maintains its principal business address at 45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, New York 10111. On February 2, 2023, our parent formed a subsidiary, Evive Brands, LLC ("Evive"), a Delaware limited liability company, with an address of 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251 to serve as our and our affiliates' parent.

Through various private equity funds managed by The Riverside Company the following portfolio companies of The Riverside Company offer franchises in the U.S.

EverSmith Brands

U.S. Lawns, Inc. ("U.S Lawns") has offered franchises under the mark "U.S. Lawns" since August 1986. U.S. Lawns' principal business address is 6700 Forum Drive, Suite 150, Orlando, Florida 32821. A U.S. Lawn franchise offers outdoor commercial property and landscaping services. As of December 31, 2025, U.S. Lawns had 208 franchises operating in the United States.

milliCare Franchising, LLC ("milliCare") and its predecessors have offered franchises since January 2011. milliCare's principal business address is 6700 Forum Drive, Suite 150, Orlando, Florida 32821. A milliCare franchise offers cleaning and maintenance of floor coverings and interior finishes and related services under the mark "milliCare Floor & Textile Care." As of December 31, 2025, milliCare had 48 franchises operating in the United States and nine international franchises.

Kitchen Guard Franchising, Inc. ("Kitchen Guard") has offered franchises under the mark since August 2023. Kitchen Guard's principal business address is 6700 Forum Drive, Suite 150, Orlando, Florida 32821. A Kitchen Guard franchise offers commercial kitchen exhaust system cleaning, inspection, maintenance, and restoration

services. As of December 31, 2025, Kitchen Guard had 38 franchises operating in the United States.

Restoration Specialties Franchise Group, LLC ("Prism Specialties") has offered franchises since April 2012 and in September 2021 the franchises have operated under the mark "Prism Specialties." Prism Specialties' principal business address is 6700 Forum Drive, Suite 150, Orlando, Florida 32821. A Prism Specialties franchise offers electronic, art, textile, and document recovery, repair, and restoration services. As of December 31, 2025, Prism Specialties had 90 franchisees operating in the United States.

The Seals Franchising, LLC ("The Seals") has offered franchises since August 2019. The Seals' principal business address is 6700 Forum Drive, Suite 150, Orlando, Florida 32821. A The Seals franchise offers the sale and installation of gaskets for refrigeration door units, freezer doors, oven doors, hardware and cutting board. As of December 31, 2025, The Seals had six franchises operating in the United States.

1 TOM Plumber Global LLC ("1 Tom") has offered franchises under the Mark "1-Tom-Plumber" since October 2020. 1 Tom's principal business address is 6700 Forum Drive, Suite 150, Orlando, Florida 32821. A 1 Tom franchise offers emergency plumbing services and repairs at commercial and residential properties. As of December 31, 2025, 1 Tom had 56 franchises operating in the United States.

TruServe Groundscare, Inc. is an Ontario corporation formed on January 1, 2008, with an address at 200 Cachet Wood Court, Unit 119. Markham, ON, Canada L6C 0Z8, offers outdoor commercial property service franchises under the "Clintar Commercial Outdoor Services" mark in Canada. Our affiliate and its predecessor have offered Clintar Commercial Outdoor Services franchises since 1982. As of December 31, 2025, there were 21 franchised Clintar Commercial Outdoor Services businesses operating in Canada.

Head-to-Toe Brands

BCC Franchising, LLC ("BCC") and its predecessor have offered franchises since March 2007 under the mark "Bishops". BCC's principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. A Bishops franchise offers haircuts, coloring, and barber services. As of December 31, 2025, BCC had 40 franchises operating in the United States.

Frenchies, LLC ("Frenchies") has offered franchises under the mark "Frenchies Modern Nail Care" since April 2015. Frenchies' principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. A Frenchies Modern Nail Care franchise offers hand and foot care. As of December 31, 2025, Frenchies had 26 franchisees operating in the United States.

The Lash Franchise Holdings, LLC ("Lash") and its predecessor has offered franchises under the mark "Lash Lounge" since March 2010. Lash's principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. A Lash Lounge franchise offers permanent and temporary eyelash and eyebrow extensions and other eye enhancing services. As of December 31, 2025, Lash had 131 Lash Lounge franchises in the United States.

Crown Extension Bar, LLC ("Crown") has offered franchises since December 2025 under the mark "Delta Crown." Delata Crown's principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. A Delta Crown franchise offers semi-permanent hair extensions and hair extension related salon services. As of December 31, 2025, Delta Crown had one franchise operating in the United States.

Best Life Brands

Blue Moon Franchise Systems, LLC ("Blue Moon") has offered franchises under the mark "Blue Moon Estate Sales" since August 2013. Blue Moon's principal business address is 900 Wilshire Drive, Suite 102, Troy, Michigan 48084. A Blue Moon franchise sells personal property as well as the provision of consignment sales for those who

are downsizing, relocating, or are deceased. As of December 31, 2025, Blue Moon had 136 franchises in operation in the United States.

Boost Franchise Systems, LLC ("Boost") has offered franchises under the mark "Boost Home Healthcare: since July 2021. Boost's principal business address is 900 Wilshire Drive, Suite 102, Troy, Michigan 48084. A Boost franchise offers intermittent care ordered by a doctor and performed by a home health aide and other licensed healthcare providers to patients of all ages with acute and chronic long term complex health conditions within the patient's residence or within health care facilities. As of December 31, 2025, Boost had three franchises in operation in the United States.

ComForCare Franchise Systems, LLC ("ComForCare") and its predecessor has offered franchise under the mark "ComForCare Home Care" since April 2021. ComForCare's principal business address is 900 Wilshire Drive, Suite 102, Troy, Michigan 48084. A ComForCare Home Healthcare franchise offers (i) companionship and personal/domestic care services, and other special needs services, primarily on a non-medical basis, for seniors and people of all ages so that they may remain in their residences, (ii) supplemental healthcare staffing services for persons who need this kind of assistance in their home or a facility in which they reside, and (iii) private duty nursing services. As of December 31, 2025, ComForCare had 270 franchises operating in the United States and 19 in Canada.

CarePatrol Franchise Systems, LLC ("CarePatrol") and its predecessor has offered franchises under the "CarePatrol" mark since April 2009. CarePatrol's principal address is 900 Wilshire Drive, Suite 102, Troy, Michigan 48084. A CarePatrol franchise offers senior living placement, referral, and consulting services to families. As of December 31, 2025, CarePatrol had 215 Care Patrol franchises operating in the United States and two in Canada.

Next Day Access, LLC ("Next Day") has offered franchises under the "Next Day Access: mark since 2012. Next Day's principal business address is 900 Wilshire Drive, Suite 102, Troy, Michigan 48084. A Next Day Access franchise offers ramps and other products and accessories that enhance the life of physically disabled or challenged persons. As of December 31, 2025, Next Day had 91 franchises operating in the United States and one in Canada.

Threshold Brands

Maid Pro Franchise, LLC ("MaidPro") has offered franchises under the "Maid Pro" mark since February 1997. MaidPro's principal business address is 77 North Washington Street, Boston, Massachusetts 02114. A Maid Pro franchise offers home cleaning services for residential and commercial customers. As of December 31, 2025, MaidPro had 255 franchises operating in the United States and 14 in Canada.

Men In Kilts US, LLC ("MIK") has offered franchises under the mark "Men in Kilts" since March 2019. MIK's principal place of business is 77 North Washington Street, Boston, Massachusetts 02114. A Men in Kilts franchise offers window cleaning, gutter cleaning, pressure washing, siding cleaning, snow removal and other related services. As of December 31, 2025, MIK had 27 franchises operating in the United States.

Pestmaster Franchise Network, LLC ("Pestmaster") and its predecessor has offered franchises under the "Pestmaster" mark since June 2021. Pestmaster's principal business address is 9716 South Virginia Street, Suite E, Reno, Nevada 89511. A Pestmaster franchise offers structural and agricultural pest control and related services. As of December 31, 2025, Pestmaster had 75 franchises operating in the United States.

USA Insulation Franchise, LLC ("USA Insulation") has offered franchises under the "USA Insulation" mark since March 2006. USA Insulation's principal business address is 17700 Saint Clair Avenue, Cleveland, Ohio 44110. A USA insulation franchise offers residential insulation services. As of December 31, 2025, USA Insulation had 96 franchises operating in the United States.

Granite Garage Floors Franchising, LLC ("Granite") has offered franchises under the mark "Granite Garage Floors" since June 2013. Granite's principal business address is 110 Mansell Circle, Suite 375, Roswell, Georgia 30075. A Granite Garage Floors franchise sells and installs residential garage floor coating systems. As of December 31, 2025, Granite had 57 franchises operating in the United States.

Mold Medics Franchising LLC ("Mold Medics") has offered franchises under the "Mold Medics" mark since December 2020. Mold Medics' principal business address is 811 Washington Avenue, Carnegie, Pennsylvania 15106. A Mold Medics franchise offers mold remediation, air duct cleaning, radon testing and mitigation services, and other services and products. As of December 31, 2025, Mold Medics had 18 franchises operating in the United States.

Sir Grout Franchising, LLC ("Sir Grout") has offered franchises under the "Sir Grout" mark since August 2007. Sir Grout's principal business address is 77 North Washington Street, Boston, Massachusetts 02114. A Sir Grout franchise offers grout and tile cleaning, sealing, caulking and restoration services and other services. As of December 31, 2025, Sir Grout had 91 franchises operating in the United States.

Miracle Method LLC ("Miracle") and its predecessors have offered franchises under the "Miracle Method" mark since September 1996. Miracle's principal business address is 4310 Arrowswest Drive, Colorado Springs, Colorado 80907. A Miracle Method franchise offers refinishing and restoration of bathtubs, sinks, showers, tiles, countertops, and similar surfaces. As of December 31, 2025, Miracle Method had 213 franchises (inclusive of sub-franchises) and two master franchises operating in the United States.

PHP Franchise, LLC ("PHP") has offered plumbing service franchises under the mark "Plumbing Paramedics" and heating and air conditioning installation and service franchises operating under the mark "Heating + Air Paramedics" since November 2021. PHP's principal business address is 750 E. 150th Street. Noblesville, Indiana 46060. As of December 31, 2025, PHP had 15 Plumbing Paramedics and 22 Heating + Air Paramedics franchises operating in the United States.

On November 22, 2023, Evive acquired our issued and outstanding membership interests.

As a result of the transaction, we are affiliated with Executive Home Care Franchising, LLC, a New Jersey limited liability company formed on June 5, 2012, with a principal business address at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Since June 2013, Executive Home Care Franchising, LLC has offered franchises to operate businesses providing in-home comprehensive care and medical services to home care clients, and supplemental healthcare staffing services to institutional clients, under the mark "Executive Home Care." As of December 31, 2025, Executive Home Care Franchising, LLC had 79 franchises operating in the United States.

We are also affiliated with B & P Burke, LLC, a California limited liability company that was incorporated on May 8, 2014, and converted to a limited liability company on November 16, 2022. B & P Burke, LLC has an address of 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251, and has offered franchises to operate businesses providing estate sale and business liquidation services under the mark "Grasons." As of December 31, 2025, B&P Burke, LLC had 69 franchises operating in the United States.

We are also affiliated with ALL Franchising, LLC, a Delaware limited liability company organized on August 22, 2022, with a principal business address at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Since May 2006, ALL Franchising, LLC and its predecessors have offered franchises to operate home-based businesses that assist seniors and their families in locating assisted living facilities, memory care communities, nursing homes, senior care homes and independent living senior communities under the mark "Assisted Living Locators." As of December 31, 2025, ALL Franchising, LLC had 171 franchises operating in the United States.

We are also affiliated with MB Franchise Holdings, Inc., a Georgia corporation formed on May 19, 2020 with a principal business address at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Since June 1984,

MB Franchise Holdings, Inc. has offered franchise to provide supervised team cleaning services to home and light commercial offices and related services and products under the mark "Maid Brigade." As of December 31, 2025, MB Franchise Holdings, Inc. had 286 franchises operating in the United States.

We are also affiliated with Pacific Lawn Sprinklers Franchise LLC, a Florida limited liability company formed on January 22, 2021 with a principal business address at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Since November 2023, Pacific Lawn Sprinklers Franchise LLC and its predecessors have offered franchises to operate businesses providing installation and maintenance services under the mark "Pacific Lawn Sprinklers." As of December 31, 2025, Pacific Lawn Sprinklers Franchise LLC had 71 franchises operating in the United States.

We are also affiliated with Shine Development LLC, a Delaware limited liability company formed on November 18, 2025 with a principal business address at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Since March 2012, Shine Development LLC and its predecessors have offered franchises to operate businesses that offer residential and commercial window cleaning, pressure washing, house detailing and holiday and outdoor lighting services under the mark "Shine." As of December 31, 2025, Shine Development LLC had 77 franchises operating in the United States.

Our affiliate Brothers Parsons IP LLC ("Brothers IP") is an Arizona limited liability company that was formed as a New York limited liability company on October 27, 2023 and relocated to Arizona on March 7, 2025, with a principal business address at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. On November 17, 2023, Brothers IP merged with The Brothers IP, Corp., a New York corporation that was established on July 22, 2014, and Brothers IP is the surviving entity. This affiliate is the owner of the Licensed Marks. You will not directly conduct business with this affiliate. This affiliate has not in the past and does not now offer franchises in any lines of business.

The Franchised Business

We license a system (the "System") for the operation of a The Brothers that just do Gutters business (each, a "Franchised Business" or "Brothers Gutters Business") that provides gutter installation, maintenance, cleaning, and repair services and products (the "Approved Services and Products"). The System includes Approved Services and Products that we currently designate and that we may modify, add to or discontinue from time to time, and our specifications, methods and procedures for the preparation, service, marketing and sale of Approved Services and Products by the Franchised Business. The System also features and requires, as designated by us, your exclusive use of products, supplies, warranties, equipment, service vehicles, and materials that we designate (the "System Supplies"). The System is identified by The Brothers that just do Gutters registered trademark, registered logo, and such other trademarks, logos, and trade-dress that we may designate, modify or adopt from time to time and as same may or may not be registered with the United States Patent and Trademark Office (collectively, the "Licensed Marks"). You must develop and operate your Brothers Gutters Business in conformity with the specifications, procedures, criteria, and requirements that we designate in our confidential operations manual and other proprietary manuals that we designate and as we may supplement and modify from time to time (collectively, the "Manuals").

If permitted by law, you may administratively operate your Brothers Gutters Business from a home based administrative office. As your Brothers Gutters Business grows, we expect that you will need to lease a non-retail commercial facility to support and maintain back-end operations that include parking service vehicles, maintaining supplies, managing employees, and staging service visits. You may only offer and provide the Approved Services and Products on-site at customer locations within your designated operating territory.

Franchise Agreement

You may enter into a Franchise Agreement in the form attached to this Disclosure Document as Exhibit E to develop and operate a Brothers Gutters Business within an operating territory and in conformity with the requirements of our System. At the time of signing the Franchise Agreement we will designate a geographic area comprising your

operating territory. Your right to use the System will be limited to offering and providing Approved Services and Products within your operating territory using only our System Supplies, the Licensed Marks and the specifications and requirements set forth in our Manuals and as otherwise constituting a part of our System.

Market and Competition

The general market for the services and products offered by the Franchised Business includes residential homeowners. The market for gutter installation, maintenance, cleaning, and repair services and products is highly competitive and well developed. You will be competing with general contractors, home improvement service providers and businesses that specialize in gutter cleaning, installation, repair and maintenance. You will be competing with many local and independently owned contractors and service providers including businesses offering handyman services, roof installations and repairs, exterior siding installation and general contractors. The Franchised Business also competes with large box retailers like Lowes and Home Depot that offer and subcontract similar products and services. The services offered by the Franchised Business are provided outdoors and are dependent on favorable weather conditions and seasonal issues. The Franchised Business may be seasonal depending on the geographic location of your territory.

Industry Specific Laws

Many states and local jurisdictions have laws, rules, and regulations that may apply to the Franchised Business, including rules and regulations related to health and safety requirements concerning residential and commercial gutter cleaning, maintenance, and installation services, worker safety and ladder safety. You must evaluate and obtain the necessary licenses, certification, permits and approval necessary to establish and operate the Franchised Business within your designated operating territory. Under applicable law, you may be required to obtain a contractor license or home improvement license. You must investigate all of these laws. You must check your state, county and local jurisdiction about these rules and regulations and you should consult with your own legal advisor. You will also be subject to federal and state laws and regulations that apply to businesses generally, including rules and regulations involving employment practices, wage and hour laws, immigration and employment laws. You must review federal minimum wage and overtime laws, as well as similar laws within your state to ensure compliance with labor and wage laws currently in existence and those that may later be adopted. You should consult with your attorney concerning these and other local laws, rules and regulations that may affect the operation of the Franchised Business.

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ITEM 2
BUSINESS EXPERIENCE

Operating Partner and Board Chair: Jordan Lajoie

Mr. Lajoie has served as our Chairman of the Board since July 2025. Since July 2025, Mr. Lajoie has also served as Chairman of the Board of each of the following affiliated entities, all located in Scottsdale, Arizona: Executive Home Care Franchising, LLC; MB Franchise Holdings, Inc.; Evive Brands, LLC; B & P Burke, LLC; ALL Franchising, LLC; Shine Development LLC; Pacific Lawn Sprinklers Franchise LLC; and Brothers Parsons Franchising LLC. Since July 2020, Mr. Lajoie has served as Operating Partner of The Riverside Company, located in Portland, Maine. Since July 2022, Mr. Lajoie has served as President of Pinecrest Holdings Inc., located in Portland, Maine.

Chief Executive Officer: Ryan Parsons

Mr. Parsons has served as our Chief Executive Officer, as well as the Chief Executive Officer for our parent Evive since November 2023. Mr. Parsons is our co-founder and served as Vice President from July 2014 until November 2023. Since its founding in 1999, Mr. Parsons has also served as the Vice President of our affiliate, Brothers Parsons HV LLC, that operates the original Brothers that just do Gutters business located in Poughkeepsie, New York.

Brand Leader: Danny Horboychuk

Mr. Horboychuk has served as our Brand Leader since November 2023. Previously, Mr. Horboychuk was our Franchise Executive Director from 2022 to November 2023. From 2020 to 2022, Mr. Horboychuk served as the General Manager of our affiliate Brothers Parsons HV LLC that operates the original Brothers that just do Gutters business located in Poughkeepsie, New York. From 2016 to 2020, Mr. Horboychuk served as a Solutionist and Sales Manager at our affiliate owned Brothers Gutters Business located in Poughkeepsie, New York.

President, Secretary, and Manager: Caroline Quoyeser

Ms. Quoyeser serves as our, and our affiliates', President and a Manager since November 1, 2021, and serves in the same roles for our parent Evive. Ms. Quoyeser currently is a Senior Associate in The Riverside Company, in its Santa Monica, California office, and has been with the company since 2016.

Senior Vice President of Training and Development and Manager: Ken Parsons

Mr. Parsons has served as our, and our affiliates', Senior Vice President of Training and Development and a Manager since November 22, 2023. Mr. Parsons was our co-founder and from July 2014 until November 2023 served as our President. Since its founding in 1999, Mr. Parsons has served as President of our affiliate Brothers Parsons HV LLC that operates the original Brothers that just do Gutters business located in Poughkeepsie, New York.

Vice President and Manager: L. Joseph Lee

Mr. Lee serves as our, and our affiliates', Vice President and a Manager since November 1, 2021, and serves in the same roles for our parent Evive. Mr. Lee currently is a Senior Partner in the Riverside Company, having been with the company since March 2006, located in its Cleveland, Ohio office.

Chief Financial Officer: Gregory Esgar

Mr. Esgar joined us in May 2022 as our, and our parent Evive's, Chief Financial Officer. Mr. Esgar also serves as the Chief Financial Officer for our affiliates. From April 2018 until May 2022, Mr. Esgar served as Chief Financial Officer for Prose Franchising in Phoenix, Arizona.

Chief Growth Officer: Jason Wiedder

Mr. Wiedder joined us in December 2021 as our, and Evive's affiliate's, Chief Growth Officer. He served as Vice President of Franchise Development from March 2018 until December 2021 for Always Best Care located in Roseville, California.

Contract Center Director: Karen Cargain
Ms. Cargain is our Contact Center Director and has served in this role since 2012 in Poughkeepsie, New York.

Chief Operating Officer: Samuel Methuselah
Mr. Methuselah is our Chief Operating Officer and has served in this role since June 2, 2025. From March 2024 to May 2025 Mr. Methuselah served as Chief Operating Officer and Chief Financial Officer of Innovative Sports Surfacing, LLC in Mentor, Ohio. From January 2021 to February 2024 Mr. Methuselah served as Chief Executive Officer of Glacial Dental Group Holdings, LLC in Westlake, Ohio. From October 2019 to December 2021 Mr. Methuselah served as Chief Operating Officer of Robertson Private Equity in Lafayette, Louisiana.

ITEM 3
LITIGATION

The following Settlement Order is currently effective against our affiliate Brothers Parsons Franchising LLC:

On January 6, 2016, our predecessor, The Brothers Franchising, Corp., entered into a Settlement Order with the Commonwealth of Virginia, State Corporation Commission, Division of Securities and Retail Franchising relating to an unregistered sale of a franchise territory in Virginia (case number SEC-2015-00056). The transaction at issue involved the sale of a The Brothers that just do Gutters franchise territory in Virginia to the father of Ryan and Ken Parsons (who are the co-founders of that franchise system) before the franchise was registered in Virginia. The Settlement Order: (a) required The Brothers Franchising, Corp. to pay a $2,000 penalty plus $500 for the cost of the investigation; and (b) prohibited The Brothers Franchising, Corp. and its successors from violating Virginia's Retail Franchising Act in the future.

The following matters involve our affiliates:
Executive Home Care Franchising, LLC v. Marshall Health Corp., Well-Being Home Corp., Clint Marshall, Massare Marshall and Greer Marshall, U.S. District Court for District of New Jersey; Case No. 15-ch-00760 (filed February 3, 2015); *Executive Home Care Franchising, LLC v. Marshall Health Corp., Well-Being Home Corp., Clint Marshall, Massare Marshall and Greer Marshall*, AAA Case No. 01-15-0003-2409 (filed February 3, 2015)

On February 3, 2015, our affiliate, Executive Home Care Franchising, LLC, filed a lawsuit against a former franchisee and its principals and affiliated companies, including Marshall Health Corp., Well-Being Home Corp., Clint Marshall, Massare Marshall and Greer Marshall (collectively, the "Marshall Defendants") in the U.S. District Court for the District of New Jersey (the "District Court Action"). The complaint alleged: violations of the in-term and post termination restrictive covenant contained in the Marshall Defendants' Executive Home Care Franchise Agreement; trademark and trade dress infringement; unfair competition through the operation of an independent in-home care business using the proprietary and confidential business information and client lists belonging to Executive Home Care Franchising, LLC; and breach of multiple payment and other obligations contained in the Franchise Agreement. On March 13, 2015, the Marshall Defendants asserted counterclaims against Executive Home Care Franchising, LLC for: breach of contract; breach of duty of good faith and fair dealing; fraudulent inducement; tortious or malicious interference with contract; intentional or malicious interference with prospective economic advantage; violation of the New Jersey Franchise Practices Act; and unjust enrichment. On April 17, 2015, Executive Home Care Franchising, LLC filed a motion to dismiss all of the counterclaims or in the alternative to compel arbitration of all claims. The District Court granted the motion to compel arbitration.

On February 3, 2015, Executive Home Care Franchising, LLC filed an arbitration action with the American Arbitration Association. The parties asserted claims and counterclaims in the arbitration action that were substantially the same as those filed in the District Court Action. On July 25, 2016, the arbitrator denied Executive Home Care Franchising, LLC's claims and awarded the Marshall Defendants $215,386 in damages, costs and expenses.

Executive Home Care Franchising, LLC v. Specialized Home Care Providers, LLC, Michael Creatore and Nicholas Kerpsack, U.S. District Court for District of New Jersey; Case No. 15-ch-01486 (filed February 27, 2015); *Executive*

Home Care Franchising, LLC v. Specialized Home Care Providers, LLC, Michael Creatore and Nicholas Kerpsack, AAA Case No.: 01-15-0003-4773 (filed in September/October 2015)

On February 27, 2015, our affiliate, Executive Home Care Franchising, LLC, filed a lawsuit against a former franchisee and its principals, including Specialized Home Care Providers, LLC, Michael Creatore and Nicholas Kerpsack (collectively, "Defendants") in the U.S. District Court for the District of New Jersey (the "NJ Action"). The complaint alleged: violations of the in-term and post termination restrictive covenants contained in Defendants' Executive Home Care Franchise Agreement; trademark and trade dress infringement; unfair competition through the operation of an independent in-home care business using the proprietary and confidential business information and client lists belonging to Executive Home Care Franchising, LLC; and breach of multiple payment and other obligations contained in the Franchise Agreement. On April 2, 2015, the Defendants asserted counterclaims against Executive Home Care Franchising, LLC for: breach of contract; breach of duty of good faith and fair dealing; fraudulent inducement; violation of the New Jersey Franchise Practices Act; and unjust enrichment. On April 23, 2015, Executive Home Care Franchising, LLC filed a motion to compel arbitration, which motion was granted on October 26, 2015.

On or about September/October 2015, Executive Home Care Franchising, LLC filed an arbitration action with the American Arbitration Association. The parties asserted claims and counterclaims in the arbitration action that were substantially the same as those filed in the NJ Action. On November 23, 2016, the parties entered into a Settlement Agreement under which the Defendants agreed to pay Executive Home Care Franchising, LLC $55,000 and Executive Home Care Franchising, LLC agreed to release the Defendants from the post termination restrictive covenants contained in the Executive Home Care Franchise Agreement.

CALLRN Franchise, LLC d/b/a Assisted Living Locators v. Vasia Corporation, Aaron Mishkin and Valerie Clark, Case No. 01-22-0000-9785

On March 3, 2022, our affiliate, CALLRN Franchise, LLC d/b/a Assisted Living Locators ("ALL"), filed a demand for arbitration against former franchisees Aaron Mishkin ("Mishkin") and Valerie Clark ("Clark") and their corporate entity, Vasia Corporation (collectively, "Respondents"). On February 9, 2022, ALL terminated four Franchise Agreements with Mishkin and Clark due to their failure to timely pay the minimum monthly Royalty Fee and Technology Fee. ALL filed the arbitration demand after Respondents' payment was returned for insufficient funds and Respondents failed and refused to reimburse ALL for the past due fees. The arbitration demand alleged that Respondents materially breached the Franchise Agreements and sought recovery of the past due fees, future unpaid Royalty Fees for the remainder of the unexpired initial terms of the Franchise Agreements in the amount of the minimum monthly fees due under sub article 7.2 of the Franchise Agreements, together with ALL's reasonable attorneys' fees and costs pursuant to sub article 13.4 of the Franchise Agreements and A.R.S. § 12-341.01.

On March 28, 2022, Respondents filed their answering statement in which they deny owing the past due and future unpaid fees. On June 21,2022, Respondents filed counterclaims alleging: violation of the California Franchise Investment Law; unfair competition and business practices; violation of the Arizona Consumer Fraud Act; fraudulent inducement; constructive fraud post-sale; breach of fiduciary duty;, breach of the implied covenant of good faith and fair dealing/breach of duty of candor; breach of the implied covenant of good faith and fair dealing/breach of duty of loyalty; tortious bad faith breach of contract; negligence; and unjust enrichment. Respondents based their counterclaims on alleged misrepresentations in Item 19 of ALL's Franchise Disclosure Document based on the methodology for disclosing Gross Invoiced Revenue and Gross Collected Revenue. Respondents sought rescission of their four Franchise Agreements, an unspecified amount of compensatory damages (including return of their franchise fees and investment) and an award of their costs and reasonable attorneys' fees.

On May 18, 2023, ALL and Respondents entered a settlement agreement under which the parties agreed, without any other exchange of consideration, to repurchase Respondents' four Assisted Living Locators franchise territories for $28,125 each, for a total payment of $112,500.00, in exchange for the reconveyance of the territories, mutual

releases and dismissals of all claims and counterclaims asserted in the arbitration hearing, with prejudice, and with each party to bear its own attorneys' fees and costs.

CALLRN Franchise LLC and Assisted Living Locators Licensing, LLC v. JL2 Holdings, Inc., Lara Dickerson, Assisted Living Michelle Cohen, LLC and Michelle Cohen, Case No. 2:20-cv-01091-MTL

On June 3, 2020, our affiliate, CALLRN Franchise, LLC d/b/a Assisted Living Locators ("ALL") and ALL Licensing, LLC (formerly known as Assisted Living Locators Licensing, LLC) ("ALL Licensing") (collectively referred to as "ALL Parties"), filed a lawsuit against a former franchisee and her independent contractor in the United States District Court for the District of Arizona. The Defendants included the franchisee entity, JL2 Holdings, Inc. ("JL2H"), and its owner, Lara Dickerson ("Dickerson"), as well as the franchisee's independent contractor, Michelle Cohen ("Cohen") and her entity, Assisted Living Michelle Cohen, LLC ("ALMC").

On May 29, 2020, ALL terminated three Franchise Agreements with JL2H due to its operation of unauthorized websites and social media and repeated refusal to submit monthly Gross Revenue reports. ALL Parties filed the lawsuit after discovering that Defendants were operating a competing business and continuing to use ALL Parties' marks following ALL's termination of the Franchise Agreements. The Complaint alleged that Defendants' operation of a competing business violated the post-termination noncompetition covenants imposed under the Franchise Agreements and Confidentiality Agreements. The Complaint also alleged trademark infringement based on Defendants continued use of ALL Parties' marks. ALL Parties sought preliminary and permanent injunctive relief and damages.

Defendants subsequently brought a counterclaim alleging that the termination of the Franchise Agreements breached the terms of a mutual release contained within a standardized amendment (the "Amendment") that ALL entered into with JL2H and numerous other franchisees. The purpose of the Amendment was to provide franchisees with certain financial relief to mitigate the financial hardships they faced as a result of the COVID-19 pandemic. Specifically, defendants claimed that: (i) ALL waived their defaults when they signed the Amendment; and (ii) the subsequent termination of the Franchise Agreements on the basis of those defaults was unlawful. The defendants sought an unspecified amount of damages, attorneys' fees and court costs.

On June 23, 2020, the Court granted ALL Parties' request for injunctive relief as to defendants Cohen and ALMC. Specifically, the court prohibited the defendants from: (i) competing with ALL for a two-year period; and (ii) continuing to use the ALL Parties' marks. On October 2, 2020, defendants Dickerson and JL2H entered into a Settlement Agreement with ALL Parties to resolve the dispute. Pursuant to the Settlement Agreement: (i) ALL, through ALL's insurer, agreed to repurchase JL2H's three franchised territories and reimburse certain expenses in the total sum of $46,190; (ii) JL2H and Dickerson agreed to return two telephone numbers associated with ALL's trademarks and proprietary information; (iii) JL2H agreed to comply with the post-termination noncompetition covenant, other than placement services rendered by Dickerson for friends and family without charge; and (iv) the parties dismissed the lawsuit with prejudice and signed mutual general releases, with each party bearing its own costs and attorneys' fees.

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

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

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ITEM 5
INITIAL FEES

When you sign a Franchise Agreement you must pay to us a non-refundable initial franchise fee (the "Initial Franchise Fee"). The Initial Franchise Fee is $49,500 for a geographic operating territory that includes a base territory of approximately 75,000 Qualified Single-Family Households (a "Base Territory"). If at the time of signing your Franchise Agreement, subject to market type, availability, and our discretion, you wish to increase the size of your Base Territory, the Initial Franchise Fee will be increased $0.66 for each additional Qualified Single-Family Household located within your Base Territory at the time of signing the Franchise Agreement. A Qualified Single-Family Household is a single family household where annual household income exceeds $60,000 (a "Qualified Single-Family Household").

The Initial Franchise Fee is fully earned by us upon payment. The method we use to calculate the Initial Franchise Fee is uniform for all franchises, except, as described below, we offer a veteran's discount and multi-territory discount.

Veteran's Discount

For qualified individuals who were honorably discharged from any branch of the United States Military the Initial Franchise Fee for the first / initial Operating Territory franchise is discounted by 10%. This discount must be requested at the time of your initial franchise application and requires documented military service.

Multi-Territory Discounts

Subject to market type, availability, and our discretion, at the time of signing your Franchise Agreement you may request the right to purchase additional territories. Each territory of 75,000 Qualified Single-Family Households added to your Base Territory is referred to as an "Additional Territory." Your Base Territory and Additional Territories are collectively referred to collectively as your "Territories" and, individually, as a "Territory." When purchasing Additional Territories, the supplemental franchise fee of $0.66 for each additional Qualified Single-Family Household over and above 75,000 will apply, subject to the following discounts for the purchase of multiple Territories:

Total Territories Purchased	Initial Franchise Fee per Territory	Cumulative Fee (Includes Base Territory)
1	$49,500	$49,500
2	$44,750	$89,500
3	$39,833	$119,500
4	$37,250	$149,000
5	$35,600	$178,000
6	$34,333	$206,000
7	$33,286	$233,000
8	$32,250	$258,000
9	$31,222	$281,000
10	$30,200	$302,500
11	$29,364	$323,000
12	$28,583	$343,000

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ITEM 6
OTHER FEES

<table>
<tr><th>Type of Fee
(Note 1)</th><th>Amount</th><th>Due Date</th><th>Remarks</th></tr>
<tr><td>Royalty (Note 2 and 3)</td><td>Greater of 6% of Gross Sales or Minimum Weekly Royalty Fee Requirement, subject to satisfaction of Annual Minimum Gross Sales Requirements

<table><tr><th>Total Territories</th><th>Minimum Weekly Royalty Fee Requirement</th></tr><tr><td>1</td><td>$125</td></tr><tr><td>2</td><td>$250</td></tr><tr><td>3</td><td>$375</td></tr><tr><td>4</td><td>$500</td></tr><tr><td>5</td><td>$625</td></tr><tr><td>6</td><td>$750</td></tr><tr><td>7</td><td>$875</td></tr><tr><td>8</td><td>$1,000</td></tr><tr><td>9</td><td>$1,125</td></tr><tr><td>10</td><td>$1,250</td></tr><tr><td>11</td><td>$1,375</td></tr><tr><td>12</td><td>$1,500</td></tr><tr><td colspan="2">The Minimum Weekly Royalty Fee Requirement is not imposed during the initial 12 month period following the earlier of the Actual Opening Date or the Scheduled Opening Date of your Brothers Gutters Business.</td></tr></table>
The Royalty Rate is 10% of Gross Sales for Out of Territory Customers</td><td>Weekly every Thursday for the preceding week</td><td>Will be debited automatically from your bank through ACH. Subject to a minimum weekly royalty that commences 12 months following the earlier of the Actual Opening Date or the Scheduled Opening Date. The Royalty Rate is 10% for Out of Territory Customer Gross Sales. See, Notes 2 and 3 for applicable Minimum Weekly Royalty Requirement. Subject to Annual Minimum Gross Sales Requirements.</td></tr>
<tr><td>Brand Development Fund (Note 4)</td><td>2% of Gross Sales</td><td>Weekly every Thursday for the preceding week</td><td>Will be debited automatically from your bank through ACH or other means designated by us.</td></tr>
<tr><td>Franchisee Directed Local Marketing
(Note 5)</td><td>3% of Gross Sales per month, but not less than $2,000 per month plus $500 per month for each Additional Territory</td><td>As incurred monthly</td><td>Must be spent by you monthly on pre-approved marketing within your operating territory. Subject to minimum requirements.</td></tr>
</table>

Type of Fee (Note 1)	Amount	Due Date	Remarks
Local and Regional Advertising Cooperatives (Note 6)	As established by cooperative members	As established by cooperative members	If we authorize an Advertising Cooperative, fees that you pay to the cooperative will count to the satisfaction of your Franchisee Directed Local Marketing Requirements.
Technology (Note 7)	Up to $750 per month, currently $200 per month plus $19.99 per email user per month	Monthly on the first Thursday of each month	Will be debited automatically from your bank account by ACH or other means designated by us.
Contact Center (Note 8)	3% of weekly Gross Sales	Weekly on Thursday for the immediately preceding week	Will be debited automatically from your bank account by ACH or other means designated by us.
Customer Service and Refunds (Note 9)	Varies under the circumstances	On demand	Will be debited automatically from your bank account by ACH or other means designated by us.
Annual Conference Attendance Fee (Note 10)	Our then current conference fee, not greater than $1,000	When invoiced	Will be debited automatically from your bank account by ACH or other means designated by us. Fee is per attendee.
Additional Employee Initial Training	Our then current training fee, currently $500 per person per day. This fee will not increase more than 25% annually.	When invoiced and prior to training	Under our pre-opening initial training, we will train you or your Managing Owner and one designated manager at no additional charge. This fee is for initial training, either before or after you open. Initial training is conducted at facilities we designate and you must pay for all other expenses of your trainees, including salary, travel and accommodations.
Supplemental Training	Our then current daily rate per trainer, plus expenses we incur. Current rate is $500 per day. This fee will not increase more than 25% annually.	On demand	If you request or we require additional training, you must pay our then current trainer fee plus, if applicable, our expenses related to travel and accommodations.
Non-Compliance: Customer Reviews (Note 11)	$250 to $750 per month	On demand	If your aggregate customer review ratings fall below 4.5 stars out of 5 or below a 90%

Type of Fee (Note 1)	Amount	Due Date	Remarks
			approval rating you must pay to us a non-compliance fee of between $250 to $750 per month for each month of non-compliance.
Annual Minimum Gross Sales Requirements Non-Compliance Fee (Note 12)	Up to $2,500 per month	On demand	Payable for each month during which Franchisee fails to satisfy the Annual Minimum Gross Sales Requirements, as determined by Franchisor in Franchisor's Reasonable Business Judgment. See Note 12.
Reporting Non-Compliance	$150 per occurrence	14 days of invoice	Payable for failure to timely submit royalty and other reports required under the Franchise Agreement.
Operations Non-Compliance	$450 to $1,000 per occurrence	14 days of invoice	Payable for failure to comply with operational standards as required under Franchise Agreement, plus inspection and re-inspection costs incurred by us.
Payment Non-Compliance	$150 per occurrence	14 days of invoice	Payable for failure to comply with payment obligations under Franchise Agreement.
Interest	18% per annum from due date	On demand	Payable on all overdue amounts, fees, charges, and payments due to us under the Franchise Agreement. Interest rate cannot exceed legal rate allowed by law and may be adjusted to reflect same.
Audit	Reimbursement of Actual Costs of Audit	On demand	For costs incurred by us for each financial audit, provided the audit determines underreporting of 2% or greater during any designated audit period. Includes fees incurred by us including audit, legal, travel and reasonable accommodations.
Quality Assurance Audit	Actual costs incurred by us	As invoiced	Payable if we engage a third party to perform periodic quality assurance audits, including mystery shopper programs.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Collections	Reimbursement of Actual Costs of Collections	On demand	For costs and expenses incurred by us in collecting fees due to us, and/or to enforce the terms of the Franchise Agreement or a termination of the Franchise Agreement. Includes costs and expenses of re-inspections required by quality assurance audit.
Transfer	$10,000	On demand	Payable if we approve your transfer request and upon signing our then current Franchise Agreement.
Renewal	$10,000	On signing renewal Franchise Agreement	Payable if we approve your renewal request and upon signing our then current Franchise Agreement.

Explanatory Notes to Item 6
Other Fees

Note 1: Type of Fee – The above table describes fees and payments that you must pay to us, our affiliates, or that our affiliates may impose or collect on behalf of a third party. All fees are uniformly imposed for all franchises offered under this Disclosure Document, are recurring, are not refundable, and are payable to us, unless otherwise specified. Payment is subject to our specification and instruction, including, our election to have all fees automatically drafted from your business bank account or automatically debited or charged to your business bank account. You will be required to sign an ACH Authorization Form (Franchise Agreement, Exhibit 4) permitting us to electronically debit your designated bank account for payment of all fees payable to us and/or our affiliates. You must deposit the Gross Sales of your Brothers Gutters Business into the designated bank accounts that are subject to our ACH authorization. You must install and use, at your expense, the pre-authorized payment, point of sale, credit card processing, automatic payment, automated banking, electronic debit and/or electronic funds transfer systems that we designate and require in the operation of your Brothers Gutters Business. You must pay all service charges and fees charged to you by your bank so that we may electronically debit your bank account.

Note 2: Royalty Fees – You must pay to us a continuing royalty fee (the "Royalty Fee"). The continuing Royalty Fee is a weekly fee that is equal to the greater of either: (a) a sum equal to 6% (the "Royalty Rate") of your weekly Gross Sales; or (b) the amount of your then applicable minimum weekly Royalty Fee requirement (the "Minimum Weekly Royalty Fee Requirement"). If you are authorized to provide System Services and Products to Out of Territory Customers in an Open Area (see, Item 12) the Royalty Rate is 10% for Gross Sales related to Out of Territory Customers. The Minimum Weekly Royalty Fee Requirement will vary depending on the number of Territories added to your Base Territory and is determined in accordance with the following schedule:

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Total Territories	Minimum Weekly Royalty Fee Requirement
1	$125
2	$250
3	$375
4	$500
5	$625
6	$750
7	$875
8	$1,000
9	$1,125
10	$1,250
11	$1,375
12	$1,500
The Minimum Weekly Royalty Fee Requirement is not imposed during the initial 12 month period following the earlier of (i) the Actual Opening Date; or (ii) the Scheduled Opening Date opening of your Brothers Gutters Business.	

On an on-going annual basis, you are required to meet the following minimum annual Gross Sales requirements (the "Annual Minimum Gross Sales Requirements"), which are determined based on the number of Territories comprising your Operating Territory, as follows: $500,000 in Gross Sales per year for an Operating Territory comprising one Territory; and an additional $250,000 in Gross Sales per year for each additional Territory comprising your Operating Territory (e.g., $750,000 for two Territories; $1,000,000 for three Territories; $1,250,000 for four Territories; and so on). The Annual Minimum Gross Sales Requirements shall commence following the completion of the first full year after the earlier of the Actual Opening Date or the Scheduled Opening Date of the Franchised Business. Each and every year thereafter you must meet your Annual Minimum Gross Sales Requirements. If, in any particular year, you fail to satisfy the Annual Minimum Gross Sales Requirements, we may, in our discretion, require that you undergo and satisfactorily complete additional training, decrease the size of your Operating Territory or terminate your Franchise Agreement.

Note 3: Gross Sales – "Gross Sales" means the total dollar sales from all business and customers of your Brothers Gutters Business and includes the total gross amount of revenues and sales from whatever source derived, whether in form of cash, credit, receipts, agreements to pay, invoices, or other consideration including the actual retail value of any goods or services traded, borrowed, or received by you in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by you or any other person or Corporate Entity from business conducted or which started in, on, from or through your Brothers Gutters Business and/or your Operating Territory, whether such business is conducted in compliance with or in violation of the terms of the Franchise Agreement. Gross Sales include the total gross amount of revenues and sales from whatever source derived from and/or derived by you including, any person and/or Corporate Entity acting on your behalf, from business conducted within and/or outside your operating territory that is related to your Brothers Gutters Business and/or a competitive business located and/or operated within your Operating Territory, outside your operating territory, and/or otherwise. Gross Sales do not include (a) sales taxes that you collect and remit to the proper taxing authority, and (b) authorized promotional discounts that you provide to customers.

Note 4: Brand Development Fund – The brand development fund fee is a continuing weekly fee equal to an amount of 2% of your weekly Gross Sales (the "Brand Development Fund Fee").

Note 5: Franchisee Directed Local Marketing – On an on-going monthly basis, you must spend not less than the greater of: (a) 3% of your monthly Gross Sales; or (b) $2,000 per month for a Base Territory plus an additional $500 per month for each Additional Territory on the local marketing of your Brothers Gutters Business within your operating territory and in accordance with our standards and specifications.

Note 6: Local and Regional Advertising Cooperatives – If two or more Brothers Gutters Businesses are operating within a geographic area, region, or market designated by us (a "designated market"), we reserve the right to establish and require your participation in a local or regional advertising cooperative within the designated market. If an advertising cooperative is established within a designated market that includes your Brothers Gutters Business(s), you will be required to participate in the cooperative and make on-going payments to the cooperative in such amounts and subject to such caps as established by the cooperative members. We anticipate that each Brothers Gutters Business franchisee will have one vote for each Brothers Gutters Business located within the cooperative market and that cooperative decisions shall be made based on approval of a simple majority vote with a quorum of not less than 25% of the designated cooperative members. Contributions to a local or regional cooperative that we designate will count toward satisfaction of your minimum local marketing requirements.

Note 7: Technology – The continuing monthly technology fee is an administrative fee and is not associated with any particular service but is used, at our discretion, to defray some of our costs related to system website and intranet (the "Technology Fee"). Currently we charge a monthly Technology Fee of $200 per month plus $19.99 per email user per month but reserve the right to increase this fee during the term of your agreement provided that the monthly Technology Fee shall not exceed $750 per month.

Note 8: Contact Center Fees – You are required to exclusively use the contact center and the contact center services that we designate (the "Contact Center Services"). The contact center fee is a weekly fee that currently is charged at amounts equal to 3% of your weekly Gross Sales ("Contact Center Fee").

During the fiscal year ending December 31, 2025, we collected a Contact Center Fee of 1.5% of Gross Sales from 10 franchisees who opted out of Contact Center Services.

Note 9: Customer Services and Refunds – This fee will be based on the costs incurred by us, including refunds and/or credits that we may undertake on behalf of a customer that was not satisfied with the services or products provided by the Franchised Business. You must guarantee your services to your customers. If we determine that your customer is entitled to reimbursement of fees paid to you, we may reimburse your customer directly. You must reimburse us for the amounts that we reimburse your customer. You must also participate in any warranty insurance programs that we designate.

Note 10: Annual Conference Attendance Fee – If we offer a franchisee annual conference in a given year you will be required to attend the conference on the dates and at the location that we designate. You will be responsible for all travel and lodging expenses. We may charge you an annual conference fee in an amount not exceeding $1,000 (the "Annual Conference Attendance Fee"). We reserve the right to charge the Annual Conference Attendance Fee to those franchisees that do not attend. We will not require your attendance at an annual conference for more than five days during any calendar year.

Note 11: Non-Compliance Fee: Customer Reviews – You must subscribe to and participate in the customer review tracking and reputation management services and providers that we designate. If your customer review or customer satisfaction ratings, as measured across the review platforms that we designate, go below 4.5 stars out of 5 stars and/or a 90% positive satisfaction rating, then you must pay to us a customer review non-compliance fee of $250 for each and every month of non-compliance. If a condition of non-compliance occurs for more than three months, then we may increase this non-compliance fee to a monthly fee of not more than $750 per month.

Note 12: Annual Minimum Gross Sales Requirements Non-Compliance Fee – On an on-going annual basis, Franchisee is required to satisfy the Annual Minimum Gross Sales Requirements as set forth in Article 5.B. of the Franchise Agreement and as further described in Note 2 of this Item 6. In the event Franchisee fails to satisfy the Annual Minimum Gross Sales Requirements in any given year during the Term of the Franchise Agreement, Franchisor shall have the right, in Franchisor's Reasonable Business Judgment, to exercise any one or more of the following remedies, individually or in combination: (i) require Franchisee and/or Franchisee's Managing Owner

and/or Operating Manager to attend and successfully complete additional training programs designated by Franchisor, at Franchisee's sole cost and expense, including all costs associated with travel, lodging, meals, and any applicable Additional Initial Training Fees or Supplemental Training Fees; (ii) assess and require Franchisee to pay a monetary fine in an amount determined by Franchisor in Franchisor's Reasonable Business Judgment, not to exceed $2,500 per month for each month during which Franchisee fails to satisfy the Annual Minimum Gross Sales Requirements, which fines shall be due and payable by Franchisee to Franchisor on demand; (iii) reduce Franchisee's Operating Territory by removing one or more Territories from Franchisee's Operating Territory and/or reducing the size of any Territory; and/or (iv) terminate the Franchise Agreement upon written notice to Franchisee. Franchisor's exercise of any one remedy shall not preclude Franchisor from subsequently or concurrently exercising any other remedy available under the Franchise Agreement or applicable law.

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ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

A. Base / Single Territory Only

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 1)	$49,500 – $49,500	Lump sum	When Franchise Agreement is signed	Us
Construction and Leasehold Improvements (Note 2)	$1,500 – $5,000	As arranged	As incurred	Contractors, suppliers, and/or landlord
Storage Unit (Note 3)	$0 – $1,000	As arranged	As incurred	Landlord
Equipment (Note 4)	$13,000 – $25,000	As arranged	As incurred	Suppliers
Initial Inventory (Note 5)	$1,000 – $4,000	As arranged	As incurred	Suppliers
Computer, Software and Point of Sale System (Note 6)	$4,000 – $6,500	As arranged	As incurred	Suppliers
Service Vehicle (Note 7)	$5,500 – $12,500	As arranged	As incurred	Automobile dealers
Merchandise Kit (Note 8)	$3,500 – $6,000	As arranged	As incurred	Suppliers
Start-Up Marketing – Three Months (Note 9)	$15,000 – $35,000	As arranged	As incurred	Suppliers
Insurance Deposits – Three Months (Note 10)	$2,500 – $5,000	As arranged	As incurred	Insurers
Travel for Initial Training (Note 11)	$2,500 – $5,000	As arranged	As incurred	Airlines, hotels, restaurants
Professional Fees (Note 12)	$1,500 – $3,000	As arranged	As incurred	Attorneys, accountants, advisors
Licenses and Permits (Note 13)	$750 – $2,500	As arranged	As incurred	Government
Additional Funds – Three Months (Note 14)	$45,000 – $125,000	As arranged	As incurred	Us, employees, suppliers, landlord, utility suppliers
Total Estimate (Note 15)	$145,250 – $285,000			

Explanatory Notes to Item 7
For a Base Territory

Note 1: Initial Franchise Fee – The Initial Franchise Fee is $49,500 for an Operating Territory comprising a single Base Territory of approximately 75,000 Qualified Single-Family Households that has not been supplemented with the purchase of additional Qualified Single-Family Households or Additional Territories. All fees are non-refundable. We do not finance any portion of your initial fees.

Note 2: Construction and Leasehold Improvements – The Approved Services and Products may only be offered and provided on-site, at customer homes. If permitted by local law, you may operate your Brothers Gutters Business from a home based administrative office. Within this Item 7 we assume that you will be administratively managing and operating your Brothers Gutters Business from your home. You are not required to lease a commercial third party administrative office or operations center. If you elect to establish or lease an administrative office or an operations center to park your service vehicles, maintain inventory, and stage service visits, your costs will be higher. This estimate does not include the cost of operating the Franchised Business from a commercial administrative office or operations center.

Note 3: Storage Unit – There is no requirement to purchase or lease real estate in connection with the operation of the Franchised Business. This estimate does not include the cost of operating the Franchised Business from a commercial facility. You may elect obtain a storage unit for equipment and other items used by your Brothers Gutters Business. The size of your optional storage unit will generally range from 300 to 500 square feet.

Note 4: Equipment – You will be required to purchase certain types of equipment including tools for customizing, fabricating, installing and maintaining gutters from us or our approved manufacturers, suppliers and/or subject to our specifications. These figures represent the purchase of the necessary equipment from suppliers to provide the services of your Brothers Gutters Business. The costs listed here do not include any transportation or set up costs.

Note 5: Initial Inventory – You must purchase your initial opening inventory of brackets, parts, and branded apparel from our approved and designated suppliers. This initial inventory is intended as a minor supplement to the parts and supplies that you will be required to purchase on a customer-to-customer basis and in connection with the day to day operations of your Brothers Gutters Business.

Note 6: Computer, Software and Point of Sale System – You are required to purchase, license and use the computer system and customer relationship management system and applications that we designate. This estimate includes a desktop computer, iPad with cellular wireless internet access, and the initial start-up license for our designated business management system (the "Business Management System").

Note 7: Service Vehicle – You must use a Brothers Gutters branded and wrapped service vehicle for all customer visits. This estimate is for three months of lease installment payments for one service vehicle. These payments will be an on-going expense throughout the operation of your Brothers Gutters Business. The service vehicle must meet our standards and specifications, be registered and insured as a commercial vehicle, be wrapped in accordance with our brand standards, specifications and be in a relatively new and clean condition. Typical vehicles that we approve include designated GMC, Chevy and Ford 16' box vans.

Note 8: Merchandise Kit – You must purchase a merchandise kit containing certain initial merchandise and marketing materials, including business cards, yard signs, sales pledge folders, four-corner door hangers, and other branded items.

Note 9: Start-Up Marketing Expense – You must spend a minimum of $15,000 prior to and during the initial three month period following the opening your Brothers Gutters Business to promote your opening.

Note 10: Insurance Deposits – Three Months – You are required to maintain certain insurance coverage. Your actual payments for insurance and the timing of those payments will be determined based on your agreement with your insurance company and agent. This estimate is for the cost of an initial deposit to obtain the minimum required insurance, and we estimate this deposit to be equal to the amount of three months of monthly insurance premium payments. We recommend that you consult with your insurance agent before signing a Franchise Agreement.

Note 11: Travel for Initial Training – You must complete our pre-opening training program before opening your Brothers Gutters Business. We do not charge a fee for our pre-opening initial training. This estimate is for estimated travel and lodging expenses that you will incur to attend our pre-opening initial training program.

Note 12: Professional Fees – This estimate is for costs associated with the engagement of professionals such as attorneys and accountants for advisories consistent with the start-up of a Brothers Gutters Business. We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, and the Franchise Agreement. It is also advisable to consult with these professionals to review any lease and other contracts that you will enter into as part of the development and operation of your Brothers Gutters Business.

Note 13: Licenses and Permits – You must apply for, obtain, and maintain all required permits and licenses necessary to operate a Brothers Gutters Business. The licenses will vary depending on local, municipal, county and state regulations.

Note 14: Additional Funds – This is an estimate of the minimum recommended levels of additional funds that may be required to cover operating expenses such as employee salaries, inventory, rent, and utilities only for the initial three month period following the opening of your Brothers Gutters Business. This estimate does not include compensation to you or your owners and does not include interest, finance charges, or payments that may be incurred by you if you financed the development of your Brothers Gutters Business. In making this estimate, we have relied on the experiences of our affiliate in developing and operating a Brothers Gutters Business. This is only an estimate for your initial three months of operations and more working capital and additional funds may be required depending on the sales and performance of your Brothers Gutters Business.

Note 15: About Your Estimated Initial Investment – This is an estimate of the initial start-up expenses for a Brothers Gutters Business. We have based these estimates on the experiences of our affiliate and our franchisees in developing a Brothers Gutters Business. These are only estimates and your costs and the range of those costs, may vary. These estimates do not include interest and financing charges that you may incur and they do not include management level compensation payable to you or your owners. If you increase the geographic size of your Operating Territory by adding additional Qualified Single-Family Households or Additional Territories your costs will be higher (see Table B, below).

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B. Base Territory Plus Additional Households

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 1)	$49,501 – $88,500	Lump sum	When Franchise Agreement is signed with Multi-Franchise Addendum	Us
Estimated Initial Investment to Open Base Territory (Note 2)	$95,750 – $235,500	Estimated Initial Investment is based on estimate contained in Table A, above, of this Item 7, for a Base Territory but less the Initial Franchise Fee reported in Table A.		
Total Estimate (Note 3)	$145,251 – $324,000			

Explanatory Notes to Item 7
For a Base Territory Plus Additional Qualified Single-Family Households

Note 1: Initial Franchise Fee – The Initial Franchise Fee for an operating territory comprising a Base Territory of approximately 75,000 Qualified Single-Family Households is $49,500. If you elect to supplement the size of your Base Territory, the Initial Franchise Fee is increased $0.66 for each additional Qualified Single-Family Household. All fees are non-refundable. We do not finance any portion of your initial fees.

Note 2: Estimated Initial Investment – This is the estimated initial investment for the development of an operating territory comprising a Base Territory but excluding the Initial Franchise Fee reported in Table A of this Item 7. It is important to review Table A of this Item 7 and the Explanatory Notes to Table A in detail.

Note 3: Total Estimate – This is the total estimated investment for the development of an operating territory comprising a Base Territory that has been supplemented with additional Qualified Single-Family Households.

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C. Base Territory Plus Additional Territories

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 1)	$89,500 – $343,000	Lump sum	When Franchise Agreement is signed with Multi-Franchise Addendum	Us
Estimated Initial Investment to Open Base Territory (Note 2)	$95,750 – $235,500	Estimated Initial Investment is based on estimate contained in Table A, above, of this Item 7, for a Base Territory but less the Initial Franchise Fee reported in Table A.		
Total Estimate (Note 3)	$185,250 – $578,500			

Explanatory Notes to Item 7
For a Base Territory Plus Additional Territories

Note 1: Initial Franchise Fee – The Initial Franchise Fee for an operating territory comprising a Base Territory of approximately 75,000 Qualified Single-Family Households is $49,500. If you elect to supplement the size of your Base Territory by adding additional territories the total Initial Franchise Fee will range from a low of $89,500 for a total of two Territories (your initial Base Territory plus one Additional Territory) to $343,000 for a total of 12 Territories (your initial Base Territory plus 11 Additional Territories). All fees are non-refundable. We do not finance any portion of your initial fees.

Note 2: Estimated Initial Investment – This is the estimated initial investment for the development of an operating territory comprising a Base Territory. It is important to review Table A of this Item 7 and the Explanatory Notes to Table A in detail.

Note 3: Total Estimate – This is the total estimated investment for the development of an operating territory comprising a Base Territory that has been supplemented with Additional Territories.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You may only offer and sell the Approved Services and Products that we designate and you may only use those products, supplies, equipment, technology systems, and services that we authorize and designate in writing. To ensure that our standards and specifications of quality, service and System development are maintained, you must operate your Brothers Gutters Business in strict conformity with the Franchise Agreement and the methods, standards, specifications and sources of supply that we designate and prescribe in the Manuals or as we may otherwise designate and approve in writing.

Source Restricted Purchases and Leases – Generally

We require that you purchase or lease certain source restricted goods and services for the development and operation of your Brothers Gutters Business. Source restricted goods and services are goods and services that must meet our specifications and/or must be purchased from an approved or designated supplier. We may in the future be the exclusive supplier of gutter guards and related products and services used by your Franchised Business. We may designate a supplier (which may include us or our affiliates) as the exclusive supplier for the System. Our

specifications and list of approved and designated suppliers is contained in our Manuals. We will notify you of any changes to our specifications or list of approved or designated suppliers. We may notify you of these changes in various ways, including written or electronic correspondence, amendments and updates to our Manuals, verbal and other forms of communication. We formulate and modify our standards and specifications for products and services based on our industry experience and our management decisions as to the overall operation and expansion of the System.

Suppliers and Supplier Criteria

We may designate ourselves and our affiliates as exclusive suppliers of source restricted goods and services. We may designate ourselves or a third party as exclusive supplier irrespective of the existence of competing suppliers. If, in the Manuals, we do not designate a supplier for a particular item, you will purchase all such products, supplies and services from suppliers who meet our specifications and standards. We are currently designated as an approved supplier of the Contact Center Services and certain technology services. Except for the Contact Center Services and certain technology services, currently, we are not and our affiliates are not approved suppliers of the source restricted goods and services identified below. Currently no officer of ours owns an interest in any of our designated suppliers.

If you want to purchase or lease a source restricted item from a supplier that has not been previously approved or designated by us in writing, you must send us a written request for approval and submit additional information that we may request. We may charge you a supplier review and testing fee and we may request that you send us samples from the supplier for testing and documentation from the supplier for evaluation. We may also require, subject to our discretion, that we be allowed to inspect the supplier's facilities. We will notify you of our approval or disapproval within a reasonable time, not to exceed 60 days, after we receive your written request for approval and all additional information and samples that we may request. We may, in our discretion, withhold our approval. When evaluating the approval of a particular supplier, among other things, we consider: whether the supplier can demonstrate to our reasonable satisfaction the ability to meet our standards, specifications and production requirements, the suppliers quality control, whether or not we are the exclusive supplier of the particular item, whether or not our affiliate or affiliates are the exclusive supplier of the particular item, and whether or not the suppliers approval, in our sole determination, will allow us to advance the overall interests of the System.

We estimate that your purchase of goods and services from suppliers according to our specifications, including your purchase of goods or services from our designated exclusive suppliers to represent approximately 75% of your total purchases and leases in establishing the Franchised Business and approximately 25% of the on-going operating expenses of the Franchised Business.

We currently require that you purchase or lease the following source restricted goods and services from either us or our designated supplier:

1. Gutters, Gutter Parts, and Installation Kits – As a part of your System Supplies, you must purchase all of your inventory and requirements for gutters, gutter guards, gutter installation kits, and gutter installation and repair tools from us, our affiliates, or our designees. We exclusively control the types, manufacturers and sources of supply of the gutters, gutter guards, gutter installation kits, and gutter installation and repair tools that you must exclusively utilize in the Franchised Business. We may be an exclusive supplier of gutter guards and related items and accessories in the future.

2. System Supplies – You must maintain an initial and ongoing inventory of System Supplies. You must purchase the System Supplies, as designated by us, from us, our affiliates, and/or our designated suppliers.

3. Branded Items and Marketing Materials – All materials bearing the Licensed Marks including, but not limited to, stationary, business cards, brochures, apparel, signs and displays, must meet our standards and specifications and must be purchased from us directly or our designated suppliers. All of your marketing materials must comply

with our standards and specifications and must be approved by us before you use them. You may market your Brothers Gutters Business through approved digital media and social media platforms provided that you do so in accordance with our digital media and social media policies. You must purchase all branded marketing materials from either us or our designated exclusive supplier. We may require that you exclusively use, at your cost, our designated supplier for social and digital media marketing services and exclusively use, at your cost, our social media platforms, vendors and marketing channels.

4. Business Management System, Computer Equipment, and Technology Systems – Currently, Service Bridge is the designated point of sale and Business Management System that you must exclusively license and use in the day to day operations of your Brothers Gutters Business. You will be required to pay a monthly license fee for each dispatched user / service vehicle that you operate. The foregoing monthly license fees are subject to change but are currently $150 per dispatched user per month. We reserve the right to change vendors of the Business Management System. We have the right to earn revenue from your licensing and utilization of the Business Management System. We provide certain technology and maintenance services to the franchise system and collect an administrative technology and maintenance fee.

Regarding our other technology systems:

(a) Generally. You must acquire and utilize all technology systems we require from time to time. technology systems may relate to matters such as purchasing; pricing; accounting; order entry; inventory control; scheduling; billing; security; data storage, retrieval and transmission; customer information; customer loyalty; marketing; communications; copying, printing and scanning; or any other business purpose we deem appropriate. We may require that you acquire new or substitute technology systems and/or replace, upgrade or update existing technology systems at your expense upon reasonable prior notice. You are solely responsible for: (i) the acquisition, operation, maintenance, updating and upgrading of your technology systems; (ii) the manner in which your technology systems integrate and interface with our computer system and those of third parties; and (iii) any consequences resulting from improper use or operation, or failure to properly maintain, update or upgrade, technology systems.

(b) Use & Access. You must use technology systems in accordance with the Manuals and comply with all associated data entry policies. You must promptly schedule all service visits and appointments using our designated scheduling software. You may not load or permit any unauthorized programs or games on your technology systems. You must ensure your employees are adequately trained in the use of the technology systems. You agree to take all steps necessary to provide us with independent and unlimited access to data collected by or through your technology systems, including Gross Sales data for purposes of calculating fees owed. You must also obtain any necessary signed consents from customers in order for us to access customer data. Upon request, including upon termination or expiration of this Agreement, you must provide us with user IDs and passwords for your technology systems.

(c) AI Technology. Except as otherwise provided below or in the Manuals, you may not use Artificial Intelligence without our approval. You do not need our approval to use commercially available off-the-shelf productivity software with embedded Artificial Intelligence features (e.g., Microsoft Office with Copilot or Google Workspace with Gemini) for internal business purposes provided that: (i) you only use commercially available standard features and configurations (e.g., no beta, preview, experimental or custom features, third party plugins, extensions or integrations); (ii) you do not input, upload, submit, expose or otherwise make available to any Artificial Intelligence any Confidential Information; (iii) you do not authorize, permit or enable training, fine-tuning, grounding or improvement of any AI models, algorithms, products or services based on Confidential Information (if available, you must affirmatively opt out of any such training or improvement features and send us confirmation of same upon request); (iv) you do not use Artificial Intelligence (1) for consumer-facing, customer-facing or other external communications, content or materials, (2) for marketing analytics, targeting, lead qualifying, profiling or other activities involving customers or third parties, (3) in violation of any

applicable law, (4) in a manner that may cause physical or psychological harm or materially impact the health, safety or fundamental rights of any person or (5) in any other manner prohibited by the Manuals; and (v) you maintain commercially reasonable security measures to prevent unauthorized access to or disclosure of any data processed through such Artificial Intelligence and immediately notify us of any suspected or actual data breach, security incident or unauthorized use involving Artificial Intelligence.

(d) Disruptions. You are solely responsible for protecting against computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems and attacks by unauthorized persons. Upon request, you must obtain and maintain cyber insurance and business interruption insurance for technology disruptions. We and our affiliates: (i) make no representations or warranties that the technology systems will be free from defects or that your use of the technology systems will be uninterrupted or error-free; and (ii) have no liability for any indirect, consequential, incidental, special or punitive damages (including damages associated with loss of use, interruption of business, loss of data or loss of profits) arising from or relating to the technology systems.

(e) Third Party Technology. You understand and agree that we and our affiliates: (i) do not own certain technology systems (or components thereof) you must use to operate your Brothers Gutters Business (i.e., "Third Party Technology"); and (ii) have no liability to you for any losses you incur as a result of Third Party Technology not functioning properly. Accordingly, you hereby: (i) waive any and all claims against us or our affiliates relating to Third Party Technology; and (ii) acknowledge your sole recourse for any losses you incur due to improperly functioning Third Party Technology shall be against the owner or licensor of such Third Party Technology.

(f) Email Accounts & Phone Number. We will provide you with Brothers Gutters email addresses ("Brothers Gutters Email Addresses"); and (ii) the primary phone number associated with your Brothers Gutters Business (the "Designated Phone Number"). If we do not provide you with the Designated Phone Number, you must notify us of the Designated Phone Number you intend to use. To the extent we provide them, you must exclusively use the: (i) Designated Phone Number as the primary phone number associated with your Brothers Gutters Business; and (ii) Brothers Gutters Email Addresses for all email communications with us, customers, suppliers and other persons relating to your Brothers Gutters Business. You may not use them for any purpose unrelated to your Brothers Gutters Business. Your advertising may not list any email address or phone number other than the Brothers Gutters Email Addresses and Designated Phone Number. We own all Brothers Gutters Email Addresses and the Designated Phone Number but allow you to use them during the Term. If we provide the Designated Phone Number, we may either: (i) require you to pay monthly phone charges directly to the provider; or (ii) pay your monthly phone charges on your behalf and add such charges to your Technology Fee. We will charge you a fee for each Brothers Gutters Email Address we provide and add this fee to your Technology Fee.

5. Computer System – You must purchase and maintain a desktop computer system at your administrative office and an iPad that maintains cellular internet access for each dispatched user / service vehicle that you operate. In general, you will be required to obtain a computer system that will consist of certain hardware, software, and peripheral devices such as printers. You will be required to meet our requirements involving back office and point of sale systems, security systems, printers, back-up systems, and high-speed internet access.

6. Contact Center Services – We are the exclusive supplier of the Contact Center Services that you are required to use. Our contact center includes phone based communications and includes other forms of customer engagement focused on new customer inquiries, scheduling estimate and service visits, and responding to customer service issues. We reserve the right to change vendors of the Contact Center Services. On a weekly basis, you must pay Contact Center Fees to us. We reserve the right to deduct 3% of Gross Sales on a weekly basis for Contact Center Fees. During the fiscal year ending December 31, 2025, we received $2,858,591 in

revenue for the Contact Center Services, representing 20.9% of our overall 2025 revenue of $13,651,234.

7. Service Vehicles – Your service vehicles must meet our standards and specifications, be designated and insured for commercial use, and be wrapped with our approved branding and vehicle wrap. You may only operate your Brothers Gutters Business from service vehicles that meet our standards and specifications.

8. Recycling – We reserve the right to establish mandatory recycling programs where we may designate exclusive suppliers that offer recycling services of used gutters and gutter materials.

9. Credit Card Processing – You must use our designated supplier and vendor for credit card processing which may be integrated with the point of sale system that we designate. Credit card processing fees will, generally, be based on a percentage of all credit card processed Gross Sales.

10. Insurance – You must obtain and continuously maintain the insurance coverages that we require from time to time as presently disclosed in the Manuals and as we may modify, at your sole expense, in amounts not less than the minimums specified below. All insurance policies required under your Franchise Agreement must be written by a carrier or carriers rated no less than A-, VII by A.M. Best and admitted in the state of operation, unless a non-admitted carrier is approved in writing by us. All required policies (excluding workers' compensation) must name us, our officers, directors, shareholders, partners, agents, representatives, and independent contractors as additional insureds. All required policies must be primary and non-contributory with respect to any coverage maintained by us. The insurance policies must include a provision that the insurance carrier must provide us with no less than 30 days' prior written notice in the event of a material alteration to, or cancellation of, any insurance policy. A certificate of insurance must be furnished by you to us prior to opening your Franchised Business for business and upon each annual policy renewal thereafter. Insurance coverage must be at least as comprehensive as the minimum requirements set forth below and in the Franchise Agreement (Franchise Agreement, Article 8). If we give you the opportunity to perform and provide Approved Services and Products to Corporate Account(s) or customers of Corporate Accounts within your Operating Territory and you elect to service such Corporate Account(s) or customers, you must obtain and maintain additional insurance coverage naming the Corporate Account(s) as additional insured parties (or as otherwise designated by the Corporate Account or us in our Operations Manuals). For example, some Corporate Accounts require business automobile insurance coverage with a coverage limit of at least $2,000,000. You must consult your carrier representative to determine the level of coverage necessary for the Franchised Business. Higher exposures may require higher limits.

a) Comprehensive general liability insurance, written on an occurrence basis, extended to include contractual liability, products and completed operations, and personal and advertising injury, with a combined bodily injury and property damage limit of at least $1,000,000 per occurrence and $2,000,000 in the aggregate;

b) Statutory workers' compensation insurance as required by the laws of the state in which the Franchised Business is located; provided that "as required by law" language alone is not acceptable — the policy must affirmatively provide statutory coverage regardless of state law minimums. The policy must include all owner-operators who perform physical work in the operation of the Franchised Business; owner-operator exclusions are not permitted. You must either (i) verify workers' compensation coverage for all subcontractors and independent contractors via certificate of insurance, or (ii) ensure that your own workers' compensation policy extends to cover uninsured independent contractors. The policy must include a waiver of subrogation in favor of us (ISO form WC 00 03 13). Franchisees operating in North Dakota, Ohio, Washington, or Wyoming must also obtain stop gap (employers' liability Part 2) coverage, as such coverage is not provided by the applicable state fund;

c) 'Employers' liability insurance with limits of not less than: (i) $1,000,000 per accident for bodily injury by accident; (ii) $1,000,000 per employee for bodily injury by disease; and (iii) $1,000,000 policy limit for bodily injury by disease;

d) Commercial vehicle liability insurance, written on an occurrence basis, with a combined single limit of not less than $1,000,000 per accident for all owned, hired, and non-owned vehicles you, your employees, or any other person performing work on your behalf operate. The policy must name us as additional insured on owned vehicles, include a waiver of subrogation in favor of us, and be primary and non-contributory with respect to any coverage maintained by us;

e) Business interruption insurance equal to 12 months of your net income and continuing expenses, including Royalty Fees;

f) Commercial umbrella liability insurance with a total liability limit of at least $2,000,000;

g) Employment practices liability insurance on a claims-made basis, with limits of not less than $250,000 per claim and $250,000 in the aggregate, which must include: (i) third party coverage for claims by customers and vendors; (ii) a wage and hour sub-limit; and (iii) naming us as additional insured;

h) Inland marine/Equipment floater insurance covering gutter installation equipment, ladders, power tools, and specialty tools while in transit and at jobsites, with a minimum limit of $50,000, written on a scheduled or blanket equipment floater basis; and

i) Cyber liability insurance providing both first-party and third party coverage, with limits of not less than $250,000 per occurrence and $250,000 in the aggregate, including a social engineering sub-limit of not less than $100,000 covering fraudulent wire transfer and email spoofing losses. The policy must cover customer personally identifiable information breaches, business interruption arising from a cyber event, and regulatory defense costs; and

j) All other insurance that we require in the Manuals or that is required by law or by the lease or sublease for the Franchised Business.

Franchisor Revenue from Source Restricted Purchases

We and/or our affiliates have the right to receive a rebate from the Business Management System. During the fiscal year ending December 31, 2025, we earned $91,588.46 in rebates from franchisee purchases, which represents rebates from our designated vendors Spectra, Service Partners and ADP. This represents 0.67% of our overall 2025 revenue of $13,651,234. However, of the $27,756.87 we earned in rebates from Service Partners that is included in the amount of $91,588.46, we redistributed $24,601.75 to franchisees and retained $3,155.12.

Purchase Agreements and Cooperatives

We may, in our discretion, negotiate purchase agreements, including price terms, with designated suppliers for source restricted goods and services on behalf of the System. We may establish preferred vendor programs with suppliers on behalf of some or all of the Brothers Gutters Businesses under the System and, in doing so, we may limit the number of approved vendors and/or suppliers that you may purchase from and we may designate one vendor as your sole supplier. Presently there are no purchase or supply agreements in effect for source restricted products or services and there are no purchasing or distribution cooperatives that you must join. You will not receive any material benefits for using our designated or approved suppliers.

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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	Article(s) in Agreement	Disclosure Document Item
a. Site selection and acquisition / lease	2, 3.C.	7, 11
b. Pre-opening purchases and leases	3, 8	7, 8
c. Site development and other pre-opening requirements	3, 4, 7.F., 7.G., 7.I., 7.J., 8, 9	6, 7, 11
d. Initial and ongoing training	4, 7.I., 14.C.,14.D.	11
e. Opening	2, 3, 4, 7, 9	11
f. Fees	3, 4.A., 5, 7.F., 7.J., 8, 9, 10, 12, 13, 14, 15, 16, 18.N.	5, 6, 7
g. Compliance with standards and policies / manual	3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13	8, 11
h. Trademarks and proprietary information	6, 11	13, 14
i. Restrictions on products and services offered	3, 4.C., 7	8, 11, 16
j. Warranty and customer service requirements	3.L., 7	16
k. Territorial development and sales quotas	2, 3	12
l. Ongoing product and service purchases	3, 4.C., 5, 7	8
m. Maintenance, appearance and remodeling requirements	3, 7	7, 17
n. Insurance	8	7, 8
o. Advertising	3.G., 4.B., 7, 9, 11	6, 8, 11
p. Indemnification	10, 11.E.	6, 13
q. Owner's participation, management, staffing	4, 6, 7	11, 15
r. Records and reports	5, 9, 12, 13	6
s. Inspections and audits	5.E., 7.J., 13	6, 11
t. Transfer	14	17
u. Renewal	15	17
v. Post-termination obligations	6, 10, 11, 17, 18	17
w. Non-competition covenants	6, 17, 18	17
x. Dispute resolution	18.F., 18.G.	17
y. Other: Individual guarantee of franchise obligations	2.C., 4, 6, 7.I., 14.C., 14.D., 14.E., 16.D., 17.C.	9

ITEM 10
FINANCING

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

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ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Pre-Opening Obligations

1. Grant of Franchise – We will grant to you the right to operate the Franchised Business within a designated operating territory. (Franchise Agreement, Article 2);

2. Site Review, and Approval of Operating Territory – At the time of signing your Franchise Agreement you will have selected and we will have approved of the Operating Territory within which you will operate the Franchised Business. (Franchise Agreement, Article 2). If permitted by law, you may manage your Brothers Gutters Business from a home based administrative office. If you elect to lease a back-end administrative office and/or operations center, your administrative office and/or operations center must be located within your Operating Territory and be approved by us. You may choose the most viable option, considering cost and driving distance from one end of your territory to another;

3. Manuals – We will provide you with access to our confidential and proprietary Manuals. You must operate the Franchised Business in accordance with the Manuals and all applicable laws, rules and regulations. At all times, we reserve the right to supplement, modify and update the Manuals. (Franchise Agreement, Article 4.C.). The operations manual currently consists of 145 pages and the table of contents to the operations manual is attached as Exhibit C to this Disclosure Document (Franchise Agreement, Article 4). Major subjects contained in the operations manual consist of establishing, developing, marketing and operating the Franchised Business;

4. Approved Suppliers and Distributors – We will provide you with a list of our approved suppliers and distributors, to the extent that we have designated them, either as part of the Manuals or otherwise in writing. (Franchise Agreement, Articles 3, 4, and 7.F.);

5. Signs, Equipment, Furniture, and Fixtures – We will provide you with a list of our approved signage, equipment, furniture and fixtures, to the extent that we have designated them, either as part of the Manuals or otherwise in writing and we will review and approve, in our discretion, your proposed signage, equipment, furniture and fixtures. We do not provide assistance in delivering or installing signs, equipment, furniture or fixtures. (Franchise Agreement, Articles 3 and 4);

6. Website and Digital Media – We will identify and locate your Brothers Gutters Business on our website. We strictly control how you may or may not use websites and digital media and you must assign all website media and digital media accounts to us. (Franchise Agreement, Articles 3.G. and 9); and

7. Initial Training – Not less than 45 days prior to the opening of your Brothers Gutters Business you or your Managing Owner and one management level employee or Owner must attend and complete our initial training program. We will provide you (and up to one of your designated managers) with training in accordance with our initial training program. (Franchise Agreement, Article 4). Our current training program is to be attended by you, or if you are a Corporate Entity, your Managing Owner and one Operating Manager at our training facility located in Poughkeepsie, New York. The training program takes place over an approximate five consecutive day period and is described below in this Item 11 in more detail. You will also be required to participate in virtual training.

Site Selection

If permitted by local law, you may operate your Brothers Gutters Business from a home based administrative office. Otherwise, you are responsible for selecting a site for your administrative office and must obtain our approval of

your selected location. If you elect to establish an operations center comprised of a non-retail back-office facility to support the operations of your Brothers Gutters Business, including maintaining inventory, staging service visits, and parking your service vehicle, you are responsible for selecting and securing a site within your Operating Territory. We do not typically own or lease the real property that will serve as your administrative office and/or operations center, and you are responsible for all costs and expenses in locating and evaluating proposed sites for your administrative office. We will provide you with site selection guidelines.

Within 30 days of our written receipt and submission of all information and documentation that we may request, we will respond to your proposed request for our approval or disapproval of the proposed location of your administrative office. Factors that into consideration include characteristics of the proposed site, whether or not the proposed site meets our criteria for non-retail back-office operations, and the location of your proposed site relative to your overall Operating Territory and proximity to other franchisee operating territories.

Since you may administratively manage your Brothers Gutters Business from your home there is no required time period within which you must secure a commercial office location. If you do not meet our requirements for site selection, and we do not approve a site, we may terminate your Franchise Agreement without refunding any fees to you. It is your obligation to consult with government agencies, architects and legal professionals to evaluate and determine that your site permits the establishment and operation of the Franchised Business and that you possess the necessary licenses and authority to operate the Franchised Business. (Franchise Agreement, Article 3).

Time to Open

You may not open your Brothers Gutters Business until you have completed our initial training requirements, obtained the necessary licensing and authorization from state and regulatory agencies within your Operating Territory and have obtained and provided us with written proof of the required insurance. Within 120 days from the signing of your Franchise Agreement you must open and offer services and products of your Brothers Gutters Business to the customers within your Operating Territory. We estimate that the length of time between the signing of your Franchise Agreement and opening your Brothers Gutters Business to be one to three months. Factors that may affect this estimated time period include the length of time undertaken by you to satisfactorily complete our initial training program, obtaining third party lender financing, if necessary, obtaining the necessary licenses, training staff, and leasing and wrapping a service vehicle that meets our standards and specifications.

Post-Opening Obligations

1. Communication of Operating Standards – We may establish, update and provide you with consultations and communications as to the standards, procedures and System requirements as to the operation of your Brothers Gutters Business including, but not limited to, Approved Services and Products, System Supplies, marketing and promotion standards, and as we may, in our discretion, designate, modify, supplement and amend from time to time and, as set forth in the Manuals. (Franchise Agreement, Articles 4.B. and 4.C.);

2. Marketing Standards and Approval – We will establish, update and communicate to you our standards for the marketing and promotion of the Franchised Business including, but not limited to, the marketing media that you may use. We will respond to your request respecting the communication of our approval or disapproval of marketing media that may be requested by you for use in the marketing and promotion of the Franchised Business. We maintain full discretion as to the marketing standards and the marketing media may be used in the marketing and promotion of your Brothers Gutters Business (Franchise Agreement, Article 4.B.);

3. Approved Vendors – We will provide the names and addresses of approved vendors and suppliers for the Approved Services and Products and the System Supplies. (Franchise Agreement, Articles 4.B. and 4.C.);

4. Annual System Conference – We may, in our discretion, coordinate an annual conference to be attended by franchisees of the System that are in good standing. If we offer a franchisee annual conference in a given year you

will be required to attend the conference on the dates and at the location that we designate. (Franchise Agreement, Article 5.E.);

5. Supplemental Training – We may require that you and your Operating Manager participate in supplemental on-site training that we may designate and require in our discretion. If you are not meeting what we believe to be System performance standards, we may provide, in our discretion, supplemental training on-site within your Operating Territory. You will be required to pay our then current supplemental training fee, which is currently $500 per on-site trainer per day, plus travel expenses, meals and accommodation expenses incurred by us. (Franchise Agreement, Article 4.A.);

6. Initial Training for Replacement Operating Managers – Your Operating Manager must complete, to our satisfaction, our initial training program. We will offer and make available to your replacement Operating Manager our initial training program which must be completed to our satisfaction. The initial training program will be provided by us at the facilities that we designate that, presently, is comprised of our affiliate owned Brothers Gutters Business located in Poughkeepsie, New York and at the certified training Brothers Gutters Business that we may designate in the future. You will be required to pay our then current supplemental training fee for replacement Operating Manager, which is currently $500 per manager per day for each replacement manager attending our initial training. (Franchise Agreement, Articles 4 and 7.I.);

7. Administration of Marketing Funds – We may administer and manage System-wide marketing funds comprised of a Brand Development Fund and/or Advertising Cooperative. (Franchise Agreement, Article 9);

8. Hiring and Training of Employees – We do not provide assistance with the hiring and training of your employees. You will be directly responsible for the management and supervision of your employees. For the protection of the System, you must ensure that all employees wear and maintain the proper uniforms with our approved System branded apparel and uniforms including, but not limited to, the apparel and uniforms comprising System Supplies. You must monitor and ensure that all System Supplies and Approved Services and Products are prepared, maintained, and served in accordance with the System standards and Manuals; and

9. Pricing – Except as to national, regional and corporate accounts that we may negotiate, you will exclusively determine the prices that you charge for the Approved Services and Products served and sold by your Brothers Gutters Business. However, we may suggest pricing levels that we recommend.

Advertising

1. Generally – All advertising, marketing, marketing materials and all marketing mediums used by you in the marketing and promotion of the Franchised Business must be pre-approved by us in writing and conform to our standards and specifications. You may only use those advertising and marketing materials and mediums that we designate and approve in writing. In our discretion we may make available to you approved marketing templates comprised of pre-approved ads, ad copy and digital media that you may utilize at your own expense. If you wish to utilize marketing materials and/or marketing mediums that are not currently approved by us in writing, you may submit a written request requesting permission and we will approve or disapprove of your request within 15 days of your submission of the written request and sample marketing materials. We are not required to conduct any advertising or spend any amount on your behalf on advertising in your operating territory. (Franchise Agreement, Article 9);

2. Local Marketing – You are not authorized to engage in any marketing unless it is pre-approved by us, in our discretion. (Franchise Agreement, Article 9.B.). You are required to engage in local marketing and you are required to commit specific minimum amount of funds to your local marketing efforts. We will review your local marketing programs and notify you if we approve same. We will make available to you and provide you with access, in the form of a source document, to our approved marketing campaigns, media, and messaging that may be used by you. In those instances where we provide you with access to our marketing campaigns, we provide you with the source

designs, copy, and design specifications. However, you will incur the direct costs associated with customizing, duplicating and using such marketing campaigns and in having them printed, distributed and/or placed with media sources. (Franchise Agreement, Article 9);

3. Digital Media and Website – All digital media and marketing must be approved by us. We will designate for your Operating Territory information about your Brothers Gutters Business on the www.brothersgutters.com webpage or such other websites as we may designate for the System. (Franchise Agreement, Article 9.F.);

4. Brand Development Fund – We may control and administer a brand development fund (the "Brand Development Fund") (Franchise Agreement, Article 9.A.). As disclosed in Item 6 of this Disclosure Document, you must contribute a weekly sum not to exceed 2% of weekly Gross Sales to the Brand Development Fund. We may use the Brand Development Fund for market studies, research, service development, product development, testing, research studies, technology development, advertising and public relations studies or services, creative production and printing of advertising and marketing materials, advertising copy and commercials, tracking costs, agency fees, administrative costs, which may include reimbursement for direct administrative and personnel costs associated with advertising and public relations, and any other costs associated with the development, marketing and testing of advertising, marketing and public relations materials, and the purchase of media placement, advertising time and public relations materials in national, regional or other advertising and public relations media in a manner determined by us, in our discretion, to be in the best interest of the franchisees and the System. Our company and/or affiliate owned Brothers Gutters Businesses may but are not required to contribute to the Brand Development Fund. The Brand Development Fund will be required to maintain unaudited financial records detailing its expenditures and will make available to you (no more frequently than one time in any 12-month period) an unaudited accounting of how the monies contributed to the Brand Development Fund were spent each year. We are not required to segregate the Brand Development Fund from our general operating funds and we are not a fiduciary or trustee of the Brand Development Fund. The Brand Development Fund will not be used to directly promote your Brothers Gutters Business or the marketing area in which your Brothers Gutters Business will be located. (Franchise Agreement, Article 9.A.). We may utilize the Brand Development Fund to develop and test various media and technologies for potential utilization and/or improvement of the operations of Brothers Gutters Businesses and the marketing of Brothers Gutters Businesses. These technology developments and/or improvements may relate, among other things, to our website and to the interaction and potential enhancement of web offerings that may or may not be implemented on behalf of Brothers Gutters Businesses. You may or may not benefit from these technology developments and improvements. (Franchise Agreement, Article 9.A.).

We may use the Brand Development Fund to compensate ourselves for administrative fees associated with managing the Brand Development Fund and for our internal employee salaries, expenses and overhead associated with or reasonably allocated to managing the activities of the Brand Development Fund and performing services on behalf of the Brand Development Fund including, but not limited to, directing, developing and managing media of the Brand Development Fund. We will not use the Brand Development Fund to directly market the sale of Brothers Gutters Business franchises; however, the advertising, marketing and brand development materials developed, including the System website, may contain information as to the availability of Brothers Gutters Business franchises for sale and contact information for franchise inquiries.

As of January 1, 2025, the Brand Development Fund maintained a balance of $301,859. During the fiscal year ending December 31, 2025, we collected $1,922,936 towards the Brand Development Fund and we contributed $358,080 to the Brand Development Fund. During the fiscal year ending December 31, 2025, the Brand Development spent a total of $2,582,974 with 0.5% of these funds spent on content creation, 4.7% of these funds spent on advertising, 59.3% of these funds spent on digital advertising, 11.3% of these funds spent on website, and 24.1% of these funds spent on other (public relations and salaries);

5. Local and Regional Advertising Cooperative – We possess the exclusive right to authorize, establish, designate and de-authorize a local or regional advertising cooperative within those markets that we designate. We will exclusively determine the geographic and other boundaries constituting each respective cooperative and factors that

we will consider include media markets including print, television and digital. If we establish a cooperative within a market that includes your Brothers Gutters Business, you must contribute to the cooperative in such amounts and frequency as determined by the cooperative. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions, marketing expenditures and allocations. However, we may require that cooperative decisions be made based on approval of a simple majority of franchisee members based on one vote per Brothers Gutters Business located and a quorum of not less than 25% of the designated franchisee cooperative members. If a cooperative exceeds nine franchisee members, we may require that the cooperative establish formal governing documents. Each cooperative must prepare annual unaudited financial statements that must be provided to each cooperative member for review. We reserve the right to form, change, dissolve, or merge any advertising cooperative. If we elect to form a local or regional cooperative or if a cooperative already exists as to the area of your Brothers Gutters Business, you will be required to participate in the cooperative in accordance with the provisions of our operations manual which we may supplement and modify from time to time. (Franchise Agreement, Article 9.C.).

As of December 31, 2025 we have not established any local or regional advertising cooperatives but reserve the right to do so in the future; and

6. Advertising Council – We have not established an advertising council but reserve the right to do so in the future. (Franchise Agreement, Article 9.A.).

Computer System

You are required to operate and maintain at least one desktop computer to be used from your administrative office that must possess broadband internet access, and a tablet computer with cellular broadband wireless internet access for each service vehicle that you operate. You must use the Business Management System that we designate. At all times, we will possess direct access to the Business Management System used by you and we will have access to all information entered into these systems, including information about your sales and customers. Presently, the Business Management System that you will be required to use and access is a version of Service Bridge. The cost of the computer system that you will be required to purchase varies depending on your number of service vehicles with your estimated costs for a computer system being $2,500 to $3,500. You are obligated to install the software upgrades and patches as provided by the manufacturer of the computer and the Business Management System. You are responsible for hardware repairs or replacement of systems that are no longer covered under warranty. Your estimated costs for the maintenance, repair and updates for the computer systems is $1,500 per year. There are no contractual obligations imposed on us to maintain, repair, update, or upgrade your computer systems. You will also be required to utilize those customer reward programs and systems that we designate. There are no contractual limitations on the frequency or cost of this obligation. We will have independent access to all of the information and data that is electronically collected and stored on your Business Management System and, as such, will have access to all data related to the sales, inventory and financial performance of your Franchised Business.

Initial Training

If this is your first Brothers Gutters Business, we will provide initial training for you or, if you are a Corporate Entity, your Managing Owner, plus one designated manager. Either you or your Managing Owner, plus your general manager, must successfully complete the initial training program to our satisfaction no later than 45 days prior to the scheduled opening of your Brothers Gutters Business. The initial training program takes place over an approximate five day period. You must also complete virtual training as designated by us. If more than two individuals attend initial training, you will be charged an additional fee per additional persons attending initial training. Although we provide you or, if you are a Corporate Entity, your Managing Owner, plus your general manager, with initial training at no additional fee or charge, you will be responsible for all travel expenses and employee wages related to your attendance and completion of training. (Franchise Agreement, Article 4). Currently, we provide our initial training program no less frequently than quarterly and on an as-needed basis.

TRAINING PROGRAM

The following table summarizes the subjects covered in our initial training program:

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Intro to The Brothers that just do Gutters	0.5	0	Training Program is conducted in Poughkeepsie, New York or virtually as designated by us
Our Story, Brand and Success Factors	0.5	0	
The Products and Services We Offer	4	0	
The Sales Process and Sales Training	4	11	
Product Installation and Service Training	6	12	
Business Systems and System Training	4	4	
Office Systems and Training	4	8	
Establishing Your Business Plan	4	0	
Service Vehicle Setup	1	3	
Office Setup	1	0	
Review and Getting Started	4	4	
Subtotal Hours	33	42	
Total Hours	75		

All training will be conducted under the direction and supervision of our Brand Leader, Danny Horboychuk, and will use instructional materials comprised of our confidential Manuals, live instruction, handouts, and access to the facilities and equipment of our affiliate Brothers Gutters Business in Poughkeepsie, New York. Mr. Horboychuk was our Franchise Executive Director from 2022 to November 2023 and from 2020 to 2022, Mr. Horboychuk served as the General Manager of our affiliate, Brothers Parsons HV LLC, which operates the original Brothers that just do Gutters Business located in Poughkeepsie, New York. From 2016 to 2020, Mr. Horboychuk served as a Solutionist and Sales Manager at our affiliate owned Brothers Gutters Business. The level of experience of our trainers will, at a minimum, include each trainer's satisfactory completion of our initial training program. In addition to initial training, you will also be required to participate in and satisfy all other training programs that we may designate respecting the Franchised Business. (Franchise Agreement, Article 4).

ITEM 12
TERRITORY

Your Location

Under the Franchise Agreement, we will grant to you the right to develop and operate one Brothers Gutters Business within a designated operating territory (your "Operating Territory").

Grant of Territory

At the time of signing your Franchise Agreement we will designate your Operating Territory. The scope of your Operating Territory will vary from the scope and size of the operating territories of other franchisees in our System depending on local factors, market conditions, and whether or not, at the time of signing your Franchise Agreement, you increase the size of your Operating Territory from a Base Territory to a Base Territory that has been supplemented by the purchase of additional Qualified Single-Family Households and/or Additional Territories. A Base Territory, generally, will consist of a geographic area that includes approximately 75,000 single family households where household income exceeds $60,000 (a "Qualified Single-Family Household"). Subject to availability, our approval, and payment of additional Initial Franchise Fees identified in Item 5 of this Disclosure Document, you may add additional Qualified Single-Family Households and/or Additional Territories. Each

Additional Territory will also include approximately 75,000 Qualified Single-Family Households. The number of single family households with the required household income level will be determined in the aggregate and will be calculated based on raw data and without regard to demographics or age. Your Minimum Weekly Royalty Fee Requirement and local marketing expenditure will increase if you add Additional Territories.

Relocation

Your right to relocate your Brothers Gutters Business and, thereby, your Operating Territory is not guaranteed and approval of a relocation request by you is completely at our discretion. We evaluate relocation requests on a case-by-case basis and consider factors such as operational history, the location of your Operating Territory, our expansion plans, and other factors that, at the time of a relocation request, are relevant to us.

Establishment of Additional Franchised Businesses

You do not have the right to establish additional Brothers Gutters Businesses.

Options and Rights of First Refusal to Acquire Additional Franchises

You are not granted any options, rights of first refusal, or similar rights to acquire additional franchises.

Territory Rights

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, during the term of the Franchise Agreement, provided that you are not in default of your obligations to us or our affiliates and except as to our Reserved Rights set forth below, we will not open and operate and we will not grant another franchisee the right to open and operate a Brothers Gutters Business within your Operating Territory.

We and our affiliates reserve to ourselves the exclusive right on any and all terms and conditions that we deem advisable and, without any compensation or consideration to you (Franchise Agreement, Article 2.D.), to engage in the following activities (our "Reserved Rights"): (a) operate and grant to others the right to develop and operate Brothers Gutters Businesses using the System and Licensed Marks outside your Operating Territory, as we deem appropriate and irrespective of the proximity to your Operating Territory; (b) acquire, merge with or otherwise affiliate with one or more businesses of any kind, including businesses that offer and sell products and services that are the same as, or similar to, your Brothers Gutters Business, and after such acquisition, merger or affiliation, to own and operate and to franchise or license others to own and operate and to continue to own and operate such businesses of any kind, even if such businesses offer and sell products and services that are the same as or similar to a the Franchised Business (but not utilizing the Licensed Marks) within your Operating Territory; (c) be acquired by or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that offer and sell products and services that are the same as or similar to the Franchised Business, even if such business or businesses presently or, in the future, own and operate and franchise or license others to own and operate businesses that offer and sell products and services that are the same as or similar to your Brothers Gutters Business (but not utilizing the Licensed Marks) within your Operating Territory; (d) use the Licensed Marks and System to distribute the Approved Services and Products offered and sold by the Franchised Business or products and services similar to the Approved Services and Products offered and sold by the Franchised Business in alternative channels of distribution including the internet, catalog sales, telemarketing, or other direct marketing sales within or outside your Operating Territory; (e) use the Licensed Marks and System to offer, sell, and provide the Approved Services and Products offered and sold by the Franchised Business or products and services similar to the Approved Services and Products offered and sold by the Franchised Business to local, regional, and/or national businesses such as large box home improvement retailers, wholesale clubs, regional and national home construction contractors (referred to as "Corporate Accounts") and to customers of Corporate Accounts within or outside your Operating Territory; and (f) use the Licensed Marks and System and to license others to use the Licensed Marks and System, to engage in

all other activities not expressly prohibited by the Franchise Agreement.

Corporate Accounts Program

If we establish a Corporate Accounts Program where we engage in a contract or service agreement with a Corporate Account or a customer of a Corporate Account, we will offer you the opportunity to participate in the program under the guidelines and rules that we develop from time to time and subject to the pricing criteria and requirements that we establish. You will have an option to refuse to participate in Corporate Accounts Programs, but if you do, you agree that we can service the Corporate Accounts in your territory or authorize others, including other franchisees, to perform work for the Corporate Accounts and the customers of Corporate Accounts in your territory. All pricing and fees charged in connection with Corporate Accounts will be at rated negotiated and determined by us. We or our designee are not obligated to pay you for servicing Corporate Accounts or Corporate Account customers that you have elected not to service under our Corporate Accounts Program. If we give you the opportunity to perform and provide Approved Services and Products to Corporate Accounts or customers of approved Corporate Accounts located within your Operating Territory and you elect to service a Corporate Account or customer, you must procure and maintain additional insurance policies required by the Corporate Account naming the Corporate Account as an additional insured party (or as otherwise designated by the Corporate Account or us in our Operations Manual). You must also agree to indemnify the Corporate Account from any claims related to the Corporate Account.

Soliciting by You Outside Your Territory and Territory Rules

You must operate your Brothers Gutters Business and provide the Approved Services and Products exclusively within your Operating Territory. The marketing of your Brothers Gutters Business must be targeted to your Operating Territory and you are not permitted to directly solicit customers outside of your Operating Territory. Provided that you do not engage in any Direct Solicitation of customers outside of your Operating Territory or within the Operating Territory of another Brothers Gutters Business, you may provide, subject to our written approval, Approved Services and Products within an Open Area, subject to the following definitions, rules and limited circumstances:

(a) You cannot engage in any Direct Solicitations outside of your Operating Territory. The term "Direct Solicitation" refers to and means "communications and/or contacts occurring through in person contact, telephone, mail, e-mail, direct mail, distributed print media, digital media and/or other forms of marketing directed toward customers, potential customers or referral sources of a Brothers Gutters Business";

(b) You cannot provide Approved Services and Products in the operating territory of another Brothers Gutters Business (an "Assigned Area");

(c) An "Open Area" is a geographic area that (i) is not an Assigned Area; and (ii) is located within a 10 mile radius of your Operating Territory;

(d) Unless otherwise directed by us at any time, from time to time, and in our sole direction, you may provide Approved Services and Products to a customer (an "Out of Territory Customer") in an Open Area; and

(e) Once an Open Area becomes an Assigned Area you will no longer be authorized or eligible to provide Approved Services and Products to any customers within the Open Area and you must turn over to us, for the benefit of another Brothers Gutters Business franchisee, all information and records related to customers in the Open Area.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

There are no restrictions on us from soliciting or accepting orders from customers inside your territory. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks or using trademarks different from the ones you will use under the Franchise Agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your territory. We do not grant you the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside your Operating Territory.

Competition by Us Under Different Trademarks

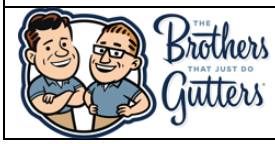
We do not have plans to operate or franchise a business under trademarks different from the Licensed Marks that sells or will sell goods or services similar to those that will be offered by you through the Franchised Business.

ITEM 13
TRADEMARKS

Under the terms of the Franchise Agreement, you will be granted a license to use the "The Brothers that just do Gutters" trademark and those other marks identified in the table below in connection with the operations of the Franchised Business. Our affiliate Brothers Parsons IP LLC is the owner of the Licensed Marks and has granted to us a license with an initial 20-year term and with automatic renewal thereafter to use the Licensed Marks and to license our franchisees to use the Licensed Marks. We reserve the right to supplement and modify the marks that you may or may not use in connection with the operations of your Brothers Gutters Business. You may only use the Licensed Marks as authorized by us in writing and under the terms of your Franchise Agreement. You may not use the Licensed Marks in the name of any Corporate Entity that you establish. Although the license agreement may be terminated as a result of a breach of the license agreement, in the event of any termination of the license agreement, our franchisees will continue to maintain the right to use the Licensed Marks pursuant to the terms of their Franchise Agreement.

Principal Trademarks Registered with the United States Patent and Trademark Office

The following principal Licensed Marks are registered on the Principal Register of the United States Patent and Trademark Office ("USPTO"). As to each of these marks, the appropriate affidavits have been filed with the USPTO.

Principal Trademark	USPTO Registration Number	Registration Date
The Brothers that just do Gutters (Class 37)	4128676	April 17, 2012 – Principal Register August 5, 2021 – First Renewal
Reinventing Contractor Service	5609985	November 20, 2018 – Principal Register August 27, 2024 – First Renewal
	7668122	January 28, 2025 – Principal Register

Principal Trademarks Not Registered with the United States Patent and Trademark Office

The following principal trademarks identified in the schedule below are a part of the Licensed Marks, our System, and will be used by you in the operations of the Franchised Business but are not registered with the USPTO. As to each of these principal trademarks:

We do not have a federal registration for each of these principal trademarks. Therefore, the trademarks identified below do not have many legal benefits and rights that are afforded to federally registered trademarks. If our right to use the trademarks (identified below) is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Mark	Serial Number for Registration Application Filed with USPTO Application	Application Type	Application Date
BroGuard	97544857	1(b)	August 11, 2022
BroGear	98050351	1(b)	June 20, 2023
THE BROTHERS THAT JUST DO GUTTERS (Class 35)	99402147	1(a)	September 19, 2025

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board and/or the trademark administrator in any state or any court; no pending infringement, opposition or cancellation proceedings; and no pending litigation involving the Licensed Marks, except:

There are currently two pending cancellation proceedings before the United States Patent and Trademark Office Trademark Trial and Appeal Board (the "TTAB") and one pending domain name administrative proceeding, each involving the Licensed Marks or related intellectual property, as described below.

Cancellation No. 92090623 — THE BROTHERS THAT JUST DO GUTTERS (Reg. No. 4,128,676). On January 6, 2026, Gutter Brothers, a Pennsylvania corporation controlled by Brian DeHart and located at Springfield, Pennsylvania, filed a Petition for Cancellation with the TTAB seeking to cancel Registration No. 4,128,676 for the standard character mark THE BROTHERS THAT JUST DO GUTTERS, registered April 17, 2012 (the "Wordmark"). The petition alleges that the Wordmark has been abandoned through cessation of use in commerce and further alleges likelihood of confusion with Petitioner's mark THE GUTTER BROTHERS INC. SEAMLESS GUTTERS (Reg. No. 6,232,094). The franchisor disputes these claims and believes the petition is without merit. The franchisor filed a Motion to Dismiss the Petition on February 24, 2026, arguing, among other things, that: (i) the likelihood of confusion claim is time-barred because the Wordmark registration is more than five years old; and (ii) the abandonment claim fails on its face because the Petitioner's own submissions concede that the wording of the Wordmark continues to be displayed in commerce by the Respondent across its franchise system. As of the date of this Disclosure Document, the TTAB has suspended the proceeding pending disposition of the franchisor's Motion to Dismiss.

Cancellation No. 92089806 — [Logo Mark] (Reg. No. 7,668,122). On or around October 11, 2025, the same petitioner, Gutter Brothers, also filed a separate Petition for Cancellation with the TTAB seeking to cancel Registration No. 7,668,122 for the franchisor's logo mark THE BROTHERS THAT JUST DO GUTTERS (registered January 28, 2025), which features a stylized design including the words "The Brothers THAT JUST DO Gutters" and an illustration of two men. An Amended Petition for Cancellation was filed by the Petitioner on March 1, 2026, which is the operative pleading. As of the date of this Disclosure Document, the franchisor's deadline to answer or otherwise respond to the Amended Petition is April 5, 2026, and the proceeding is ongoing.

UDRP Proceeding — FA2602002207155 (Gutter Brothers Inc. v. Ryan Parsons / The Brothers That Just Do Gutters). On March 2, 2026, Gutter Brothers Inc. commenced an administrative proceeding against the franchisor pursuant to the Uniform Domain Name Dispute Resolution Policy ("UDRP"), adopted by the Internet Corporation

for Assigned Names and Numbers ("ICANN"), before Forum ADR, regarding the domain name <brothersgutters.com>. The complaint seeks the transfer of the domain name <brothersgutters.com> to Gutter Brothers Inc. The franchisor disputes the claims asserted in the complaint, believes the proceeding is without merit, and intends to vigorously defend the proceeding. The proceeding is ongoing as of the date of this Disclosure Document. The Petitioner in the above proceedings is an independent gutter services business allegedly operating in Pennsylvania. The franchisor believes that the Petitioner's claims are without legal merit and intends to defend all of the above proceedings vigorously.

Except as disclosed above, we know of no superior rights or infringing uses that could materially affect your use of the Licensed Marks or other related rights in any state.

You are required to provide us with written notice of any claims that you may become aware of respecting the Licensed Marks, including your use of the Licensed Marks and/or any claim associated with a third party's use of a trademark that is identical or confusingly similar to the Licensed Marks. We maintain the exclusive discretion to take any and all actions, or to refrain from any action, that we believe to be appropriate in response to any trademark infringement, challenge or claim. As between us, we possess the sole right to exclusively control any and all litigation, legal proceedings, administrative proceedings and/or settlement(s) involving any actual or alleged infringement, challenge or claim relating to the Licensed Marks. You must sign all documents, instruments and agreements and undertake the actions that we, with the advice of our legal counsel, determine to be necessary or advisable for the protection and/or maintenance of our interests in the Licensed Marks in any legal proceeding, administrative proceeding or as may be otherwise determined by us. As to the foregoing, we will reimburse you for the reasonable out-of-pocket administrative expenses that you incur and pay in complying with our written instructions.

We will protect your right to use the Licensed Marks and other related rights and protect you against claims of infringement and unfair competition related to the Licensed Marks, provided that you use the Licensed Marks in accordance with the terms of your Franchise Agreement, as designated by us in the Manuals, and otherwise, as we instruct you. We will indemnify you against direct damages for trademark infringement in a proceeding arising out of your use of the Licensed Marks, provided your use of the Licensed Marks comply with the terms of your Franchise Agreement, the Manuals, our written instructions, and that you have timely notified us of the claim, have given us sole control of the defense and settlement of the claim, and you are in compliance with your Franchise Agreement. If we defend the claim, we have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any attorney that you retain.

If any third party establishes, to our satisfaction and in our sole discretion, that its rights to the marks are, for any legal reason, superior to any of our rights, then we will modify and/or replace the Licensed Marks and you must use the variances or other service marks, trademarks or trade names required by and as determined by us. Our sole liability and obligation in such event is to reimburse you for the direct out-of-pocket costs of complying with this obligation, which you must document to our satisfaction, including, by way of example, alterations in signage and replacement of marketing materials. There are no agreements currently in effect that significantly limit our rights to use or license the use of the Licensed Marks in any manner material to you.

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ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights to, or licenses in any patent or copyrights material to the franchise System. We may copyright advertising materials and design specifications, our Manuals and other written materials and items. We have not applied to the USPTO for the issuance of any patents.

You must keep as confidential our Manuals and any supplements to the Manuals. Our Manuals may take the form of written materials and/or digitally distributed and stored materials and made available to you for use in connection with the Franchised Business. The Manuals contain information about our System, Approved Services and Products, System Supplies, proprietary products, marketing systems, training, and confidential methods of operation. You must use all reasonable and prudent means to maintain the Manuals and the information maintained in the Manuals as confidential and prevent any unauthorized copies, recordings, reproduction, or distribution of the Manuals or the information contained in the Manuals. You must restrict access to the Manuals to management level employees who sign a confidentiality agreement with you and are required by you to maintain the confidentiality of the Manuals and refrain from distributing or disclosing the Manuals and the information contained in the Manuals. You must provide us with immediate notice if you learn of any unauthorized use of the Manuals or of the information contained in the Manuals, or any infringement or challenge to the proprietary or confidentiality of the information contained in the Manuals. We will take any and all action(s), or refrain from taking action, that we determine, in our discretion, to be appropriate. We may control any action or legal proceeding we choose to bring. We need not participate in your defense or indemnify you for damages or expenses in a proceeding involving a copyright or patent. If any third party establishes to our satisfaction, in our discretion, that it possesses rights superior to ours, then you must modify or discontinue your use of these materials in accordance with our written instructions.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement requires that you or, if you are a Corporate Entity, that your managing shareholder or partner be personally responsible for the daily management and supervision of the Franchised Business (the "Managing Owner"). We must approve your Managing Owner and your Managing Owner must dedicate his or her full time efforts to the management and operation of the Franchised Business and be on-site at the location of the Franchised Business facility. Your Managing Owner must have satisfactorily completed our initial training and must have obtained all required licenses and permits necessary to operate a Brothers Gutters Business within your Operating Territory.

You may hire a manager to assume responsibility for the daily management and supervision of the Franchised Business, only if (a) the manager meets all of our minimum standards and criteria for managers; (b) the manager completes our initial training program; (c) the manager signs our confidentiality and non-competition agreements; and (d) the manager agrees, in writing, to assume responsibility for the on-site management and supervision of the Franchised Business. All of your employees and other agents and representatives who may have access to our confidential information must sign a confidentiality agreement. We do not require that the manager own any equity interest in the franchise.

You, and if you are a partnership or Corporate Entity, each of your members, shareholders and/or partners (collectively, "Owners"), must personally guarantee all of your obligations to us under the Franchise Agreement. Each Owner and Owner's spouse must personally guarantee your obligations to us under the Franchise Agreement. You must also promise in writing that, among other things, during the term of the Franchise Agreement you will not participate in any business that in any way competes with a Brothers Gutters Business, and that for 24 months after the expiration of termination of the Franchise Agreement (with said period being tolled during any periods of non-compliance), you will not participate in any competitive business located within and/or servicing customers located within your Operating Territory and a 25 mile radius surrounding your Operating Territory. Further you

will not participate in any competitive business located within and/or servicing customers located within the operating territory of any other Brothers Gutters Business. Your managers will be required by us to sign a confidentiality agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the products and services specified or approved by us in writing. You must sell the products and services required by us. We can change the products and services that you must offer. There is no limitation on our right to change the products and services offered by Franchised Business. You are not limited to whom you may sell your products and services, provided you do so exclusively from within your Operating Territory and to/on behalf of customers that are located within your Operating Territory and in compliance with the standards we have determined for the System.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	2.B.	The term of your Franchise Agreement is 10 years.
b. Renewal or extension of the term	15	If you meet our conditions for renewal, you may renew your franchise for up to two additional 10 year renewal terms, for a maximum total of 20 years in addition to your initial 10 year term.
c. Requirements for franchisee to renew or extend	15	To renew your franchise, you must be in compliance with the terms of your Franchise Agreement, provide us with 180 days prior written notice of your request to renew, sign our then current form of Franchise Agreement and related agreements for the renewal term, sign a general release in our favor, pay a renewal fee, and meet all other renewal requirements contained in the Franchise Agreement. Your Owners must be in compliance with their agreements with us, including the Owner and Spouse Agreement, and Guaranty, and they must personally guarantee the terms of your renewal Franchise Agreement, which may contain terms materially different from your current Franchise Agreement.
d. Termination by franchisee	16.B.	You may terminate the Franchise Agreement if you are in compliance with its terms, we are in material breach of the Franchise Agreement, and we fail to cure the material breach within 30 days of receiving written notice or, if the breach cannot be cured within 30 days, such period of time that is reasonable to cure the material breach. This provision is subject to applicable state law.

e. Termination by franchisor without cause	Not applicable	Not applicable.
f. Termination by franchisor with "cause"	16.A.	We can terminate if you are in default of the terms of the Franchise Agreement.
g. "Cause" defined-curable defaults	16.A.(3), 16.A.(4)	You have 10 days to cure a default where you fail to pay any fees and/or obligations due to us and/or to an affiliate of ours or if you fail to pay a supplier without, as determined by us, a legal justification, provided that the foregoing defaults were not intentionally and knowingly in violation of the Franchise Agreement. You will have 30 days to cure a default where you fail to: timely lease a location that we approve for your Brothers Gutters Business; timely develop and open your Brothers Gutters Business; operate your Brothers Gutters Business in accordance with the specifications, standards, and requirements set forth in our Manuals; develop or operate your Brothers Gutters Business in compliance with all federal, state, and local laws, rules, and regulations, unless, such violation poses a threat to public health or safety; maintain insurance coverage that we require; comply with our standards, systems or specifications as we may designate or as otherwise designated in the operations manual; fail to operate your Brothers Gutters Business in conformity with our System or otherwise violate the Franchise Agreement, except as to events of default that are not curable.
h. "Cause" defined-non-curable defaults	16.A.(1), 16.A.(2)	The following are defaults that cannot be cured: three or more instances where you commit a curable default, whether or not you timely cured such default in each instance; you intentionally and knowingly refuse to comply with the terms of the Franchise Agreement, and/or the standards specifications, and/or requirements set forth in the operations manual and/or as communicated to you by us from time to time; you intentionally, knowingly, or negligently operate the Franchised Business in violation of applicable laws, rules, and regulations and, in doing so, create a foreseeable, imminent, and/or immediate threat to the health and safety of others; you abandon the Franchised Business; you or your Owners intentionally made a material statement or omission in questionnaires submitted to us; the data, information, and/or records that you record and/or submit to us are intentionally misleading or false; you transfer or attempt to transfer the Franchised Business or the ownership interests in your franchise company without our approval; you disclose or permit the disclosure of information contained in the operations manual and/or of confidential information; you or your Owners engage in intentionally dishonest or unethical conduct that impacts our System; you and/or your Owners breach and, if such breach is capable of a cure, fail to timely cure another agreement with us, including the Owner and Spouse Agreement and Guaranty; you and your Owners and managers fail to

		complete, to our satisfaction, our initial and on-going training programs; you fail to notify us of the misuse of confidential information and you fail to protect same; you misappropriate or misuse the Licensed Marks; you are deemed insolvent, make an assignment for the benefit of creditors, admit in writing your inability to pay debts; are adjudicated bankrupt, file a voluntary bankruptcy petition or have one filed against you, and/or you acquiesce to the appointment of a trustee or receiver, or a court orders one; execution is levied against the Franchised Business; a final judgment is entered against the Franchised Business and is not satisfied within 30 days; you are dissolved; a lawsuit or action is commenced against the Franchised Business to foreclose on a lien on equipment of the Franchised Business and such action is not dismissed after 60 days; real or personal property used by the Franchised Business is sold or levied by a sheriff or other law enforcement officer; and/or you abandon or fail to continuously own and operate the Franchised Business.
i. Franchisee's obligations on termination/non-renewal	6, 17	You must: pay all sums that you owe to us under the Franchise Agreement and all other agreements with us; cease owning and operating the Franchised Business; cease representing yourself as a franchisee of ours; permanently cease using and/or accessing the System, the Licensed Marks, our confidential information, the Manuals, the Business Management System, the Business Management System Data, and the System Supplies; return the Manuals and all confidential information to us in the original form provided to you and document the destruction of all electronic files related to same; completely de-identify the location and/or facility associated with the Franchised Business; as requested by us, transfer to us all data, telephone listings, digital media, accounts, web listings and websites associated with the Franchised Business; and abide by the post-termination non-competition covenants and restrictions.
j. Assignment of the contract by franchisor	14.A.	No restriction on our right to assign.
k. "Transfer" by franchisee-definition	14.B.	A transfer means and includes, whether voluntary or involuntary, conditional or unconditional, direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the

		exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.
l. Franchisor's approval of transfer by franchisee	14.B.	Transfers require our prior written consent, which may be granted or withheld in our discretion. Provided you and the transferee are in compliance with the conditions provided below, we will not unreasonably withhold our approval.
m. Conditions for franchisor's approval of transfer	14.C.	For approval of your transfer, you must provide us with 30 days prior written notice of the proposed transfer; you and your Owners must not have defaulted in your obligations under the Franchise Agreement and all other agreements with us; you and your Owners must be in compliance with your obligations under the Franchise Agreement and all other agreements with us; the transferee must agree to be bound by all of the terms and provisions of the Franchise Agreement; the transferee's owners and their spouses must personally guarantee all of the terms and provisions of the Franchise Agreement; you and your Owners and their spouses must sign a general release in favor of us; the transfer must provide for the assignment and/or ownership of the approved location for the Franchised Business, and the transferee's continued use and occupancy of such location throughout the term of the Franchise Agreement; the assets of the Franchised Business must be transferred to the transferee; the transferee and the transferee's owners and managers, at the transferee's expense, must complete our training programs; we waive our right of first refusal; we approve of the transfer and transferee in writing and subject to our discretion; and you pay the Transfer Fee (subject to applicable state laws).
n. Franchisor's right of first refusal to acquire franchisee's business	14.F.	We have the right to match any offer to purchase your Brothers Gutters Business or the Corporate Entity operating your Brothers Gutters Business.
o. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable.
p. Death or disability of franchisee	14.D.	If you are an individual, within 30 days of your death or permanent disability, your executor and/or legal representative must appoint an Operating Manager approved by us and within 60 days of such appointment the Operating Manager must complete, to our satisfaction, our initial training program. Within 12 months of the date of death or disability, the Franchise Agreement must be transferred to a transferee approved by us and otherwise transferred in accordance with the terms of the Franchise Agreement. If the franchisee is a Corporate Entity, within 30 days of the death or permanent disability of your Managing Owner, if there are other Owners, you must appoint a replacement Operating Manager approved by us and within 60 days of such appointment the replacement

		Operating Manager must complete, to our satisfaction, our initial training program.
q. Non-competition covenants during the term of the franchise	6	No involvement in any competitive business and must comply with confidentiality, non-disclosure and non-solicitation covenants.
r. Non-competition covenants after the franchise is terminated or expires	6, 17	No involvement, ownership or interest whatsoever for 24 months in any competing business in: your Operating Territory; a 25 mile radius of your Operating Territory; the Operating Territory of any other Brothers Gutters Business; and you must comply with confidentiality, non-disclosure and non-solicitation covenants.
s. Modification of the agreement	18.L.	Requires writing signed by you and us, except for unilateral changes that we may make to the Manuals or our unilateral reduction of the scope of a restrictive covenant that we may make in our discretion.
t. Integration/merger clauses	18.M.	Only the terms of the Franchise Agreement and schedules to the Franchise Agreement and the respective signed exhibits to the Franchise Agreement are binding, subject to state law. Nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	18.G.	Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation within New York County, New York or the nearest suitable location to our corporate headquarters at the time such mediation is conducted as chosen by the mediator and, if mediation is unsuccessful, then to binding arbitration in New York County, New York or the nearest suitable location to our corporate headquarters at the time such arbitration is conducted as chosen by the arbitrator. This provision is subject to applicable state law.
v. Choice of forum	18.G.	Except for certain claims for injunctive relief, all litigation proceedings must be conducted in, the appropriate State or Federal Court within or closest to either New York County, New York or the State or Federal Court nearest to our corporate headquarters at the time such action is commenced. This provision is subject to applicable state law.
w. Choice of law	18.F.	Arizona law will govern. However, this provision is subject to state law and as otherwise disclosed in Exhibit I to this Disclosure Document.

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ITEM 18
PUBLIC FIGURES

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets if there is a reasonable basis for the information and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) 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.

Adjusted Profit – means Direct Gross Profit less Disclosed Expenses. Adjusted Profit is not equal to net profit or income and, except as to Direct Cost of Goods and Services Sold and Disclosed Expenses, does not include the deduction of all other expenses incurred by a Brothers Gutters Business including, but not limited to, other operating expenses, interest, taxes, depreciation, and amortization.

Average – means the sum of all data points in a set, divided by the number of data points in that set.

Calendar Year – means, as to each respective year, the 12-month period commencing on January 1 and ending on December 31.

Company Owned Outlet – means an Outlet owned either directly or indirectly by us, our affiliate or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any Outlet that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us, our affiliate or any person identified in Item 2.

Direct Cost of Goods and Services Sold – means the direct non-managerial and non-administrative cost of goods sold and labor incurred by an Outlet in directly performing and/or installing Approved Services and Products resulting in Gross Sales, comprised of the following categories: direct labor gross wages and taxes, direct labor workers' compensation and general liability, job materials and sundries, and equipment, small tools, and rentals. Direct Cost of Goods and Services Sold does not include managerial expenses, including field management, administrative expenses, Disclosed Expenses, operating expenses, or general expenses including, but not limited to credit card processing and bank fees.

Direct Gross Profit – means Gross Sales less Direct Cost of Goods and Services Sold. Direct Gross Profit is not net profit or income and, except as to Direct Cost of Goods and Services Sold, does not include the deduction of all other expenses incurred by a Brothers Gutters Business including, but not limited to, Disclosed Expenses, operating expenses, labor and employment expenses (except for direct labor in performing and/or installing the Approved Services and Products as disclosed in Direct Costs of Goods and Services Sold), interest, taxes, depreciation, and amortization.

Disclosed Expenses – refers to a limited selection of expenses as disclosed in the tables to this Item 19, comprised of the following select expense categories: rent, utilities, facility maintenance, marketing, office supplies, service vehicle, and franchisor related charges for Royalty Fees, Brand Development Fund Fees, Technology Fees, and Contact Center Fees.

Estimate – refers to an estimate outlining proposed pricing and scope of services that is provided by a Brothers

Gutters Business to a prospective customer for the performance of Approved Services and Products following an on-site visit.

Franchise Outlet – refers to a Brothers Gutters Business operated under a Franchise Agreement that is not a Company Owned Outlet.

Gross Sales – means the total revenue derived by each Outlet less sales tax, discounts, allowances, and returns.

Lead – refers to a prospective customer of a Brothers Gutters Business that contacts the official Contact Center designated by us for the purpose of inquiring about Approved Services and Products.

Lead to Estimate Conversions – refers to the percentage of Leads that request a formal Estimate for the potential sale and performance of Approved Services and Products.

Median – means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.

Multi-Territory Franchise Outlet – means an Operational Franchise Outlet that operates within the equivalent of two or more Territories or two or more Territories that have been supplemented with additional Qualified Single-Family Households.

New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet and not as an Operational Franchise Outlet (see definition below). If this Franchise Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.

Operational Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet (see definition above) and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.

Outlet – refers to either a Company Owned Outlet or Franchise Outlet, as the context requires.

Qualified Single-Family Household – refers to and means a single-family household where the estimated annual household income exceeds $60,000.

Repeat Customer – refers to a customer of a Brothers Gutters Business that engages the Brothers Gutters Business for the performance of Approved Services and Products through two or more Work Orders over a period of time whether within the same Calendar Year or occurring months or years later.

Single Territory Franchise Outlet – means an Operational Franchise Outlet that operates within the equivalent of one Base Territory or one Base Territory that has been supplemented with additional Qualified Single-Family Households.

Territory(ies) – means a territory of 75,000 Qualified Single-Family Households. An Outlet can operate in a single Territory, multiple Territories, and/or can supplement its Territory or Territories with additional Qualified Single-

Family Households.

Work Order – refers to each unique work order requested by a customer and performed by our Company Owned Outlet, an Operational Franchise Outlet, or a New Franchise Outlet for the performance of Approved Services and Products.

YOY Sales Growth – refers to the year over year calculation of the percentage of growth for Gross Sales for each Outlet. YOY Sales Growth is calculated by comparing the Gross Sales of a particular Calendar Year with the Gross Sales for the next Calendar Year.

BASES AND ASSUMPTIONS

The financial information was not prepared on a basis consistent with generally accepted accounting principles. Data for our Company Owned Outlet is based on information reported to us by our affiliate. Data for the Franchise Outlets is based on financial information reported to us by our franchisees.

COMPANY OWNED OUTLET

During the 2025 Calendar Year, we had one Company Owned Outlet operated by our affiliate, Brothers Parsons HV LLC, operating from Poughkeepsie, New York. On October 15, 2025, we sold our Company Owned outlet to a franchisee and this Outlet has operated as a Franchise Outlet since that date. Since this Outlet operated as a Company Owned Outlet for a majority of the 2025 Calendar Year, we are disclosing this Outlet as a Company Owned Outlet in this Disclosure Document. This Outlet has been in operation since 1999 and operates in a market where The Brothers that just do Gutters brand maintains significant awareness among consumers and a significant market presence for over 20 years. The Operating Territory in which this Outlet operates includes approximately 320,174 Qualified Single-Family Households, which is the equivalent of four Territories that have been supplemented with additional Qualified Single-Family Households. Below we report select financial performance data for this Outlet for the 2023, 2024, and 2025 Calendar Years.

Material financial and operational characteristics that are reasonably anticipated to differ from future operational franchise outlets include: (a) managerial skill and efficiency experienced by our Company Owned Outlet as a result of our extensively experienced management team; (b) brand recognition within the local market in which our Company Owned Outlet operates; and (c) no obligation to pay ongoing fees that a franchisee will pay to us, such as Royalty Fees and Brand Development Fund Fees.

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Table 1

Company Owned Outlet: Poughkeepsie, New York
Gross Sales and Disclosed Expenses Data
2023, 2024, and 2025 Calendar Years
2023-2024 YOY Sales Growth: 1.1% | 2024-2025 YOY Sales Growth: -27.49%

	2023 Calendar Year		2024 Calendar Year		2025 Calendar Year	
	Total	**%[1]**	**Total**	**%[1]**	**Total**	**%[1]**
Gross Sales	**$4,518,709**	100.0%	**$4,567,117**	100.0%	**$3,311,488**	100.0%
Less: Direct Cost of Goods and Services Sold						
Direct Labor Gross Wages and Taxes	($1,134,830)	25.1%	($1,035,703)	22.7%	($722,418)	21.8%
Direct Labor Workers' Comp/General Liability	($88,866)	2.0%	($106,397)	2.3%	($107,147)	3.2%
Job Materials and Sundries	($981,823)	21.7%	($884,194)	19.4%	($596,553)	18%
Equipment, Small Tools, and Rentals	($28,437)	0.6%	($12,320)	0.3%	($9,616)	0.3%
Total Direct Cost of Goods and Services Sold	**($2,233,956)**	49.4%	**($2,038,614)**	44.6%	**($1,435,734)**	43.4%
Direct Gross Profit	**$2,284,753**	50.6%	**$2,528,504**	55.4%	**$1,875,754**	56.6%
Less: Disclosed Expenses						
Rent, Utility, and Facility Maintenance	($76,914)	1.7%	($65,378)	1.4%	($44,748)	1.4%
Marketing	($313,197)	6.9%	($304,012)	6.7%	($247,263)	7.5%
Office Supplies	($32,146)	0.7%	($37,510)	0.8%	($20,518)	0.6%
Service Vehicle	($216,996)	4.8%	($229,193)	5.0%	($164,835)	5.0%
Less: Adjustment for Disclosed Expenses Not Paid by Company Owned Outlet but Charged to Franchise Outlets						
Royalty Fee[2]	($271,123)	6.0%	($274,027)	6.0%	($198,689)	6.0%
Technology Fee[3]	($2,400)	0.1%	($2,400)	0.1%	($2,400)	0.1%
Brand Development Fund Fee[4]	($90,374)	2.0%	($91,342)	2.0%	($66,230)	2.0%
Contact Center Fees[5]	($135,561)	3.0%	($137,014)	3.0%	($99,345)	3.0%
Total Disclosed Expenses	**($1,138,711)**	25.3%	**($1,140,876)**	25.0%	**($844,028)**	25.5%
Adjusted Profit	**$1,146,042**	25.3%	**$1,387,627**	30.4%	**$1,031,726**	31.2%

Notes to Table:

[1] "%" represents the percentage of total Gross Sales.
[2] The Royalty Fee is equal to 6% of Gross Sales, subject to a Minimum Weekly Royalty Fee Requirement as set forth in Item 6 of this Disclosure Document. The Minimum Weekly Royalty Fee Requirement for a four Territory Outlet is equal to $500 per week.
[3] The Technology Fee is currently $200 per month but we reserve the right to increase the Technology Fee to up to $750 per month.
[4] The Brand Development Fund Fee is equal to 2% of Gross Sales.
[5] The Contact Center Fee is equal to 3% of Gross Sales.

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FRANCHISE OUTLETS

During the 2023 Calendar Year we had a total of 124 Franchise Outlets. Of the 124 Franchise Outlets, we had 74 Operational Franchise Outlets, 33 New Franchise Outlets, and 17 Franchise Outlets that closed during the 2023 Calendar Year. Of the 17 Franchise Outlets that closed during the 2023 Calendar Year, 7 were open for less than 12 months at the time of closure. We do not include financial data in this Item 19 for 13 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2023 Calendar Year. Of the 61 Operational Franchise Outlets disclosed for the 2023 Calendar Year, 56 qualify as Multi-Territory Franchise Outlets and five qualify as Single Territory Franchise Outlets.

During the 2024 Calendar Year we had a total of 116 Franchise Outlets. Of the 116 Franchise Outlets, we had 87 Operational Franchise Outlets, 18 New Franchise Outlets, and 16 Franchise Outlets that closed during the 2024 Calendar Year. Of the 16 Franchise Outlets that closed during the 2024 Calendar Year, five were open for less than 12 months at the time of closure. We do not include financial data in this Item 19 for 21 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2024 Calendar Year. Of the 66 Operational Franchise Outlets disclosed for the 2024 Calendar Year, 60 qualify as Multi-Territory Franchise Outlets and six qualify as Single Territory Franchise Outlets.

During the 2025 Calendar Year we had a total of 119 Franchise Outlets. Of the 119 Franchise Outlets, we had 91 Operational Franchise Outlets, 20 New Franchise Outlets, and 8 Franchise Outlets that closed during the 2025 Calendar Year. Of the 8 Franchise Outlets that closed during the 2025 Calendar Year, zero were open for less than 12 months at the time of closure. We do not include financial data in this Item 19 for 20 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2025 Calendar Year. Of the 71 Operational Franchise Outlets disclosed for the 2025 Calendar Year, 66 qualify as Multi-Territory Franchise Outlets and 5 qualify as Single Territory Franchise Outlets.

We do not include financial data for New Franchise Outlets that were not open for the full reporting Calendar Year. All Operational Franchise Outlets operate within the equivalent of a single Base Territory or multiple Territories with each Operational Franchise Outlet's aggregate territory size ranging from 75,000 to 900,000 Qualified Single-Family Households. Below we report select financial performance data for our Operational Franchise Outlets for the 2023, 2024, and 2025 Calendar Years.

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Table 2

All Operational Franchise Outlets Gross Sales and Territory Data 2023, 2024, and 2025 Calendar Years						
Franchise Outlet	**Approximate Number of Territories in Operating Territory as of December 31, 2025**	**2023 Calendar Year Gross Sales**	**2024 Calendar Year Gross Sales**	**2025 Calendar Year Gross Sales**	**2023 - 2024 YOY Sales Growth**	**2024 - 2025 YOY Sales Growth**
Lynchburg, VA	3	$1,006,549	$1,020,393	$1,109,671	1.4%	8.75%
Monmouth, NJ	4	$1,088,343	$1,071,920	$1,001,899	-1.5%	-6.53%
Lehigh Valley, PA	6[1]	$2,592,227	$2,237,090	$1,946,597	-13.7%	-12.99%
Richmond, VA	4	$1,320,282	$898,239	$957,809	-32.0%	6.63%
Jacksonville, FL	2	$2,285,387	$1,654,415	$1,756,715	-27.6%	6.18%
San Antonio, TX	8[2]	$3,018,916	$3,003,318	$2,785,454	-0.5%	-7.25%
Charlotte, NC	5[3]	$1,201,686	$1,090,971	$1,087,935	-9.2%	-0.28%
Columbus, GA	3	$1,441,714	$1,459,800	N/A	1.3%	N/A
NE Atlanta, GA	8	$1,586,520	$1,810,452	$2,693,392	14.1%	48.77%
NW Atlanta, GA	6	$1,695,851	N/A	N/A***	N/A	N/A
Knoxville, TN	2	$860,370	$1,419,632	$1,606,998	65.0%	13.20%
Akron/Canton, OH	2	N/A	$552,903	$529,602	N/A	-4.21%
Omaha/Lincoln, NE	3	N/A	$728,565	N/A	N/A	N/A
Rhode Island	3	$1,247,006	$1,337,707	$838,737	7.3%	-37.30%
Tyler, TX	1	$959,169	$1,080,388	$1,089,870	12.6%	0.88%
Charleston, SC	2	$643,053	$544,294	N/A**	-15.4%	N/A
East Birmingham, AL	1	$442,505	$397,229	N/A*	-10.2%	N/A
Fort Myers, FL	4	$1,580,284	N/A	N/A**	N/A	N/A
North Philadelphia, PA	3	$801,530	$870,777	N/A*	8.6%	N/A
Nashville, TN	4	$1,483,839	$1,597,876	$1,717,567	7.7%	7.49%
Clermont, FL	3	$1,931,598	$2,058,823	$1,814,925	6.6%	-11.85%
Little Elm, TX	2	$511,139	$430,503	$473,898	-15.8%	10.08%
West Orlando, FL	3	$1,011,594	N/A*	N/A*	N/A	N/A
Austin, TX	7[4]	$2,407,111	$3,008,235	$1,913,386	25.0%	-36.40%
Augusta, GA	1	$1,286,676	N/A*	N/A*	N/A	N/A
Hartford, CT	3	$550,382	N/A	N/A***	N/A	N/A
St. Louis, MO	6[5]	$2,471,931	$2,941,771	$2,754,050	19.0%	-6.38%
Tri Cities, TN	1	$1,709,645	$1,914,000	$1,932,257	12.0%	0.95%
Douglas County, CO	8[6]	$1,184,131	$1,498,639	$929,606	26.6%	-37.97%
Bradenton/Sarasota, FL	3	$1,782,478	$1,630,842	$1,727,065	-8.5%	5.90%
Oklahoma City Metro, OK	3	$1,108,805	$800,053	$883,105	-27.8%	10.38%
North Dallas, TX	4	$1,257,562	$1,255,692	$1,283,495	-0.1%	2.21%
Chattanooga, TN	1	$877,130	$1,296,901	$1,732,240	47.9%	33.57%
North Jacksonville, FL	2	N/A	N/A	N/A*	N/A	N/A
Buckhead W Atlanta, GA	6	$672,410	$978,388	$1,336,162	45.5%	36.57%
McKinney/East Dallas, TX	3	$409,334	N/A	N/A***	N/A	N/A
Raleigh/Winston Salem, NC	8	$814,030	$837,720	N/A**	2.9%	N/A
North Houston, TX	4	$1,290,730	$1,226,983	N/A*	-4.9%	N/A

Baton Rouge/Northshore, LA	3	$949,897	N/A*	N/A*	N/A	N/A
Cleveland West, OH	4	$929,781	$974,101	$1,070,793	4.8%	9.93%
West Houston, TX	6[7]	$413,501	$548,842	$588,145	32.7%	7.16%
Indianapolis, IN	5	$1,130,496	$1,265,441	N/A*	11.9%	N/A
Fredericksburg/Woodbridge, VA	2	$724,110	$739,916	$821,345	2.2%	11.01%
Pittsburgh/Tri-State, PA	4	$1,156,719	$1,447,203	$1,556,352	25.1%	7.54%
Grand Rapids, MI	3	$1,340,235	$1,975,187	$1,854,285	47.4%	-6.12%
Metro Detroit, MI	12	$1,412,815	$2,389,867	$2,092,564	69.2%	-12.44%
Jupiter/West Palm Beach, FL	3	$933,725	N/A*	N/A*	N/A	N/A
Twin Cities North, MN	5	$2,042,587	$1,965,167	$855,965	-3.8%	-56.44%
Columbus, OH	4	$1,031,855	$1,524,737	$1,420,701	47.8%	-6.82%
Minneapolis, MN	6	$1,653,011	$1,293,749	$983,042	-21.7%	-24.02%
Southwest Houston, TX	4	$354,175	$439,145	$614,513	24.0%	39.93%
South Jersey, NJ	6	$795,553	N/A	N/A**	N/A	N/A
Central PA	4	$719,925	N/A*	$625,789	N/A	N/A
Columbia, SC	5[8]	$1,204,999	$1,320,099	$855,965	9.6%	-35.16%
East Houston, TX	3	$361,356	$530,258	$345,400	46.7%	-34.86%
West Broward, FL	3	$851,171	$1,072,309	$1,195,905	26.0%	11.53%
Merrimack Valley, NH/MA	2	$738,927	N/A	N/A***	N/A	N/A
Central Dallas Fort Worth, TX	12[9]	$1,108,420	$1,813,762	$1,688,115	63.6%	-6.93%
Portland South, OR	5	$703,777	$1,165,729	$1,087,735	65.6%	-6.69%
Treasure Coast, FL	2	$824,088	$1,124,750	$964,539	36.5%	-14.24%
Salt Lake City, UT	5[10]	$1,357,986	$1,842,603	$1,466,488	35.7%	-20.41%
Ft. Lauderdale/Boca Raton, FL	3	$757,435	$953,915	N/A***	25.9%	N/A
North Tampa Bay, FL	3	$354,739	$715,663	$871,921	101.7%	21.83%
Shoreline, CT	7[11]	N/A	$861,993	$753,148	N/A	-12.63%
Huntington, NY	4[12]	N/A	$511,194	$945,625	N/A	84.98%
South Shore, MA	8[13]	N/A	$1,466,903	$2,195,044	N/A	49.64%
Huntsville, AL	2	N/A	$978,893	$955,537	N/A	-2.39%
Morristown, NJ	8	N/A	$497,467	$505,326	N/A	1.58%
Central, FL	4	N/A	$1,044,427	$1,814,925	N/A	73.77%
Utah County, UT	2	N/A	$680,084	N/A***	N/A	N/A
Tinley Park, IL	5	N/A	$625,644	$648,921	N/A	3.72%
Merrick, NY	2	N/A	$870,777	N/A**	N/A	N/A
Arlington, VA	5[14]	N/A	$352,883	$630,679	N/A	78.72%
Lancaster, PA	1	N/A	$325,513	$492,428	N/A	51.28%
Inland-Northwest WA/ID	2	N/A	$973,378	N/A***	N/A	N/A
Owensboro, KY	2	N/A	$687,467	$685,901	N/A	-0.23%
Green Bay, WI	3	N/A	$585,560	$622,587	N/A	6.32%
Coastal North, CA	1	N/A	$1,804,612	N/A*	N/A	N/A
Asheville, NC	3	N/A	N/A	$1,256,065	N/A	N/A
Bethesda/Gaithersburg, MD	2	N/A	N/A	$303,774	N/A	N/A
San Ramon, CA	5	N/A	N/A	$1,379,691	N/A	N/A
Wichita, KS	2	N/A	N/A	$971,134	N/A	N/A
Lexington KY	2	N/A	N/A	$1,144,467	N/A	N/A
Boise ID	2	N/A	N/A	$1,069,203	N/A	N/A
Rochester/Mankato, MN	2	N/A	N/A	$567,370	N/A	N/A

Sunnyvale, CA	3	N/A	N/A	$699,447	N/A	N/A
Irvine, CA	3	N/A	N/A	$600,418	N/A	N/A
Downers Grove, IL	2	N/A	N/A	$564,744	N/A	N/A
Overland Park, KS	3	N/A	N/A	$1,117,823	N/A	N/A
Boulder NE Denver, CO	3	N/A	N/A	$377,406	N/A	N/A
Manchester, NH	5	N/A	N/A	$1,673,431	N/A	N/A
Redmond, WA	2	N/A	N/A	$314,759	N/A	N/A
Ogden, UT	2	N/A	N/A	N/A***	N/A	N/A
Savannah, GA	2	N/A	N/A	$502,198	N/A	N/A
Sioux Falls, SD	1	N/A	N/A	$539,549	N/A	N/A

Notes to Table:

* This Outlet did not provide reliable financial data for this reporting period.

** This Outlet ceased operations during the 2025 Calendar Year. Its Gross Sales data for prior Calendar Year(s) in which it was an Operational Franchise Outlet has been included in this table and in the applicable summary tables for those periods.

*** This Outlet transferred ownership during the 2025 Calendar Year. Due to the interruption in operations resulting from the change of ownership, Gross Sales data for the 2025 Calendar Year is not being reported for this Outlet.

[1] As of January 1, 2022, the Lehigh Valley, PA Outlet operated in an Operating Territory comprised of four Territories. This Outlet added two Territories to its Operating Territory in October of 2023. As of December 31, 2025, the Lehigh Valley, PA Outlet operated in an Operating Territory comprised of six Territories.

[2] As of January 1, 2022, the San Antonio, TX Outlet operated in an Operating Territory comprised of seven Territories. This Outlet added one Territory to its Operating Territory in June of 2022. As of December 31, 2025, the San Antonio, TX Outlet operated in an Operating Territory comprised of eight Territories.

[3] As of January 1, 2022, the Charlotte, NC Outlet operated in an Operating Territory comprised of three Territories. This Outlet added two Territories to its Operating Territory in May of 2023. As of December 31, 2025, the Charlotte, NC Outlet operated in an Operating Territory comprised of five Territories.

[4] As of January 1, 2022, the Austin, TX Outlet operated in an Operating Territory comprised of four Territories. This Outlet added three Territories to its Operating Territory in March of 2022 and one Territory to its Operating Territory in May of 2022. As of December 31, 2025, the Austin, TX Outlet operated in an Operating Territory comprised of eight Territories.

[5] As of January 1, 2022, the St. Louis, MO Outlet operated in an Operating Territory comprised of four Territories. This Outlet added two Territories to its Operating Territory in February of 2023. As of December 31, 2025, the St. Louis, MO Outlet operated in an Operating Territory comprised of six Territories.

[6] As of January 1, 2022, the Douglas County, CO Outlet operated in an Operating Territory comprised of two Territories. This Outlet added four Territories to its Operating Territory in July of 2022 and two Territory to its Operating Territory in January of 2023. As of December 31, 2025, the Douglas County, CO Outlet operated in an Operating Territory comprised of eight Territories.

[7] As of January 1, 2022, the West Houston, TX Outlet operated in an Operating Territory comprised of three Territories. This Outlet added three Territories to its Operating Territory in February of 2025. As of December 31, 2025, the West Houston, TX Outlet operated in an Operating Territory comprised of six Territories.

[8] As of January 1, 2022, the Columbia, SC Outlet operated in an Operating Territory comprised of four Territories. This Outlet added one Territory to its Operating Territory in April of 2024. As of December 31, 2025, the Columbia, SC Outlet operated in an Operating Territory comprised of five Territories.

[9] As of January 1, 2022, the Central Dallas Fort Worth, TX Outlet operated in an Operating Territory comprised of four Territories. This Outlet added three Territories to its Operating Territory in January of 2024 and added five Territories to its Operating Territory in June of 2024. As of December 31, 2024, the Central Dallas Fort Worth, TX Outlet operated in an Operating Territory comprised of 12 Territories.

[10] As of January 1, 2022, the Salt Lake City, UT Outlet operated in an Operating Territory comprised of three Territories. This Outlet added two Territories to its Operating Territory in October of 2025. As of December 31, 2025, the Salt Lake City, UT Outlet operated in an Operating Territory comprised of five Territories.

[11] As of January 1, 2022, the Shoreline, CT Outlet operated in an Operating Territory comprised of four Territories. This Outlet added three Territories to its Operating Territory in September of 2024. As of December 31, 2025, the Shoreline, CT Outlet operated in an Operating Territory comprised of seven Territories.

[12] As of January 1, 2022, the Huntington, NY Outlet operated in an Operating Territory comprised of two Territories. This Outlet added one Territory to its Operating Territory in November of 2024. This Outlet added one additional Territory to its Operating Territory in November of 2025. As of December 31, 2025, the Huntington, NY Outlet operated in an Operating Territory comprised of three Territories.

[13] As of January 1, 2022, the South Shore, MA Outlet operated in an Operating Territory comprised of five Territories. This Outlet added

three Territories to its Operating Territory in November of 2024. As of December 31, 2025, the South Shore, MA Outlet operated in an Operating Territory comprised of eight Territories.

[14] As of January 1, 2022, the Arlington, VA Outlet operated in an Operating Territory comprised of three Territories. This Outlet added two Territories to its Operating Territory in March of 2025. As of December 31, 2025, the Arlington, VA Outlet operated in an Operating Territory comprised of five Territories.

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Table 3

All Operational Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2023 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,166,277**	**35 (57%) / 26 (43%)**	**$1,088,343**	**$3,018,916[2]**	**$354,175[3]**
Direct Labor Gross Wages and Taxes	$257,353	35 (57%) / 26 (43%)	$235,447	$592,963	$75,066
Direct Labor Workers' Comp/General Liability	$19,355	38 (62%) / 23 (38%)	$16,416	$110,846	$0
Job Materials and Sundries	$275,125	35 (57%) / 26 (43%)	$246,719	$625,621	$79,073
Equipment, Small Tools, and Rentals	$9,304	38 (62%) / 23 (38%)	$6,779	$32,727	$0
Total Direct Cost of Goods and Services Sold	**$561,138**	**39 (64%) / 22 (36%)**	**$509,752**	**$1,232,752[4]**	**$159,977[5]**
Direct Gross Profit	**$605,139**	**38 (62%) / 23 (38%)**	**$535,715**	**$1,802,920[6]**	**$142,847[7]**
Rent, Utility, and Facility Maintenance Expenses	$34,875	34 (56%) / 27 (44%)	$33,346	$96,741	$0
Marketing Expenses	$98,151	40 (66%) / 21 (34%)	$87,166	$275,736	$39,048
Office Supplies Expenses	$11,583	41 (67%) / 20 (33%)	$8,371	$54,156	$1,877
Service Vehicle Expenses	$52,167	41 (67%) / 20 (33%)	$43,770	$157,966	$10,975
Royalty Fees	$68,900	34 (56%) / 27 (44%)	$62,234	$181,436	$21,164
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$19,720	36 (59%) / 25 (41%)	$17,262	$48,586	$4,566
Contact Center Fees	$31,741	35 (57%) / 26 (43%)	$28,144	$72,506	$10,598
Total Disclosed Expenses	**$319,498**	**36 (59%) / 25 (41%)**	**$286,567**	**$841,340[8]**	**$107,142[9]**
Adjusted Profit	**$285,641**	**37 (61%) / 24 (39%)**	**$245,759**	**$961,580[10]**	**($83,343)[11]**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Operational Franchise Outlets during the 2023 Calendar Year. We had a total of 74 Operational Franchise Outlets, but we exclude financial data for 13 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2023 Calendar Year. The number of Territories that the 61 Operational Franchise Outlets in this table operate in range from a low of one to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[3] The low Gross Sales data is for the Southwest Houston, TX Outlet, which operated in an Operating Territory comprised of approximately four Territories as of December 31, 2023.

[4] The high total Direct Cost of Goods and Services Sold data is for the St. Louis, MO Outlet, which operated in an Operating Territory comprised of approximately six Territories as of December 31, 2023.

[5] The low total Direct Cost of Goods and Services Sold data is for the Southwest Houston, TX Outlet, which operated in an Operating Territory comprised of approximately four Territories as of December 31, 2023.

[6] The high Direct Gross Profit data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[7] The low Direct Gross Profit data is for the McKinney/East Dallas, TX Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

[8] The high total Disclosed Expenses data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[9] The low total Disclosed Expenses data is for the East Birmingham, AL Outlet, which operated in an Operating Territory comprised of approximately one Territory as of December 31, 2023.

[10] The high Adjusted Profit data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[11] The low Adjusted Profit data is for the McKinney/East Dallas, TX Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

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Table 4

All Operational Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2024 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,212,481**	**37 (56%) / 29 (44%)**	**$1,076,348**	**$3,008,235[2]**	**$325,513[3]**
Direct Labor Gross Wages and Taxes	$259,855	37 (56%) / 29 (44%)	$223,874	$672,620	$24,075
Direct Labor Workers' Comp/General Liability	$21,268	42 (64%) / 24 (36%)	$17,957	$90,232	$950
Job Materials and Sundries	$268,562	39 (59%) / 27 (41%)	$225,758	$673,370	$67,244
Equipment, Small Tools, and Rentals	$7,581	40 (61%) / 26 (39%)	$4,695	$42,763	$0
Total Direct Cost of Goods and Services Sold	**$557,267**	**38 (58%) / 28 (42%)**	**$497,162**	**$1,454,017[4]**	**$105,386[5]**
Direct Gross Profit	**$655,214**	**40 (61%) / 26 (39%)**	**$563,116**	**$1,778,316[6]**	**$170,874[7]**
Rent, Utility, and Facility Maintenance Expenses	$35,979	41 (62%) / 25 (38%)	$32,037	$111,328	$0
Marketing Expenses	$99,143	39 (59%) / 27 (41%)	$84,851	$263,462	$12,937
Office Supplies Expenses	$11,975	43 (65%) / 23 (35%)	$9,704	$51,206	$1,592
Service Vehicle Expenses	$52,027	44 (67%) / 22 (33%)	$40,659	$175,655	$11,354
Royalty Fees	$71,840	37 (56%) / 29 (44%)	$64,611	$180,412	$19,644
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$21,412	40 (61%) / 26 (39%)	$18,350	$59,655	$4,122
Contact Center Fees	$34,043	39 (59%) / 27 (41%)	$29,449	$89,710	$9,771
Total Disclosed Expenses	**$328,819**	**40 (61%) / 26 (39%)**	**$297,666**	**$833,650[8]**	**$92,350[9]**
Adjusted Profit	**$326,396**	**39 (59%) / 27 (41%)**	**$271,251**	**$958,060[10]**	**$38,449[11]**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Operational Franchise Outlets during the 2024 Calendar Year. We had a total of 87 Operational Franchise Outlets, but we exclude financial data for 21 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2024 Calendar Year. The number of Territories that the 66 Operational Franchise Outlets in this table operate in range from a low of one to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the Austin, TX Outlet, which operated in an Operating Territory comprised of approximately seven Territories as of December 31, 2024.

[3] The low Gross Sales data is for the Lancaster, PA Outlet, which operated in an Operating Territory comprised of approximately one Territory as of December 31, 2024.

[4] The high total Direct Cost of Goods and Services Sold data is for the St. Louis, MO Outlet, which operated in an Operating Territory comprised of approximately six Territories as of December 31, 2024.

[5] The low total Direct Cost of Goods and Services Sold data is for the Lancaster, PA Outlet, which operated in an Operating Territory comprised of approximately one Territory as of December 31, 2024.

[6] The high Direct Gross Profit data is for the Austin, TX Outlet, which operated in an Operating Territory comprised of approximately seven Territories as of December 31, 2024.

[7] The low Direct Gross Profit data is for the Arlington, VA Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

[8] The high total Disclosed Expenses data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2024.

[9] The low total Disclosed Expenses data is for the Lancaster, PA Outlet, which operated in an Operating Territory comprised of approximately one Territory as of December 31, 2024.

[10] The high Adjusted Profit data is for the Austin, TX Outlet, which operated in an Operating Territory comprised of approximately seven Territories as of December 31, 2024.

[11] The low Adjusted Profit data is for the Arlington, VA Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

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Table 5

All Operational Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,147,556**	**27 (38%) / 44 (62%)**	**$1,001,899**	**$2,785,454[2]**	**$303,774[3]**
Direct Labor Gross Wages and Taxes	$245,344	28 (39%) / 43 (61%)	$219,511	$533,193	$43,313
Direct Labor Workers' Comp/General Liability	$20,057	26 (37%) / 45 (63%)	$16,916	$110,508	$2,761
Job Materials and Sundries	$240,853	30 (42%) / 41 (58%)	$219,922	$619,050	$38,905
Equipment, Small Tools, and Rentals	$6,110	28 (39%) / 43 (61%)	$4,116	$39,252	$0
Total Direct Cost of Goods and Services Sold	**$511,500**	**29 (41%) / 42 (59%)**	**$476,051**	**$1,236,104[4]**	**$135,888[5]**
Direct Gross Profit	**$636,050**	**42 (59%) / 29 (41%)**	**$596,723**	**$1,649,906[6]**	**$147,097[7]**
Rent, Utility, and Facility Maintenance Expenses	$34,445	27 (38%) / 44 (62%)	$30,728	$104,693	$0
Marketing Expenses	$93,200	28 (39%) / 43 (61%)	$79,649	$305,804	$25,863
Office Supplies Expenses	$14,307	29 (41%) / 42 (59%)	$11,779	$92,011	$465
Service Vehicle Expenses	$49,876	26 (37%) / 45 (63%)	$39,789	$142,276	$9,131
Royalty Fees	$68,383	28 (39%) / 43 (61%)	$58,983	$167,127	$18,226
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$20,938	30 (42%) / 41 (58%)	$19,111	$55,081	$6,075
Contact Center Fees	$32,388	30 (42%) / 41 (58%)	$28,734	$82,621	$9,113
Total Disclosed Expenses	**$315,632**	**28 (39%) / 43 (61%)**	**$279,372**	**$847,602[8]**	**$100,070[9]**
Adjusted Profit	**$320,418**	**32 (45%) / 39 (55%)**	**$259,431**	**$930,633[10]**	**($15,244)[11]**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Operational Franchise Outlets during the 2025 Calendar Year. We had a total of 91 Operational Franchise Outlets, but we exclude financial data for 20 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2025 Calendar Year. The number of Territories that the 71 Operational Franchise Outlets in this table operate in range from a low of one to a high of twelve Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[3] The low Gross Sales data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[4] The high total Direct Cost of Goods and Services Sold data is for the St Louis, MO, which operated in an Operating Territory comprised of approximately 6 Territories as of December 31, 2025.

[5] The low total Direct Cost of Goods and Services Sold data is for the Redmond, WA, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[6] The high Direct Gross Profit data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[7] The low Direct Gross Profit data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[8] The high total Disclosed Expenses data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[9] The low total Disclosed Expenses data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[10] The high Adjusted Profit data is for the NE Atlanta, GA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[11] The low Adjusted Profit data is for the Douglas County, CO, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

Table 6

All Multi-Territory Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2023 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,176,210**	**32 (57%) / 24 (43%)**	**$1,098,382**	**$3,018,916[2]**	**$354,175[3]**
Direct Labor Gross Wages and Taxes	$260,227	32 (57%) / 24 (43%)	$238,987	$592,963	$75,066
Direct Labor Workers' Comp/General Liability	$19,742	36 (64%) / 20 (36%)	$16,776	$110,846	$0
Job Materials and Sundries	$279,743	32 (57%) / 24 (43%)	$255,699	$625,621	$79,073
Equipment, Small Tools, and Rentals	$9,634	36 (64%) / 20 (36%)	$6,991	$32,727	$0
Total Direct Cost of Goods and Services Sold	**$569,345**	**35 (63%) / 21 (38%)**	**$516,398**	**$1,232,752[4]**	**$159,977[5]**
Direct Gross Profit	**$606,865**	**35 (63%) / 21 (38%)**	**$540,751**	**$1,802,920[6]**	**$142,847[7]**
Rent, Utility, and Facility Maintenance Expenses	$35,739	31 (55%) / 25 (45%)	$34,631	$96,741	$0
Marketing Expenses	$100,111	37 (66%) / 19 (34%)	$88,777	$275,736	$50,765
Office Supplies Expenses	$11,463	38 (68%) / 18 (32%)	$8,252	$54,156	$2,164
Service Vehicle Expenses	$53,611	36 (64%) / 20 (36%)	$46,754	$157,966	$10,975
Royalty Fees	$69,412	31 (55%) / 25 (45%)	$64,283	$181,436	$21,164
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$19,839	33 (59%) / 23 (41%)	$17,114	$48,586	$6,477
Contact Center Fees	$31,946	32 (57%) / 24 (43%)	$28,231	$72,506	$10,598
Total Disclosed Expenses	**$324,479**	**33 (59%) / 23 (41%)**	**$285,347**	**$841,340[8]**	**$134,485[9]**
Adjusted Profit	**$282,386**	**33 (59%) / 23 (41%)**	**$247,660**	**$961,580[10]**	**($83,343)[11]**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Multi-Territory Franchise Outlets, *i.e.*, each Outlet operated within an Operating Territory that is the equivalent of two or more Territories or two or more Territories that have been supplemented with additional Qualified Single-Family Households, as offered and set forth in this Disclosure Document, during the 2023 Calendar Year. We disclose financial data for 56 Multi-Territory Franchise Outlets. The number of Territories that the 56 Multi-Territory Franchise Outlets in this table operate in range from a low of two to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[3] The low Gross Sales data is for the Southwest Houston, TX Outlet, which operated in an Operating Territory comprised of approximately four Territories as of December 31, 2023.

[4] The high total Direct Cost of Goods and Services Sold data is for the St, Louis, MO Outlet, which operated in an Operating Territory comprised of approximately six Territories as of December 31, 2023.

[5] The low total Direct Cost of Goods and Services Sold data is for the Southwest Houston, TX Outlet, which operated in an Operating Territory comprised of approximately four Territories as of December 31, 2023.

[6] The high Direct Gross Profit data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[7] The low Direct Gross Profit data is for the McKinney/East Dallas, TX Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

[8] The high total Disclosed Expenses data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[9] The low total Disclosed Expenses data is for the Southwest Houston, TX Outlet, which operated in an Operating Territory comprised of approximately four Territories as of December 31, 2023.

[10] The high Adjusted Profit data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[11] The low Adjusted Profit data is for the McKinney/East Dallas, TX Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

Table 7

All Multi-Territory Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2024 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,220,085**	**34 (57%) / 26 (43%)**	**$1,072,115**	**$3,008,235[2]**	**$352,883[3]**
Direct Labor Gross Wages and Taxes	$262,246	36 (60%) / 24 (40%)	$216,736	$672,620	$37,288
Direct Labor Workers' Comp/General Liability	$22,017	39 (65%) / 21 (35%)	$18,995	$90,232	$950
Job Materials and Sundries	$271,532	35 (58%) / 25 (42%)	$223,181	$673,370	$68,238
Equipment, Small Tools, and Rentals	$7,670	37 (62%) / 23 (38%)	$5,311	$42,763	$0
Total Direct Cost of Goods and Services Sold	**$563,465**	**36 (60%) / 24 (40%)**	**$475,596**	**$1,454,017[4]**	**$145,725[5]**
Direct Gross Profit	**$656,620**	**37 (62%) / 23 (38%)**	**$563,116**	**$1,778,316[6]**	**$170,874[7]**
Rent, Utility, and Facility Maintenance Expenses	$35,597	36 (60%) / 24 (40%)	$32,391	$111,328	$0
Marketing Expenses	$101,953	40 (67%) / 20 (33%)	$86,601	$263,462	$44,355
Office Supplies Expenses	$12,237	39 (65%) / 21 (35%)	$9,412	$51,206	$1,592
Service Vehicle Expenses	$53,350	40 (67%) / 20 (33%)	$39,857	$175,655	$11,354
Royalty Fees	$72,221	34 (57%) / 26 (43%)	$63,405	$180,412	$21,108
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$21,537	37 (62%) / 23 (38%)	$18,350	$59,655	$5,623
Contact Center Fees	$34,187	36 (60%) / 24 (40%)	$29,449	$89,710	$10,748
Total Disclosed Expenses	**$333,483**	**37 (62%) / 23 (38%)**	**$297,666**	**$833,650[8]**	**$132,425[9]**
Adjusted Profit	**$323,137**	**36 (60%) / 24 (40%)**	**$269,361**	**$958,060[10]**	**$38,449[11]**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Multi-Territory Franchise Outlets, *i.e.*, each Outlet operated within an Operating Territory that is the equivalent of two or more Territories or two or more Territories that have been supplemented with additional Qualified Single-Family Households, as offered and set forth in this Disclosure Document, during the 2024 Calendar Year. We disclose financial data for 60 Multi-Territory Franchise Outlets. The number of Territories that the 60 Multi-Territory Franchise Outlets in this table operate in range from a low of two to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the Austin, TX Outlet, which operated in an Operating Territory comprised of approximately seven Territories as of December 31, 2024.

[3] The low Gross Sales data is for the Arlington, VA Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

[4] The high total Direct Cost of Goods and Services Sold data is for the St. Louis, MO Outlet, which operated in an Operating Territory comprised of approximately six Territories as of December 31, 2024.

[5] The low total Direct Cost of Goods and Services Sold data is for the Morristown, NJ Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2024.

[6] The high Direct Gross Profit data is for the Austin, TX Outlet, which operated in an Operating Territory comprised of approximately seven Territories as of December 31, 2024.

[7] The low Direct Gross Profit data is for the Arlington, VA Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

[8] The high total Disclosed Expenses data is for the San Antonio, TX Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2024.

[9] The low total Disclosed Expenses data is for the Arlington, VA Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

[10] The high Adjusted Profit data is for the Austin, TX Outlet, which operated in an Operating Territory comprised of approximately seven Territories as of December 31, 2024.

[11] The low Adjusted Profit data is for the Arlington, VA Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

Table 8

All Multi-Territory Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,146,821**	**25 (38%) / 41 (62%)**	**$992,471**	**$2,785,454**	**$303,774**
Direct Labor Gross Wages and Taxes	$244,494	26 (39%) / 40 (61%)	$219,983	$533,193	$43,313
Direct Labor Workers' Comp/General Liability	$20,700	23 (35%) / 43 (65%)	$17,993	$110,508	$2,761
Job Materials and Sundries	$239,614	29 (44%) / 37 (56%)	$218,915	$619,050	$38,905
Equipment, Small Tools, and Rentals	$6,496	27 (41%) / 39 (59%)	$4,527	$39,252	$0
Total Direct Cost of Goods and Services Sold	**$510,374**	**27 (41%) / 39 (59%)**	**$470,701**	**$1,236,104**	**$135,888**
Direct Gross Profit	**$636,440**	**39 (59%) / 27 (41%)**	**$592,969**	**$1,649,906**	**$147,097**
Rent, Utility, and Facility Maintenance Expenses	$33,671	27 (41%) / 39 (59%)	$30,728	$95,564	$0
Marketing Expenses	$94,948	25 (38%) / 41 (62%)	$79,655	$305,804	$25,863
Office Supplies Expenses	$14,423	27 (41%) / 39 (59%)	$11,703	$92,011	$465
Service Vehicle Expenses	$50,728	26 (39%) / 40 (61%)	$40,025	$142,276	$9,131
Royalty Fees	$68,304	26 (39%) / 40 (61%)	$58,626	$167,127	$18,226
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$20,935	28 (42%) / 38 (58%)	$19,134	$55,081	$6,075
Contact Center Fees	$32,377	28 (42%) / 38 (58%)	$28,835	$82,621	$9,113
Total Disclosed Expenses	**$317,457**	**26 (39%) / 40 (61%)**	**$282,451**	**$847,602**	**$100,070**
Adjusted Profit	**$318,983**	**37 (56%) / 29 (44%)**	**$256,946**	**$930,633**	**($15,244)**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Multi-Territory Franchise Outlets, *i.e.*, each Outlet operated within an Operating Territory that is the equivalent of two or more Territories or two or more Territories that have been supplemented with additional Qualified Single-Family Households, as offered and set forth in this Disclosure Document, during the 2025 Calendar Year. We disclose financial data for 66 Multi-Territory Franchise Outlets. The number of Territories that the 66 Multi-Territory Franchise Outlets in this table operate in range from a low of two to a high of twelve Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[3] The low Gross Sales data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[4] The high total Direct Cost of Goods and Services Sold data is for the St Louis, MO, which operated in an Operating Territory comprised of approximately 6 Territories as of December 31, 2025.

[5] The low total Direct Cost of Goods and Services Sold data is for the Redmond, WA, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[6] The high Direct Gross Profit data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[7] The low Direct Gross Profit data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[8] The high total Disclosed Expenses data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[9] The low total Disclosed Expenses data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[10] The high Adjusted Profit data is for the NE Atlanta, GA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[11] The low Adjusted Profit data is for the Douglas County, CO, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

Table 9

Multi-Territory Franchise Outlets Operating for One to Two Years Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$891,985**	**14 (56%) / 11 (44%)**	**$699,447**	**$2,195,044**	**$303,774**
Direct Labor Gross Wages and Taxes	$206,863	10 (40%) / 15 (60%)	$189,025	$533,193	$43,313
Direct Labor Workers' Comp/General Liability	$14,162	13 (52%) / 12 (48%)	$14,804	$24,451	$2,761
Job Materials and Sundries	$182,706	11 (44%) / 14 (56%)	$150,499	$408,822	$38,905
Equipment, Small Tools, and Rentals	$6,801	12 (48%) / 13 (52%)	$6,376	$19,892	$0
Total Direct Cost of Goods and Services Sold	**$410,533**	**12 (48%) / 13 (52%)**	**$364,476**	**$917,559**	**$135,888**
Direct Gross Profit	**$481,452**	**15 (60%) / 10 (40%)**	**$369,084**	**$1,277,485**	**$147,097**
Rent, Utility, and Facility Maintenance Expenses	$22,016	12 (48%) / 13 (52%)	$21,657	$41,310	$398
Marketing Expenses	$81,113	8 (32%) / 17 (68%)	$72,851	$237,226	$25,863
Office Supplies Expenses	$13,387	10 (40%) / 15 (60%)	$9,881	$92,011	$4,340
Service Vehicle Expenses	$37,378	9 (36%) / 16 (64%)	$26,769	$98,499	$9,131
Royalty Fees	$53,519	11 (44%) / 14 (56%)	$41,967	$131,703	$18,226
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$17,840	11 (44%) / 14 (56%)	$13,989	$43,901	$6,075
Contact Center Fees	$26,760	11 (44%) / 14 (56%)	$20,983	$65,851	$9,113
Total Disclosed Expenses	**$253,542**	**11 (44%) / 14 (56%)**	**$223,402**	**$513,219**	**$100,070**
Adjusted Profit	**$227,910**	**15 (60%) / 10 (40%)**	**$183,956**	**$764,266**	**$37,319**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Multi-Territory Franchise Outlets that have been operating for one to two full Calendar Years as of December 31, 2025, *i.e.*, commenced operations from January 1, 2024 to December 31, 2024. We disclose financial data for 25 Multi-Territory Franchise Outlets that have been operating for one to two full Calendar Years as of December 31, 2025. The number of Territories that the 25 Multi-Territory Franchise Outlets in this table operate in range from a low of two to a high of eight Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the South Shore, MA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[3] The low Gross Sales data is for the Bethesda/Gaithersbug, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[4] The high total Direct Cost of Goods and Services Sold data is for the South Shore, MA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[5] The low total Direct Cost of Goods and Services Sold data is for the Redmond, WA, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[6] The high Direct Gross Profit data is for the South Shore, MA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[7] The low Direct Gross Profit data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[8] The high total Disclosed Expenses data is for the South Shore, MA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[9] The low total Disclosed Expenses data is for the Bethesda/Gaithersburg, MD, which operated in an Operating Territory comprised of approximately 2 Territories as of December 31, 2025.

[10] The high Adjusted Profit data is for the South Shore, MA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[11] The low Adjusted Profit data is for the Boulder Denver, CO, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

Table 10

Multi-Territory Franchise Outlets Operating for Two to Five Years Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,257,190**	**18 (53%) / 16 (47%)**	**$1,141,820**	**$2,754,050**	**$345,400**
Direct Labor Gross Wages and Taxes	$265,961	15 (44%) / 19 (56%)	$231,395	$529,621	$79,251
Direct Labor Workers' Comp/General Liability	$24,837	13 (38%) / 21 (62%)	$19,949	$110,508	$3,178
Job Materials and Sundries	$264,426	13 (38%) / 21 (62%)	$241,229	$556,722	$65,754
Equipment, Small Tools, and Rentals	$7,172	12 (35%) / 22 (65%)	$4,721	$39,252	$0
Total Direct Cost of Goods and Services Sold	**$560,590**	**15 (44%) / 19 (56%)**	**$515,060**	**$1,236,104**	**$153,492**
Direct Gross Profit	**$696,587**	**18 (53%) / 16 (47%)**	**$605,815**	**$1,630,922**	**$191,908**
Rent, Utility, and Facility Maintenance Expenses	$37,262	16 (47%) / 18 (53%)	$35,284	$90,239	$0
Marketing Expenses	$98,084	13 (38%) / 21 (62%)	$88,877	$244,627	$35,634
Office Supplies Expenses	$14,306	15 (44%) / 19 (56%)	$12,441	$36,234	$465
Service Vehicle Expenses	$54,327	12 (35%) / 22 (65%)	$40,025	$140,391	$13,903
Royalty Fees	$75,429	16 (47%) / 18 (53%)	$68,509	$165,243	$20,724
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$24,109	16 (47%) / 18 (53%)	$22,837	$55,081	$6,908
Contact Center Fees	$36,629	16 (47%) / 18 (53%)	$34,255	$82,621	$10,362
Total Disclosed Expenses	**$342,546**	**13 (38%) / 21 (62%)**	**$311,088**	**$700,288**	**$128,181**
Adjusted Profit	**$354,040**	**16 (47%) / 18 (53%)**	**$365,699**	**$930,633**	**($15,244)**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Multi-Territory Franchise Outlets that have been operating for two to five full Calendar Years as of December 31, 2025, *i.e.*, commenced operations from January 1, 2021 to December 31, 2023. We disclose financial data for 34 Multi-Territory Franchise Outlets that have been operating for two to five full Calendar Years as of December 31, 2025. The number of Territories that the 34 Multi-Territory Franchise Outlets in this table operate in range from a low of two to a high of twelve Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the St Louis, MO, which operated in an Operating Territory comprised of approximately 6 Territories as of December 31, 2025.

[3] The low Gross Sales data is for the EastHouston, TX, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[4] The high total Direct Cost of Goods and Services Sold data is for the St Louis, MO, which operated in an Operating Territory comprised of approximately 6 Territories as of December 31, 2025.

[5] The low total Direct Cost of Goods and Services Sold data is for the East Houston, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[6] The high Direct Gross Profit data is for the NE Atlanta, GA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[7] The low Direct Gross Profit data is for the East Houston, TX, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[8] The high total Disclosed Expenses data is for the NE Atlanta, GA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[9] The low total Disclosed Expenses data is for the East Houston, TX, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[10] The high Adjusted Profit data is for the NE Atlanta, GA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[11] The low Adjusted Profit data is for the Douglas County, CO, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

Table 11

Multi-Territory Franchise Outlets Operating for Over Five Years Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,520,869**	**3 (43%) / 4 (57%)**	**$1,109,671**	**$2,785,454**	**$957,809**
Direct Labor Gross Wages and Taxes	$274,623	3 (43%) / 4 (57%)	$219,511	$488,982	$146,978
Direct Labor Workers' Comp/General Liability	$23,954	3 (43%) / 4 (57%)	$20,647	$50,037	$5,412
Job Materials and Sundries	$322,338	3 (43%) / 4 (57%)	$252,668	$619,050	$185,873
Equipment, Small Tools, and Rentals	$2,126	3 (43%) / 4 (57%)	$0	$6,869	$0
Total Direct Cost of Goods and Services Sold	**$623,041**	**3 (43%) / 4 (57%)**	**$477,590**	**$1,135,548**	**$357,723**
Direct Gross Profit	**$897,828**	**3 (43%) / 4 (57%)**	**$702,923**	**$1,649,906**	**$584,621**
Rent, Utility, and Facility Maintenance Expenses	$57,856	3 (43%) / 4 (57%)	$51,426	$95,564	$23,897
Marketing Expenses	$129,129	2 (29%) / 5 (71%)	$101,551	$305,804	$67,157
Office Supplies Expenses	$18,688	2 (29%) / 5 (71%)	$12,049	$50,867	$8,583
Service Vehicle Expenses	$80,929	3 (43%) / 4 (57%)	$72,838	$142,276	$47,108
Royalty Fees	$86,496	3 (43%) / 4 (57%)	$65,276	$167,127	$33,290
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$16,577	4 (57%) / 3 (43%)	$17,567	$27,855	$10,019
Contact Center Fees	$31,786	3 (43%) / 4 (57%)	$28,734	$55,709	$20,038
Total Disclosed Expenses	**$423,860**	**2 (29%) / 5 (71%)**	**$317,766**	**$847,602**	**$259,655**
Adjusted Profit	**$473,968**	**3 (43%) / 4 (57%)**	**$387,300**	**$802,304**	**$305,249**

Notes to Table:

[1] The data represented in this table is for all Outlets that were Multi-Territory Franchise Outlets that have been operating for over five full Calendar Years as of December 31, 2025, *i.e.*, commenced operations before January 1, 2021. We disclose financial data for 7 Multi-Territory Franchise Outlets that have been operating for over five full Calendar Years as of December 31, 2025. The number of Territories that the 7 Multi-Territory Franchise Outlets in this table operate in range from a low of two to a high of eight Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] The high Gross Sales data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[3] The low Gross Sales data is for the Richmond, VA, which operated in an Operating Territory comprised of approximately 4 Territories as of December 31, 2025.

[4] The high total Direct Cost of Goods and Services Sold data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[5] The low total Direct Cost of Goods and Services Sold data is for the Monmouth, NJ, which operated in an Operating Territory comprised of approximately 4 Territories as of December 31, 2025.

[6] The high Direct Gross Profit data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[7] The low Direct Gross Profit data is for the Richmond, VA, which operated in an Operating Territory comprised of approximately 4 Territories as of December 31, 2025.

[8] The high total Disclosed Expenses data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[9] The low total Disclosed Expenses data is for the Lynchburgh, VA, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[10] The high Adjusted Profit data is for the San Antonio, TX, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025.

[11] The low Adjusted Profit data is for the Richmond, VA, which operated in an Operating Territory comprised of approximately 4 Territories as of December 31, 2025.

Table 12

All Single Territory Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2023 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,055,025**	**3 (60%) / 2 (40%)**	**$959,169**	**$1,709,645**	**$442,505**
Direct Labor Gross Wages and Taxes	$225,173	2 (40%) / 3 (60%)	$233,978	$354,660	$96,090
Direct Labor Workers' Comp/General Liability	$15,028	3 (60%) / 2 (40%)	$12,020	$25,981	$5,874
Job Materials and Sundries	$223,401	2 (40%) / 3 (60%)	$223,981	$376,314	$84,473
Equipment, Small Tools, and Rentals	$5,616	3 (60%) / 2 (40%)	$3,564	$11,253	$447
Total Direct Cost of Goods and Services Sold	**$469,217**	**2 (40%) / 3 (60%)**	**$475,012**	**$751,073**	**$217,797**
Direct Gross Profit	**$585,808**	**3 (60%) / 2 (40%)**	**$484,157**	**$958,572**	**$224,708**
Rent, Utility, and Facility Maintenance Expenses	$25,189	3 (60%) / 2 (40%)	$20,662	$54,975	$6,163
Marketing Expenses	$76,198	2 (40%) / 3 (60%)	$79,660	$113,046	$39,048
Office Supplies Expenses	$12,925	3 (60%) / 2 (40%)	$9,711	$24,938	$1,877
Service Vehicle Expenses	$35,993	1 (20%) / 4 (80%)	$40,766	$41,795	$15,768
Royalty Fees	$63,171	3 (60%) / 2 (40%)	$57,620	$102,273	$26,342
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$18,383	3 (60%) / 2 (40%)	$17,918	$34,091	$4,566
Contact Center Fees	$29,447	3 (60%) / 2 (40%)	$25,965	$50,752	$10,978
Total Disclosed Expenses	**$263,707**	**2 (40%) / 3 (60%)**	**$286,567**	**$351,307**	**$107,142**
Adjusted Profit	**$322,101**	**3 (60%) / 2 (40%)**	**$226,258**	**$607,265**	**$117,566**

Note to Table:

[1] The data represented in this table is for all Outlets that were Single Territory Franchise Outlets, *i.e.*, each Outlet operates within an Operating Territory that is the equivalent of one Territory or one Territory that has been supplemented with additional Qualified Single-Family Households, as offered and set forth in this Disclosure Document, during the 2023 Calendar Year. We disclose financial data for five Single Territory Franchise Outlets. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

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Table 13

All Single Territory Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2024 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,136,441**	**3 (50%) / 3 (50%)**	**$1,188,644**	**$1,914,000**	**$325,513**
Direct Labor Gross Wages and Taxes	$235,949	2 (33%) / 4 (67%)	$287,977	$369,048	$24,075
Direct Labor Workers' Comp/General Liability	$13,776	5 (83%) / 1 (17%)	$11,786	$26,037	$8,638
Job Materials and Sundries	$238,863	2 (33%) / 4 (67%)	$258,365	$398,904	$67,244
Equipment, Small Tools, and Rentals	$6,693	4 (67%) / 2 (33%)	$2,410	$25,662	$0
Total Direct Cost of Goods and Services Sold	**$495,281**	**2 (33%) / 4 (67%)**	**$590,761**	**$759,241**	**$105,386**
Direct Gross Profit	**$641,160**	**3 (50%) / 3 (50%)**	**$597,883**	**$1,154,760**	**$220,127**
Rent, Utility, and Facility Maintenance Expenses	$39,795	4 (67%) / 2 (33%)	$29,858	$104,119	$6,140
Marketing Expenses	$71,043	2 (33%) / 4 (67%)	$76,189	$105,538	$12,937
Office Supplies Expenses	$9,358	2 (33%) / 4 (67%)	$10,513	$14,566	$3,629
Service Vehicle Expenses	$38,797	2 (33%) / 4 (67%)	$42,082	$62,820	$19,061
Royalty Fees	$68,027	3 (50%) / 3 (50%)	$70,968	$114,428	$19,644
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$20,158	3 (50%) / 3 (50%)	$18,100	$37,826	$4,122
Contact Center Fees	$32,599	3 (50%) / 3 (50%)	$32,028	$56,943	$9,771
Total Disclosed Expenses	**$282,177**	**3 (50%) / 3 (50%)**	**$295,108**	**$476,696**	**$92,350**
Adjusted Profit	**$358,983**	**4 (67%) / 2 (33%)**	**$302,775**	**$678,064**	**$111,600**

Note to Table:

[1] The data represented in this table is for all Outlets that were Single Territory Franchise Outlets, *i.e.*, each Outlet operates within an Operating Territory that is the equivalent of one Territory or one Territory that has been supplemented with additional Qualified Single-Family Households, as offered and set forth in this Disclosure Document, during the 2024 Calendar Year. We disclose financial data for six Single Territory Franchise Outlets. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

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Table 14

All Single Territory Franchise Outlets Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,157,269**	**2 (40%) / 3 (60%)**	**$1,089,870**	**$1,932,257**	**$492,428**
Direct Labor Gross Wages and Taxes	$256,567	2 (40%) / 3 (60%)	$213,822	$439,663	$76,955
Direct Labor Workers' Comp/General Liability	$11,579	3 (60%) / 2 (40%)	$12,035	$21,938	$0
Job Materials and Sundries	$257,216	2 (40%) / 3 (60%)	$253,703	$409,067	$118,558
Equipment, Small Tools, and Rentals	$1,009	2 (40%) / 3 (60%)	$601	$2,248	$0
Total Direct Cost of Goods and Services Sold	**$526,371**	**2 (40%) / 3 (60%)**	**$481,576**	**$836,840**	**$205,582**
Direct Gross Profit	**$630,898**	**3 (60%) / 2 (40%)**	**$608,294**	**$1,095,417**	**$260,344**
Rent, Utility, and Facility Maintenance Expenses	$44,666	2 (40%) / 3 (60%)	$33,343	$104,693	$6,693
Marketing Expenses	$70,126	2 (40%) / 3 (60%)	$61,608	$101,292	$28,762
Office Supplies Expenses	$12,781	2 (40%) / 3 (60%)	$12,168	$19,521	$5,536
Service Vehicle Expenses	$38,627	2 (40%) / 3 (60%)	$37,909	$48,332	$31,311
Royalty Fees	$69,436	2 (40%) / 3 (60%)	$65,392	$115,935	$29,546
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$20,966	2 (40%) / 3 (60%)	$10,899	$38,645	$9,849
Contact Center Fees	$32,538	2 (40%) / 3 (60%)	$21,797	$57,968	$14,773
Total Disclosed Expenses	**$291,540**	**2 (40%) / 3 (60%)**	**$249,012**	**$478,363**	**$129,594**
Adjusted Profit	**$339,358**	**2 (40%) / 3 (60%)**	**$359,282**	**$617,054**	**$69,583**

Note to Table:

[1] The data represented in this table is for all Outlets that were Single Territory Franchise Outlets, *i.e.*, each Outlet operates within an Operating Territory that is the equivalent of one Territory or one Territory that has been supplemented with additional Qualified Single-Family Households, as offered and set forth in this Disclosure Document, during the 2025 Calendar Year. We disclose financial data for five Single Territory Franchise Outlets. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

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Table 15

Single Territory Franchise Outlets Operating for One to Two Years Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$515,989**	**1 (50%) / 1 (50%)**	**$515,989**	**$539,549**	**$492,428**
Direct Labor Gross Wages and Taxes	$108,929	1 (50%) / 1 (50%)	$108,929	$140,902	$76,955
Direct Labor Workers' Comp/General Liability	$10,480	1 (50%) / 1 (50%)	$10,480	$13,139	$7,821
Job Materials and Sundries	$128,130	1 (50%) / 1 (50%)	$128,130	$137,702	$118,558
Equipment, Small Tools, and Rentals	$1,425	1 (50%) / 1 (50%)	$1,425	$2,248	$601
Total Direct Cost of Goods and Services Sold	**$242,394**	**1 (50%) / 1 (50%)**	**$242,394**	**$279,205**	**$205,582**
Direct Gross Profit	**$273,595**	**1 (50%) / 1 (50%)**	**$273,595**	**$286,846**	**$260,344**
Rent, Utility, and Facility Maintenance Expenses	$15,309	1 (50%) / 1 (50%)	$15,309	$23,924	$6,693
Marketing Expenses	$45,185	1 (50%) / 1 (50%)	$45,185	$61,608	$28,762
Office Supplies Expenses	$8,852	1 (50%) / 1 (50%)	$8,852	$12,168	$5,536
Service Vehicle Expenses	$31,674	1 (50%) / 1 (50%)	$31,674	$32,037	$31,311
Royalty Fees	$30,960	1 (50%) / 1 (50%)	$30,960	$32,373	$29,546
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$10,320	1 (50%) / 1 (50%)	$10,320	$10,791	$9,849
Contact Center Fees	$15,480	1 (50%) / 1 (50%)	$15,480	$16,186	$14,773
Total Disclosed Expenses	**$160,178**	**1 (50%) / 1 (50%)**	**$160,178**	**$190,762**	**$129,594**
Adjusted Profit	**$113,417**	**1 (50%) / 1 (50%)**	**$113,417**	**$157,251**	**$69,583**

Note to Table:

[1] The data represented in this table is for all Outlets that were Single Territory Franchise Outlets that have been operating for one to two full Calendar Years as of December 31, 2025, *i.e.*, commenced operations from January 1, 2024 to December 31, 2024. We disclose financial data for two Single Territory Franchise Outlets. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

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Table 16

Single Territory Franchise Outlets Operating for Over Two to Five Years Average, Median, High and Low Gross Sales and Disclosed Expenses Data 2025 Calendar Year[1]					
	Average	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
Gross Sales	**$1,584,789**	**1 (33%) / 2 (67%)**	**$1,732,240**	**$1,932,257**	**$1,089,870**
Direct Labor Gross Wages and Taxes	$354,992	2 (60%) / 1 (33%)	$411,492	$439,663	$213,822
Direct Labor Workers' Comp/General Liability	$16,692	1 (33%) / 2 (67%)	$16,102	$21,938	$12,035
Job Materials and Sundries	$343,274	2 (67%) / 1 (33%)	$367,051	$409,067	$253,703
Equipment, Small Tools, and Rentals	$732	1 (33%) / 2 (67%)	$179	$2,016	$0
Total Direct Cost of Goods and Services Sold	**$715,689**	**2 (67%) / 1 (33%)**	**$828,651**	**$836,840**	**$481,576**
Direct Gross Profit	**$869,100**	**1 (33%) / 2 (67%)**	**$903,589**	**$1,095,417**	**$608,294**
Rent, Utility, and Facility Maintenance Expenses	$64,237	1 (33%) / 2 (67%)	$54,675	$104,693	$33,343
Marketing Expenses	$86,754	2 (67%) / 1 (33%)	$97,707	$101,292	$61,262
Office Supplies Expenses	$15,400	2 (67%) / 1 (33%)	$16,307	$19,521	$10,373
Service Vehicle Expenses	$43,262	2 (67%) / 1 (33%)	$43,546	$48,332	$37,909
Royalty Fees	$95,087	2 (67%) / 1 (33%)	$103,934	$115,935	$65,392
Technology Fees	$2,400	0 (0%) / 0 (0%)	$2,400	$2,400	$2,400
Brand Development Fund Fees	$28,063	2 (67%) / 1 (33%)	$34,645	$38,645	$10,899
Contact Center Fees	$43,911	2 (67%) / 1 (33%)	$51,967	$57,968	$21,797
Total Disclosed Expenses	**$379,114**	**2 (67%) / 1 (33%)**	**$409,967**	**$478,363**	**$249,012**
Adjusted Profit	**$489,986**	**1 (33%) / 2 (67%)**	**$493,621**	**$617,054**	**$359,282**

Note to Table:

[1] The data represented in this table is for all Outlets that were Single Territory Franchise Outlets that have been operating for two to five full Calendar Years as of December 31, 2025, *i.e.*, commenced operations from January 1, 2021 to December 31, 2023. We disclose financial data for three Single Territory Franchise Outlets. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

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REPEAT CUSTOMER GROSS SALES AND WORK ORDER DATA

In the below tables we provide an overview on the total number of Work Orders completed by our Company Owned Outlet and Operational Franchise Outlets, respectively, on behalf of Repeat Customers during each respective Calendar Year. We do not include financial data for New Franchise Outlets that were not open for the full reporting Calendar Year.

Table 17

Company Owned Outlet: Poughkeepsie, New York Repeat Customer Gross Sales and Work Order Data 2023, 2024, and 2025 Calendar Years				
Calendar Year	**Gross Sales from Repeat Customers**	**Total Number of Work Orders from Repeat Customers**	**Average Sale**	**Percentage of Annual Gross Sales from Repeat Customers**
2023	$261,596	158	$1,656	6%
2024	$375,091	245	$1,531	8%
2025	$ 325,499	203	$1,603	10%

Table 18

All Operational Franchise Outlets Average, Median, High, and Low Repeat Customer Gross Sales and Work Order Data 2023, 2024, and 2025 Calendar Years						
Calendar Year	**Data**	**Average**	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
2023[1]	Gross Sales from Repeat Customers	$25,271	18 (30%) / 43 (70%)	$10,914	$166,892[4]	$0[4]
	Total Number of Work Orders from Repeat Customers	16	16 (26%) / 45 (74%)	8	141[5]	0[5]
	Average Sale	$1,814	16 (26%) / 45 (74%)	$1,336	$23,842[6]	$0[6]
	Percentage of Annual Gross Sales from Repeat Customers	2%	16 (26%) / 45 (74%)	1%	18%[7]	8%[7]
2024[2]	Gross Sales from Repeat Customers	$36,054	44 (67%) / 22 (33%)	$19,935	$140,326[8]	$616[8]
	Total Number of Work Orders from Repeat Customers	29	51 (77%) / 15 (23%)	16	512[9]	1[9]
	Average Sale	$1,592	44 (67%) / 22 (33%)	$1,351	$6,837[10]	$197[10]
	Percentage of Annual Gross Sales from Repeat Customers	3%	45 (68%) / 21 (32%)	2%	13%[11]	0%[11]
2025[3]	Gross Sales from Repeat Customers	$39,536	47 (66%) / 24 (34%)	$24,698	$222,400	$0
	Total Number of Work Orders from Repeat Customers	28	48 (68%) / 23 (32%)	18	203	0
	Average Sale	$1,566	46 (65%) / 25 (35%)	$1,370	$7,093	$0
	Percentage of Annual Gross Sales from Repeat Customers	3.21%	44 (62%) / 27 (38%)	2.51%	17%	0.0%

Notes to Table:

[1] During the 2023 Calendar Year, we had a total of 74 Operational Franchise Outlets, but we exclude financial data for 13 Operational

Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2023 Calendar Year. The number of Territories that the 61 Operational Franchise Outlets in this table operate in range from a low of one to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] During the 2024 Calendar Year, we had a total of 87 Operational Franchise Outlets, but we exclude financial data for 21 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2024 Calendar Year. The number of Territories that the 66 Operational Franchise Outlets in this table operate in range from a low of one to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[3] During the 2025 Calendar Year, we had a total of 91 Operational Franchise Outlets, but we exclude financial data for 20 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2025 Calendar Year. The number of Territories that the 71 Operational Franchise Outlets in this table operate in range from a low of one to a high of twelve Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[4] The high Gross Sales from Repeat Customers data is for the Jupiter/West Palm Beach, FL Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023, and the low Gross Sales from Repeat Customers data is for the Rhode Island Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

[5] The high Total Number of Work Orders from Repeat Customers data is for the Lehigh Valley, PA Outlet, which operated in an Operating Territory comprised of approximately six Territories as of December 31, 2023, and the low Total Number of Work Orders from Repeat Customers data is for the Rhode Island Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

[6] The high Average Sale data is for the Jupiter/West Palm Beach, FL Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023, and the low Average Sale data is for the Rhode Island Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

[7] The high Percentage of Annual Gross Sales from Repeat Customers data is for the Jupiter/West Palm Beach, FL Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023, and the low Percentage of Annual Gross Sales from Repeat Customers data is for the Rhode Island Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023.

[8] The high Gross Sales from Repeat Customers data is for the Charlotte, NC Outlet, which operated in an Operating Territory comprised of approximately five Territories as of December 31, 2024, and the low Gross Sales from Repeat Customers data is for the Green Bay, WI Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

[9] The high Total Number of Work Orders from Repeat Customers data is for the Lehigh Valley, PA Outlet, which operated in an Operating Territory comprised of approximately six Territories as of December 31, 2024, and the low Total Number of Work Orders from Repeat Customers data is for the Oklahoma City Metro, OK Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

[10] The high Average Sale data is for the Rhode Island Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024, and the low Average Sale data is for the Lehigh Valley, PA Outlet, which operated in an Operating Territory comprised of approximately six Territories as of December 31, 2024.

[11] The high Percentage of Annual Gross Sales from Repeat Customers data is for the Charlotte, NC Outlet, which operated in an Operating Territory comprised of approximately five Territories as of December 31, 2024, and the low Percentage of Annual Gross Sales from Repeat Customers data is for the Green Bay, WI Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2024.

[12] The high Gross Sales from Repeat Customers data is for the NE Atlanta, GA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025, and the low Gross Sales from Repeat Customers data is for the Sunnyvale, CA, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[13] The high Total Number of Work Orders from Repeat Customers data is for the NE Atlanta, GA, which operated in an Operating Territory comprised of approximately 8 Territories as of December 31, 2025, and the low Total Number of Work Orders from Repeat Customers data is for the Sunnyvale, CA, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[14] The high Average Sale data is for the Tinley Park, IL, which operated in an Operating Territory comprised of approximately 5 Territories as of December 31, 2025, and the low Average Sale data is for the Sunnyvale, CA, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

[15] The high Percentage of Annual Gross Sales from Repeat Customers data is for the Charlotte, NC, which operated in an Operating Territory comprised of approximately 5 Territories as of December 31, 2025, and the low Percentage of Annual Gross Sales from Repeat Customers data is for the Sunnyvale, CA, which operated in an Operating Territory comprised of approximately 3 Territories as of December 31, 2025.

CUSTOMER LEAD TO ESTIMATE CONVERSION DATA

In the tables below we provide data as to Lead to Estimate conversions for our Company Owned Outlet and Operational Franchise Outlets, respectively, during each respective Calendar Year. Lead to Estimate Conversions refer to the percentage of Leads that request a formal estimate for the potential sale and performance of Approved Services and Products. Inbound Leads that do not contact our approved Contact Center are not monitored by us and are not included in these conversion calculations. We do not include financial data for New Franchise Outlets that were not open for the full reporting Calendar Year.

Table 19

Company Owned Outlet: Poughkeepsie, New York Percentage of Lead to Estimate Conversions 2023, 2024, and 2025 Calendar Years	
Calendar Year	**Percentage of Lead to Estimate Conversions**
2023	88%
2024	63%
2025	84%

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Table 20

All Operational Franchise Outlets Average, Median, High, and Low Percentage of Lead to Estimate Conversions 2023, 2024, and 2025 Calendar Years					
Calendar Year	**Average**	**Number of Outlets Above/Below Average**	**Median**	**High**	**Low**
2023[1]	88%	20 (33%) / 41 (67%)	89%	99%[4]	60%[4]
2024[2]	79%	29 (44%) / 37 (56%)	79%	88%[5]	58%[5]
2025[3]	85%	41 (58%) / 30 (42%)	85%	94%[6]	64%[6]

Notes to Table:

[1] During the 2023 Calendar Year, we had a total of 74 Operational Franchise Outlets, but we exclude financial data for 13 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2023 Calendar Year. The number of Territories that the 61 Operational Franchise Outlets in this table operate in range from a low of one to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[2] During the 2024 Calendar Year, we had a total of 87 Operational Franchise Outlets, but we exclude financial data for 21 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2024 Calendar Year. The number of Territories that the 66 Operational Franchise Outlets in this table operate in range from a low of one to a high of 12 Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[3] During the 2025 Calendar Year, we had a total of 91 Operational Franchise Outlets, but we exclude financial data for 20 Operational Franchise Outlets that did not maintain accurate and reliable financial records, failed to provide us with financial records, or were closed for a portion of the 2025 Calendar Year. The number of Territories that the 71 Operational Franchise Outlets in this table operate in range from a low of one to a high of twelve Territories. Some Outlets have Territories that have been supplemented with additional Qualified Single-Family Households.

[4] The high Percentage of Lead to Estimate Conversion data is for the Clermont, FL Outlet, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2023, and the low Percentage of Lead to Estimate Conversion data is for the Douglas County, CO Outlet, which operated in an Operating Territory comprised of approximately eight Territories as of December 31, 2023.

[5] The high Percentage of Lead to Estimate Conversion data is for the Tri Cities, Tennessee Outlet, which operated in an Operating Territory comprised of approximately one Territory as of December 31, 2024, and the low Percentage of Lead to Estimate Conversion data is for the Merrick, NY Outlet, which operated in an Operating Territory comprised of approximately two Territories as of December 31, 2024.

[6] The high Percentage of Lead to Estimate Conversion data is for the Boise, ID, which operated in an Operating Territory comprised of approximately two Territories as of December 31, 2025, and the low Percentage of Lead to Estimate Conversion data is for the Huntington, NY, which operated in an Operating Territory comprised of approximately three Territories as of December 31, 2025.

Some Outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Brothers Parsons Franchising LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Danny Horboychuk, 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251 and (845) 223-6111, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	91	107	+16
	2024	107	100	-7
	2025	100	110	+10
Company Owned	2023	1	1	0
	2024	1	1	0
	2025	1	0	-1
Total Outlets	2023	92	108	+16
	2024	108	101	-7
	2025	101	110	+9

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2023 to 2025

State	Year	Number of Transfers
California	2023	0
	2024	0
	2025	1[1]
Colorado	2023	1[2]
	2024	0
	2025	0
Connecticut	2023	0
	2024	1[3]
	2025	0
Florida	2023	0
	2024	1[4, 5]
	2025	1[6,7,8]
Georgia	2023	1[9]
	2024	1[10]
	2025	0
Idaho	2023	0
	2024	0
	2025	1[11]
Illinois	2023	0
	2024	1[12]
	2025	0
Massachusetts	2023	0
	2024	1[13]
	2025	0

Minnesota	2023	1[14]
	2024	0
	2025	0
Missouri	2023	1[15]
	2024	0
	2025	0
Nebraska	2023	1[16]
	2024	0
	2025	1[17]
New Hampshire	2023	0
	2024	1[18]
	2025	0
New Jersey	2023	1[19,20]
	2024	1[21]
	2025	0
New York	2023	0
	2024	1[22]
	2025	1[23]
North Carolina	2023	1[24]
	2024	0
	2025	0
Ohio	2023	1[25,26]
	2024	0
	2025	0
Pennsylvania	2023	1[27]
	2024	0
	2025	0
South Carolina	2023	0
	2024	1[28]
	2025	0
Texas	2023	1[29]
	2024	1[30]
	2025	1[31,32]
Utah	2023	0
	2024	0
	2025	1[33,34]
Virginia	2023	0
	2024	0
	2025	1[35,36]
Totals	2023	10
	2024	11
	2025	6

[1] One multi-Territory franchisee transferred two of his units to another existing franchisee in California.
[2] One multi-Territory franchisee transferred all four of its Territories to two existing franchisees in Colorado.
[3] One multi-Territory franchisee transferred all three of its Territories to an existing franchisee in Connecticut.
[4] One multi-Territory franchisee transferred all two of its Territories to an existing franchisee in Florida.
[5] One multi-Territory franchisee transferred all two of its Territories to two existing franchisees in Florida.
[6] One multi-territory franchisee transferred all three of its territories to a new franchisee in Florida. The territories were not absorbed by an existing franchisee so the outlet remains as a separate Outlet.
[7] One multi-Territory franchisee transferred all three of its Territories to a new Franchise in Florida. The territories were not absorbed by an existing franchisee so the outlet remains as a separate Outlet.

[8] One multi-Territory franchisee transferred all three of its Territories to a new Franchise in Florida. The territories were not absorbed by an existing franchisee so the outlet remains as a separate Outlet.
[9] One multi-Territory franchisee transferred all two of its Territories to two existing franchisees in Georgia.
[10] One multi-Territory franchisee transferred all five of its Territories to two existing franchisees in Georgia.
[11] One multi-Territory franchisee transferred all two of its Territories to a new franchisee in Idaho. The territories were not absorbed by an existing franchisee so the Outlet remains as separate Outlet.
[12] One multi-Territory franchisee transferred all two of its Territories to a new franchisee in Illinois. The territories were not absorbed by an existing franchisee so the Outlet remains as separate Outlet.
[13] One multi-Territory franchisee transferred all three of its Territories to an existing franchisee in Massachusetts.
[14] One multi-Territory franchisee transferred all two of its Territories to an existing franchisee in Minnesota.
[15] One multi-Territory franchisee transferred all two of its Territories to an existing franchisee in Missouri.
[16] One multi-Territory franchisee transferred all three of its Territories to a new franchisee in Nebraska.
[17] One multi-Territory Franchisee transferred all three of its Territories to a new franchisee in Nebraska.
The territories were not absorbed by an existing franchisee so the outlet remains as a separate Outlet.
[18] One multi-Territory franchisee transferred all two of its Territories to an existing franchisee in New Hampshire.
[19] One multi-Territory franchisee transferred all six of its Territories to a new franchisee in New Jersey. The territories were not absorbed by an existing franchisee so the Outlet remains as a separate Outlet.
[20] One multi-Territory franchisee transferred all two of its Territories to an existing franchisee in New Jersey.
[21] One multi-Territory franchisee transferred five Territories out of its six Territories to an existing franchisee in New Jersey. The one remaining Territory was terminated.
[22] One multi-Territory franchisee transferred one Territory of its three Territories to an existing franchisee in New York. The two remaining Territories were terminated.
[23] One multi-Territory franchisee transferred one Territory of its three Territories to an existing franchisee in New York. The two remaining Territories were terminated.
[24] One multi-Territory franchisee transferred all two of its Territories to an existing franchisee in North Carolina.
[25] One multi-Territory franchisee transferred all two of its Territories to an existing franchisee in Ohio.
[26] One multi-Territory franchisee transferred one Territory of its three Territories to a new franchisee in Ohio. The other two Territories were terminated.
[27] One multi-Territory franchisee transferred two Territories out of its four Territories to an existing franchisee in New Jersey and the other two Territories out of its four Territories to an existing franchisee in Pennsylvania.
[28] One single Territory franchisee transferred all of its two Territories to two existing franchisees in South Carolina and North Carolina.
[29] One multi-Territory franchisee transferred two Territories out of its four Territories to two existing franchisees in Texas. The two remaining Territories were terminated.
[30] One multi-Territory franchisee transferred all of its nine Territories to two existing franchisees in Texas
[31] One single-Territory franchisee transferred one of its Territories to a new franchisee in Texas. The territories were not absorbed by an existing franchisee so the Outlet remains as a separate Outlet.
[32] One multi-Territory franchisee transferred all three of Territories to one existing franchisee in Texas
[33] One multi-Territory franchisee transferred all of its two Territories to an existing franchisee in Utah.
[34] One multi-Territory franchisee transferred all of its two Territories to a new franchisee in Utah. The territories were not absorbed by an existing franchisee so the Outlet remains as a separate Outlet.
[35] One multi-Territory franchisee transferred two out of its four Territories to an existing franchisee in Virginia and terminated the remaining two territories.
[36] One multi-Territory franchisee transferred four Territories to a new franchisee in Virginia. The territories were not absorbed by an existing franchisee so the Outlet remains as a separate Outlet.

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TABLE NO. 3
STATUS OF FRANCHISED OWNED OUTLETS
FOR YEARS 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Alabama	2023	1	2	0	0	0	0	3
	2024	3	0	1	0	0	0	2
	2025	2	0	0	0	0	0	2
Arkansas	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
California	2023	0	2	0	0	0	0	2
	2024	2	2	0	0	0	0	4
	2025	4	7	0	0	0	0	11
Colorado	2023	3	0	1	0	0	1*	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Connecticut	2023	2	1	1	0	0	0	2
	2024	2	0	0	0	0	1*	1
	2025	1	0	0	0	0	0	1
Delaware	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Florida	2023	14	1	0	0	0	0	15
	2024	15	1	2	0	0	1*	13
	2025	13	1	1	0	0	0	13
Georgia	2023	6	1	0	0	0	1*	6
	2024	6	0	0	0	0	1*	5
	2025	5	1	0	0	0	0	6
Idaho	2023	1	1	1	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Illinois	2023	0	2	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Indiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Kansas	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Kentucky	2023	0	2	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	0	1	0	0	0	2
Louisiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	0	2	1	0	0	0	1

	2024	1	0	0	0	0	0	1
	2025	1	3	0	0	0	0	4
Massachusetts	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	1*	1
	2025	1	0	0	0	0	0	1
Michigan	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Minnesota	2023	3	0	0	0	0	1*	2
	2024	2	1	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Mississippi	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Missouri	2023	3	0	0	0	0	1*	2
	2024	2	0	0	0	0	0	2
	2025	2	0	1	0	0	0	1
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Hampshire	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	1*	1
	2025	1	0	0	0	0	0	1
New Jersey	2023	5	1	1	0	0	1*	4
	2024	4	0	0	0	0	1*	3
	2025	3	1	1	0	0	0	3
New York	2023	1	3	0	0	0	0	4
	2024	4	0	1	0	0	0	3
	2025	3	1	0	0	0	1*	3
North Carolina	2023	3	1	0	0	0	1*	3
	2024	3	0	0	0	0	0	3
	2025	3	0	1	0	0	0	2
North Dakota	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
	2025	0	0	0	0	0	0	0
Ohio	2023	5	1	1	0	0	1*	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Oklahoma	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Oregon	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Pennsylvania	2023	5	1	0	0	0	1*	5
	2024	5	0	0	0	0	0	5
	2025	5	1	0	0	0	0	6
Rhode Island	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Carolina	2023	3	0	0	0	0	0	3

	2024	3	0	0	0	0	1*	2
	2025	2	0	1	0	0	0	1
South Dakota	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Tennessee	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Texas	2023	14	0	0	0	0	1*	13
	2024	13	0	0	0	0	2*	11
	2025	11	0	0	0	0	1*	10
Utah	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	1*	2
Virginia	2023	4	2	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	1*	5
Washington	2023	0	3	0	0	0	0	3
	2024	3	0	2	0	0	0	1
	2025	1	0	0	0	0	0	1
Wisconsin	2023	1	1	1	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Totals	2023	91	33	8	0	0	9	107
	2024	107	9	7	0	0	9	100
	2025	100	20	6	0	0	4	110

* This franchisee left the System as a result of a transfer.

TABLE NO. 4
STATUS OF COMPANY OWNED OUTLETS
FOR YEARS 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired by Franchisor	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
New York	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	1	0
Totals	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	1	0

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TABLE NO. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2025

State	Franchise Agreement Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
California	1	1	0
Florida	2	2	0
Iowa	1	1	0
Illinois	1	1	0
Kentucky	1	1	0
Louisiana	2	2	0
New Jersey	1	1	0
Ohio	2	2	0
South Carolina	2	2	0
Tennessee	1	1	0
Wisconsin	1	1	0
Totals	15	15	0

Notes to Tables:

During the last three fiscal years, some former franchisees have signed confidentiality clause that restricts them from discussing with you their experiences as a franchisee in our franchise system. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with The Brothers that just do Gutters. 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.

Exhibit F to this Disclosure Document contains a list, as of the Issuance Date of this Disclosure Document of current Brothers Parsons Franchising LLC franchisees.

Exhibit G to this Disclosure Document contains a list of every franchisee who had an outlet terminated, cancelled, not renewed or 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 Issuance Date of this Disclosure Document.

There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Disclosure Document.

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

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ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit D are the audited consolidated financial statements for EHC Holding Company, LLC, our parent, for the fiscal year ended December 31, 2023, December 31, 2024, and December 31, 2025.

Our parent, EHC Holding Company, LLC, has guaranteed our performance with you. A copy of the guaranty of performance is attached as Exhibit D-2. Our fiscal year end is December 31 of each year.

ITEM 22
CONTRACTS

Attached to this Disclosure Document or to the Exhibits attached to and comprising the Franchise Agreement attached to this Disclosure Document are copies of the following franchise and other contracts and agreements in use or proposed for use:

Exhibits to this Disclosure Document

Exhibit E	Franchise Agreement
Exhibit H	State Specific Addenda

Schedules and Exhibits to the Franchise Agreement

Schedule 1 Operating Territory Acknowledgment	Exhibit 1 Owner and Spouse Agreement and Guaranty
Schedule 2 Franchise Fee Acknowledgment	Exhibit 2 Confidentiality Agreement
Schedule 3 Statement of Franchisee's Owners	Exhibit 3 Assignment of Telephone Numbers and Digital Media Accounts
	Exhibit 4 ACH Authorization Form
	Exhibit 5 General Release

Individual state law may supersede the provisions contained in your Franchise Agreement respecting the requirement that you execute a general release as a condition to assignment, sale or transfer. See, the state specific addendums contained in Exhibit H of this Disclosure Document and the state specific addendums attached to the Franchise Agreement and forming a part of Exhibit E.

ITEM 23
RECEIPTS

Two copies of a detachable receipt in Exhibit J are located at the very end of this Disclosure Document. Please sign one copy of the receipt and return it to us at the following address: Danny Horboychuk, Brothers Parsons Franchising LLC, 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. The duplicate is for your records.

[DISCLOSURE DOCUMENT ENDS HERE

Franchise Disclosure Document
Exhibit A - State Administrators

LIST OF STATE ADMINISTRATORS

The following is a list of state administrators responsible for registration and review of franchises for these states. We may register in one or more of these states.

California
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013

651 Bannon Street, Suite 300
Sacramento, CA 95811
866-275-2677

Connecticut
Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, CT 06103

Florida
Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, FL 32399

Hawaii
Commissioner of Securities
Dept. of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813

Illinois
Office of the Attorney General
Franchise Bureau
500 South Second Street
Springfield, IL 62706

Indiana
Indiana Secretary of State
Indiana Securities Division
Franchise Section
302 W. Washington Street, Room E-111
Indianapolis, IN 46204

Kentucky
Office of the Attorney General
Consumer Protection Division
Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, KY 40601

Maine
Department of Professional and Financial Regulations
Bureau of Banking
Securities Division
121 Statehouse Station
Augusta, ME 04333

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of the Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
P.O. Box 30213
Lansing, MI 48909

Minnesota
Minnesota Department of Commerce
Securities Division
85 7th Place East, Suite 280
St. Paul, MN 55101

Nebraska
Nebraska Department of Banking and Finance
Commerce Court
1230 O Street, Suite 400
Lincoln, NE 68509

New York
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
212-416-8222

North Carolina
Secretary of State
Securities Division
300 North Salisbury Street, Suite 100
Raleigh, NC 27603

North Dakota
Securities Department
600 East Boulevard Avenue, State Capitol
Fourteenth Floor Dept414
Bismarck, ND 58505-0510
Phone 701-328-4712

LIST OF STATE ADMINISTRATORS (Continued)

Rhode Island
Department of Business Registration
Division of Securities
233 Richmond Street, Suite 232
Providence, RI 02903

South Carolina
Office of the Secretary of State
1205 Pendleton Street
Edgar Brown Building, Suite 525
Columbia, SC 29201

South Dakota
Franchise Office
Division of Securities
910 E. Sioux Avenue
Pierre, SD 57501

Texas
Office of the Secretary of State
Statutory Document Section
1019 Brazos Street
Austin, TX 78701

Utah
Utah Department of Commerce
Division of Consumer Protection
160 East Three Hundred South
P.O. Box 146704
Salt Lake City, UT 84114

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Washington
WA Dept of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504-1200
360-902-8700

Wisconsin
Franchise Office
Wisconsin Securities Commission
P.O. Box 1768
Madison, WI 53701

Franchise Disclosure Document
Exhibit B – Agents for Service of Process

Agents for Service of Process

Brothers Parsons Franchising LLC
8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251
Attn: Ryan Parsons, Chief Executive Officer

California
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013

651 Bannon Street, Suite 300
Sacramento, CA 95811
866-275-2677

Connecticut
Banking Commissioner
Department of Banking
Securities and Business Investment Division
260 Constitution Plaza
Hartford, CT 06103

Hawaii
Commissioner of Securities
Dept. of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813

Illinois
Illinois Attorney General
500 South Second Street
Springfield, IL 62706

Maryland
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of Commerce
Corporation and Securities Bureau
6546 Mercantile Way
Lansing, MI 48910

Minnesota
Commissioner of Commerce of Minnesota
Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

New York
Secretary of the State of New York
99 Washington Avenue
Albany, NY 12231

North Dakota
North Dakota Securities Department
Securities Commissioner
600 East Boulevard Avenue, State Capitol
Fifth Floor, Dept 414
Bismarck, ND 58505
Phone 701-328-4712

Rhode Island
Director of Department of Business Regulation
233 Richmond Street, Suite 232
Providence, RI 02903

South Dakota
Director, Division of Securities
Department of Commerce and Regulation
445 East Capitol Avenue
Pierre, SD 57501

Virginia
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219

Washington
Securities Administrator
Washington Department of Financial Institutions
150 Israel Road SW
Tumwater, WA 98501

Wisconsin
Wisconsin Commissioner of Securities
345 W Washington Avenue
Madison, WI 53703

Franchise Disclosure Document
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Total Pages in Operations Manual **145**

Franchise Disclosure Document
Exhibit D – Financial Statements

Plante & Moran, PLLC
Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Consent of Independent Auditor

Plante & Moran, PLLC consents to the use in the Franchise Disclosure Document issued by Brothers Parsons Franchising, LLC (the "Franchisor") on April 24, 2026, as it may be amended, of our report dated April 13, 2026 relating to the consolidated financial statements of EHC Holding Company, LLC and Subsidiaries as of and for the year ended December 31, 2025.

Plante & Moran, PLLC

April 28, 2026

EHC Holding Company, LLC and Subsidiaries

Consolidated Financial Report

December 31, 2025

EHC Holding Company, LLC and Subsidiaries

Contents

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Plante & Moran, PLLC
Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of EHC Holding Company, LLC and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2025 and 2024 and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

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

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

In performing audits in accordance with GAAS, we:

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

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

Plante & Moran, PLLC

April 13, 2026

EHC Holding Company, LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash	$ 10,168,793	$ 7,200,071
Investments	103,668	-
Accounts receivable - Net	3,853,514	2,685,757
Inventory	516,419	47,090
Deferred commission costs	1,042,596	225,341
Prepaid expenses and other current assets	1,301,424	807,450
Total current assets	16,986,414	10,965,709
Property and Equipment - Net	2,467,907	2,069,949
Operating Lease Right-of-use Assets - Net	913,143	792,487
Goodwill - Net	99,375,260	52,665,564
Intangible Assets - Net	61,352,930	28,380,024
Other Assets		
Deferred commission costs - Net of current portion	7,828,647	5,332,257
Other noncurrent assets	1,239,170	489,961
Total assets	**$ 190,163,471**	**$ 100,695,951**
Liabilities and Members' Equity		
Current Liabilities		
Accounts payable	$ 2,455,210	$ 868,428
Current portion of operating lease liabilities	321,614	212,365
Deferred franchise fees	3,927,355	3,010,287
Other current liabilities:		
Taxes payable	110,665	-
Accrued compensation	737,075	596,645
Other accrued liabilities	1,784,377	1,279,257
Total current liabilities	9,336,296	5,966,982
Long-term Debt	46,646,902	-
Operating Lease Liabilities - Net of current portion	622,636	603,246
Other Long Term Liabilities		
Deferred franchise fees - Net of current portion	20,098,827	16,498,710
Deferred tax liabilities	1,801,324	-
Total liabilities	78,505,985	23,068,938
Members' Equity	111,657,486	77,627,013
Total liabilities and members' equity	**$ 190,163,471**	**$ 100,695,951**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Operations

Years Ended December 31, 2025 and 2024

	2025	2024
Net Revenue		
Royalty fees	$ 13,608,581	$ 9,732,577
Initial franchise fees	4,362,781	4,547,181
National brand fund fees	3,727,498	2,706,984
Service fees	7,492,249	7,467,150
Other	1,779,058	1,283,105
Total net revenue	30,970,167	25,736,997
Operating Expenses	45,186,193	32,452,294
Nonoperating Expense - Interest expense	(639,467)	-
Loss - Before income taxes	(14,855,493)	(6,715,297)
Income Tax Recovery	(333,964)	-
Consolidated Net Loss	**$ (14,521,529)**	**$ (6,715,297)**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Members' Equity

Years Ended December 31, 2025 and 2024

Balance - January 1, 2024	$ 84,342,310
Consolidated net loss	(6,715,297)
Balance - December 31, 2024	77,627,013
Consolidated net loss	(14,521,529)
Issuance of Class A units	48,552,002
Balance - December 31, 2025	**$ 111,657,486**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Consolidated net loss	$ (14,521,529)	$ (6,715,297)
Adjustments to reconcile consolidated net loss to net cash from operating activities:		
Depreciation and amortization	12,214,482	9,997,566
Noncash lease expense	54,529	16,064
Credit loss expense	187,898	219,820
Deferred income tax recovery	(444,629)	-
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	710,827	(955,312)
Prepaid expenses and other assets	(917,780)	(980,991)
Deferred commission costs	(3,313,645)	(3,364,692)
Accounts payable and other accrued liabilities	76,589	807,195
Deferred franchise fees	2,098,787	606,768
Net cash used in operating activities	(3,854,471)	(368,879)
Cash Flows from Investing Activities		
Cash paid for acquisitions - Net of cash acquired	(85,045,980)	-
Purchase of property and equipment	(579,731)	(689,514)
Net cash used in investing activities	(85,625,711)	(689,514)
Cash Flows from Financing Activities		
Proceeds from long-term debt	47,500,000	-
Debt issuance costs	(853,098)	-
Proceeds from issuance of Class A units	45,802,002	-
Net cash provided by financing activities	92,448,904	-
Net Increase (Decrease) in Cash	2,968,722	(1,058,393)
Cash - Beginning of year	7,200,071	8,258,464
Cash - End of year	**$ 10,168,793**	**$ 7,200,071**
Supplemental Cash Flow Information - Cash paid for interest	$ 364,467	$ -
Significant Noncash Transactions - Fair value of rollover equity issued for business acquisitions	$ 2,750,000	$ -

See notes to consolidated financial statements.

Note 1 - Nature of Business

EHC Holding Company, LLC and Subsidiaries (the "Company") includes its wholly owned subsidiaries, Evive Brands, LLC (Evive); Executive Home Care Franchising, LLC (EHC); ALL Franchising, LLC (ALL); ALL Licensing, LLC (Licensing); B&P Burke, LLC (Grasons); Brothers Parsons Franchising, LLC (Brothers); Brothers Parsons HV, LLC (BPHV); Brothers Parsons IP, LLC (BPIP); Evive Holdco, Inc. (Holdco); Pacific Lawn Sprinklers Franchise, LLC (PLSF); PLS Corporate Stores, LLC (PLSC); PLS Hub, LLC (PLSH); and Shine Development, LLC (Shine).

EHC is a franchisor that provides home care services to the elderly, physically handicapped, and injured, allowing them to live at home. EHC began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. ALL began operations in 2006 and provides services nationwide. Licensing is an operating company that owns the intellectual property used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services and was established in 2011.

Brothers is a franchisor that provides services associated with gutter installation, repair, and maintenance. BPIP is an operating company that owns the intellectual property used by Brothers. BPHV operates a Brothers franchise. BPHV was sold on October 15, 2025.

Holdco's wholly owned subsidiary, MB Franchise Holdings, Inc. (Maid Brigade), is a franchisor that provides residential and commercial professional cleaning services.

PLSF is a franchisor that primarily provides lawn sprinkler and landscape light services to residential and commercial customers. PLSC is a corporate owned location and PLSH is the national call center for the franchise system.

Shine is a franchisor that provides window care and holiday lighting services to residential and commercial businesses.

Note 2 - Significant Accounting Policies

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies developed by the Private Company Council, including the alternative for accounting for goodwill and intangibles.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Adoption of New Accounting Pronouncement

In July 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU introduced a practical expedient for estimating expected credit losses on current accounts receivable and current contract assets arising from transactions accounted for under ASC 606, *Revenue from Contracts with Customers*. Under the practical expedient, the Company assumes that current conditions as of the consolidated balance sheet date will not change for the remaining life of the asset. The standard also permits an accounting policy election to consider collection activity after the balance sheet date when estimating credit losses.

Note 2 - Significant Accounting Policies (Continued)

The Company adopted the new guidance on January 1, 2025 on a prospective basis. The adoption of this guidance did not have a significant impact on the consolidated financial statements.

Accounts Receivable

Trade accounts receivable are stated at invoice amounts. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the receivables. At December 31, 2025 and 2024, the Company had recorded an allowance for credit losses in the amount of $695,999 and $131,037, respectively. The Company evaluates the collectibility of its accounts receivable and determines the appropriate allowance for expected credit losses based on a combination of factors, including the aging of the receivables, historical collection trends, and charge-offs, and includes adjustments for current economic conditions. When the Company is aware of a franchisee or customer's inability to meet its financial obligation, the Company may individually evaluate the related receivable to determine the allowance for expected credit losses. The Company has elected the practical expedient to assume that the current conditions as of the consolidated balance sheet date will not change for the remaining life of the asset. The Company has also made the policy election to consider collection activity subsequent to year end in making its estimate of expected losses. The Company has considered subsequent collection activity through January 31, 2026. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received. The net accounts receivable balance as of January 1, 2024 was $1,950,265.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method. Assets are depreciated over their estimated useful lives, which range from 3 to 10 years. The cost of leasehold improvements is depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Capitalized Software Costs

The Company capitalizes significant costs incurred in the acquisition or development of software for internal use, including the costs of the software, materials, consultants, interest, payroll, and payroll-related costs for employees incurred in developing internal-use computer software, once final selection of the software is made. Costs incurred prior to the final selection of software and costs not qualifying for capitalization are charged to expense. Capitalized software amortization expense was approximately $250,000 and $203,000 in 2025 and 2024, respectively. The net book value of capitalized software costs included in property and equipment at December 31, 2025 and 2024 was approximately $781,000 and $1,032,000, respectively. The estimated useful life of the capitalized software is five years.

Leases

The Company has operating leases for corporate office space. The Company recognizes expense for operating leases on a straight-line basis over the lease term. The Company made a policy election not to separate lease and nonlease components for all operating leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability. Total rent expense for the years ended December 31, 2025 and 2024 equaled approximately $308,000 and $267,000. Cash paid for leases approximated these expense amounts.

The Company has an operating lease with a lease term of one year or less that the Company elected to account for as a short-term lease. As this lease is a short-term lease, it is not included in the right-of-use asset and lease liability. Total expense related to short-term leases is *de minimis*.

The Company elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for all operating leases.

Note 2 - Significant Accounting Policies (Continued)

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 14 years. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

The Company elected to apply the private company accounting alternative for intangible assets acquired in a business combination developed by the Private Company Council. Under the accounting alternative, certain acquired customer-related intangible assets and noncompetition agreements are not separately recognized apart from goodwill.

Debt Issuance Costs

Debt issuance costs are recorded as a reduction in the recorded balance of the outstanding debt. The costs are amortized over the term of the related debt and reported as a component of interest expense.

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company elected to apply the private company accounting alternative for goodwill developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. The Company elected to test goodwill for impairment at the entitywide level.

No impairment charge was recognized during the years ended December 31, 2025 and 2024.

Revenue Recognition

The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement (typically 10 years); (b) preopening services, such as training; (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees; and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and, therefore, are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the "franchisee") simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing these services is identified as royalty fees, initial franchise fees, and national brand fund fees on the accompanying consolidated statement of operations.

The Company also operates certain franchise locations. The revenue for these consist of revenue recognized at a point in time as the service is completed. This revenue is identified as service fees on the accompanying consolidated statement of operations.

Note 2 - Significant Accounting Policies (Continued)

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is executed and are nonrefundable. These fees are collected prior to the satisfaction of the Company's performance obligations, resulting in the Company recognizing deferred revenue contract liabilities. The portion of contract liabilities that is expected to be recognized as revenue within one year is classified as current on the consolidated balance sheet. Deferred initial franchise fees as of January 1, 2024 equaled $18,902,229. Initial franchise fees are also received pursuant to area development agreements, which grant the right to develop franchised territories in future periods in specific geographic areas. Royalties and advertising fees are paid on a monthly basis based upon a percentage of franchisee gross sales. Technology fees are paid on a monthly basis based upon a fixed amount. Service fees are due 30 days from when the service is performed.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that the agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising fees, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company incurs commission costs to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which is recognized over time. As a result, the commission costs are capitalized as deferred commission costs and are expensed over the term of the respective franchise agreement, which is determined to be the period of benefit. During the years ended December 31, 2025 and 2024, commission expenses incurred related to obtaining franchise agreements was approximately $2,100,000 and $623,000, respectively.

Advertising Expense

In accordance with the Company's franchise agreements, franchisees pay a percentage of monthly sales to an advertising fund to be used for advertising, marketing, and other promotional purposes. Advertising expense is charged to income during the year in which it is incurred. Advertising expense for 2025 and 2024 was approximately $5,540,000 and $3,756,000, respectively.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. Members are taxed individually on their pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated among the members in accordance with the Company's operating agreement.

Holdco is structured as a C corporation; therefore, a current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the year. Deferred tax liabilities or assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting.

Note 2 - Significant Accounting Policies (Continued)

Concentrations of Credit Risk

The Company maintains cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including April 13, 2026, which is the date the financial statements were available to be issued.

Note 3 - Business Combinations

MB Franchise Holdings, Inc.

On May 30, 2025, the Company acquired 100 percent of the outstanding capital stock of MB Franchise Holdings, Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The fair value of the consideration transferred equaled $17,834,448, all of which was paid in cash.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	$	209,151
Accounts receivable		202,278
Prepaids and other assets		16,307
Right-of-use assets		116,952
Intangible assets		11,657,000
Accounts payable		(386,108)
Deferred franchise fees		(632,153)
Lease liabilities		(70,406)
Accrued expenses		(365,293)
Deferred tax liabilities		(2,245,953)
Total identifiable net assets		8,501,775
Goodwill		9,332,673
Total	$	17,834,448

The fair value of financial assets includes accounts receivable with a gross contractual value of $202,278, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Note 3 - Business Combinations (Continued)

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately $1,478,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Pacific Lawn Sprinklers

On October 23, 2025, the Company acquired 100 percent of the membership interests of Pacific Lawn Sprinklers Franchise LLC; PLS IP, LLC; and PLS Hub, LLC, and PLSC purchased all assets of PLS Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The following table summarizes the fair value of the consideration transferred as part of the acquisition:

Cash	$ 57,119,262
Noncash rollover equity - Class A units	1,000,000
Fair value of total consideration transferred	$ 58,119,262

The fair value of the 892 Class A units issued as noncash rollover equity was based on a valuation of the Company's membership interests using an option-pricing model. See Note 9 for further details.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	$ 476,305
Accounts receivable	1,211,555
Inventory	516,419
Prepaids and other assets	257,245
Property and equipment	548,204
Right-of-use assets	238,355
Intangible assets	20,887,000
Accounts payable	(357,951)
Deferred franchise fees	(581,855)
Lease liabilities	(238,355)
Accrued expenses	(344,142)
Total identifiable net assets	22,612,780
Goodwill	35,506,482
Total	$ 58,119,262

The fair value of financial assets includes accounts receivable with a gross contractual value of $1,211,555, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Note 3 - Business Combinations (Continued)

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately $1,885,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Shine Development Holdings, Inc.

On November 24, 2025, the Company acquired 100 percent of the outstanding capital stock of Shine Development Holdings, Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The following table summarizes the fair value of the consideration transferred as part of the acquisition:

Cash	$ 10,810,568
Noncash rollover equity - Class A units	1,750,000
Fair value of total consideration transferred	$ 12,560,568

The fair value of the 1,248 Class A units issued as noncash rollover equity was based on a valuation of the Company's membership interests using an option-pricing model. See Note 9 for further details.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	$ 32,842
Investments	103,668
Accounts receivable	652,649
Prepaids and other assets	4,761
Property and equipment	24,455
Right-of-use assets	92,436
Intangible assets	4,583,000
Accounts payable	(143,367)
Deferred franchise fees	(1,204,390)
Lease liabilities	(92,436)
Accrued expenses	(669,547)
Total identifiable net assets	3,384,071
Goodwill	9,176,497
Total	$ 12,560,568

The fair value of financial assets includes accounts receivable with a gross contractual value of $652,649, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Note 3 - Business Combinations (Continued)

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately $1,068,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2025	2024
Machinery and equipment	$ 151,978	$ 224,961
Vehicles	541,000	281,658
Furniture and fixtures	149,944	140,755
Computer equipment and software	2,095,919	1,678,755
Leasehold improvements	228,551	251,913
Total cost	3,167,392	2,578,042
Accumulated depreciation	699,485	508,093
Net property and equipment	$ 2,467,907	$ 2,069,949

Depreciation expense was approximately $482,000 and $329,000 for the years ended December 31, 2025 and 2024, respectively.

Note 5 - Intangible Assets and Goodwill

Intangible assets and goodwill of the Company at December 31, 2025 and 2024 are summarized as follows:

	2025		2024	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets and goodwill:				
Franchise agreements	$ 55,246,000	$ 6,607,365	$ 24,937,000	$ 3,205,115
Trade names	13,949,232	1,781,070	7,131,232	934,157
Developed technology	1,097,752	551,619	807,674	356,610
Goodwill	116,038,647	16,663,387	62,057,306	9,391,742
Total amortized intangible assets and goodwill	$ 186,331,631	$ 25,603,441	$ 94,933,212	$ 13,887,624

Amortization expense for intangible assets and goodwill totaled approximately $11,732,000 and $9,669,000 for the years ended December 31, 2025 and 2024, respectively.

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2026	$ 18,941,087
2027	18,941,087
2028	18,941,087
2029	18,941,087
2030	18,941,087
Thereafter	66,022,755
Total	$ 160,728,190

Note 6 - Long-term Debt

Long-term debt at December 31, 2025 is as follows:

Term loan	$ 40,000,000
Delayed draw term loan	7,500,000
Total	47,500,000
Unamortized debt issuance costs	853,098
Long-term portion	$ 46,646,902

The balance of the above debt matures as follows:

Years Ending	Amount
2026	$ -
2027	-
2028	475,000
2029	475,000
2030	475,000
Thereafter	46,075,000
Total	$ 47,500,000

In October 2025, the Company entered into a credit agreement with a financial institution to help fund current and future acquisitions. Maximum borrowings under the credit agreement are as follows: an initial term loan commitment of $40,000,000, total delayed draw term loan commitments of $25,000,000, and a revolving loan commitment of $7,000,000. All commitments are secured by substantially all of the assets of the Company. Principal payments of 0.25 percent of the outstanding loan amounts are due quarterly starting in 2028 until maturity in October 2031, at which time all unpaid principal is due.

The interest rate is a floating rate equal to the Secured Overnight Financing Rate (SOFR), or the alternate base rate (ABR), plus the applicable margin, as defined in the credit agreement. The effective interest rate on the term loan as of December 31, 2025 was 8.67 percent. The effective rate on the delayed draw term loan as of December 31, 2025 was 8.42 percent.

Debt issuance costs of approximately $853,000 were incurred to secure the credit facility.

Under the agreements with the bank, the Company is subject to various financial covenants, including a net leverage ratio covenant, and excess cash flow payments. As of December 31, 2025, the Company was in compliance with all financial covenants and was not required to make an excess cash flow payment.

Note 7 - Income Taxes

The components of the income tax provision included in the consolidated statement of operations for the year ended December 31, 2025 are all attributable to continuing operations and are detailed as follows:

Current income tax expense	$ 110,665
Deferred income tax recovery	(444,629)
Total income tax recovery	$ (333,964)

The income tax provision differs from the expense that would result from applying statutory rates to income before income taxes as a result of state taxes and temporary timing differences primarily related to intangible assets and revenue recognition.

Note 7 - Income Taxes (Continued)

The details of the net deferred tax liability are as follows:

Total deferred tax liabilities	$ (2,304,376)
Total deferred tax assets	503,052
Total	$ (1,801,324)

Note 8 - Related Party Transactions

The majority member charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in operating expenses on the accompanying consolidated statement of operations. Total expense for the years ended December 31, 2025 and 2024 was approximately $809,000 and $702,000, respectively.

Note 9 - Members' Equity

Class A units have voting rights on all matters requiring the consent, approval, or vote of the members. The Class A units receive preference on distributions. There were 1,000,000 units authorized and 154,175 and 109,546 units issued and outstanding, respectively, as of December 31, 2025 and 2024.

Class B units do not have voting rights and are issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B units are dilutive to the participating preferred units. There were 1,000,000 units authorized and no units issued or outstanding as of December 31, 2025 and 2024.

As defined in the EHC Holding Company, LLC Amended and Restated Limited Liability Company Agreement, a deferred unit provides the right to be issued a Class B unit prior to a significant sale, assuming the fair market value of the Company exceeds the threshold amount, as defined in the Deferred Unit Agreements. The deferred units are time-vesting units that generally vest one-seventh each continuous year of service, becoming fully vested on the seventh anniversary of the grant date. These units allow for accelerated vesting upon the occurrence of a significant sale. As of December 31, 2025 and 2024, there were 5,114 and 3,803 deferred units issued, 3,851 and 2,540 deferred units outstanding, and 849 and 502 deferred units vested, respectively. No compensation expense was recognized during 2025 and 2024, as the fair value of the units is *de minimis*.

EHC Holding Company, LLC and Subsidiaries

Consolidated Financial Report
December 31, 2023

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RSM US LLP

Independent Auditor's Report

Board of Directors
EHC Holding Company, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of EHC Holding Company, LLC and its subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the related consolidated statements of operations, changes in members' equity, and cash flows for the years ended December 31, 2023 and 2022, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

RSM US LLP

Detroit, Michigan
April 18, 2024

EHC Holding Company, LLC and Subsidiaries

Consolidated Balance Sheets
December 31, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	$ **8,258,464**	$ 7,906,497
Accounts receivable, net allowance for credit losses	**1,950,265**	595,028
Inventory	**47,089**	-
Prepaid expenses and other current assets	**490,729**	146,386
Total current assets	**10,746,547**	8,647,911
Property, plant, and equipment, net	**2,039,654**	1,671
Other assets:		
Operating lease right-of-use assets, net	**1,025,134**	121,846
Goodwill, net	**48,652,991**	16,450,078
Intangibles, net	**31,456,699**	5,157,183
Other assets	**129,180**	131,896
Contract costs	**12,163,663**	1,865,412
Total other assets	**93,427,667**	23,726,415
Total assets	**$ 106,213,868**	$ 32,375,997
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	$ **972,368**	$ 391,621
Accrued expenses	**964,767**	1,230,707
Current portion of deferred franchise fees	**2,422,957**	422,746
Current portion operating lease liabilities	**198,150**	29,701
Total current liabilities	**4,558,242**	2,074,775
Deferred franchise fees, net of current portion	**16,479,272**	4,869,898
Operating lease liability, net of current portion	**834,044**	95,071
	17,313,316	4,964,969
Total liabilities	**21,871,558**	7,039,744
Members' equity	**84,342,310**	25,336,253
Total liabilities and members' equity	**$ 106,213,868**	$ 32,375,997

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Operations
Years Ended December 31, 2023 and 2022

	2023	2022
Revenues:		
Franchise fee revenue	**$ 6,507,714**	$ 2,171,527
Support services	**666,668**	-
Total revenues	**7,174,382**	2,171,527
Operating expenses:		
Cost of services	**306,538**	-
General and administrative expenses	**5,531,685**	2,986,145
Payroll and benefits	**3,885,484**	1,755,242
Transaction expenses	**1,579,290**	1,502,800
Amortization and depreciation expense	**3,040,926**	919,800
Other operating expenses	**546,426**	15,406
Total operating expenses	**14,890,349**	7,179,393
Net loss	**$ (7,715,967)**	$ (5,007,866)

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Changes in Members' Equity
Years Ended December 31, 2023 and 2022

Balance, January 1, 2022	$ 7,844,119
Contributed capital	22,500,000
Net loss	(5,007,866)
Balance at December 31, 2022	25,336,253
Contributed capital	66,722,024
Net loss	(7,715,967)
Balance at December 31, 2023	**$ 84,342,310**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Net loss	$ (7,715,967)	$ (5,007,866)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,040,926	919,800
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	146,847	(453,957)
Prepaid expenses and other current assets	(235,413)	(44,821)
Other assets	2,716	(6,575)
Contract costs	(1,143,324)	(117,661)
Accounts payable and accrued expenses	(538,706)	142,018
Deferred franchise fees	1,532,134	300,099
Operating lease assets and liabilities	95,605	2,926
Net cash used in operating activities	(4,815,182)	(4,266,037)
Cash flows from investing activities:		
Acquisition of businesses, net of cash acquired	(46,199,803)	(13,055,236)
Purchase of intangible assets	-	(40,512)
Purchase of property and equipment	(1,355,072)	(1,270)
Net cash used in investing activities	(47,554,875)	(13,097,018)
Cash flows from financing activities:		
Proceeds from capital contributions	52,722,024	20,000,000
Net cash provided by financing activities	52,722,024	20,000,000
Net increase in cash and cash equivalents	351,967	2,636,945
Cash and cash equivalents, beginning	7,906,497	5,269,552
Cash and cash equivalents, ending	$ 8,258,464	$ 7,906,497

(Continued)

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Cash Flows (Continued)
Years Ended December 31, 2023 and 2022

	2023	2022
Supplemental schedule of noncash operating, investing and financing activities:		
Acquisition of businesses:		
Assets acquired	**$ 40,044,046**	$ 7,257,883
Liabilities assumed	**(13,661,493)**	(5,078,960)
Net identifiable assets acquired	**26,382,553**	2,178,923
Goodwill	**34,390,411**	14,545,344
Net assets acquired	**60,772,964**	16,724,267
Less cash acquired	**(992,260)**	(620,715)
Add due from seller	**419,099**	45,924
Less contingent consideration	**-**	(594,240)
Less units issued as consideration	**(14,000,000)**	(2,500,000)
Cash purchase price	**$ 46,199,803**	$ 13,055,236

See notes to consolidated financial statements.

Note 1. Summary of Significant Accounting Policies

Nature of business: EHC Holding Company, LLC and Subsidiaries (the Company) through its wholly owned subsidiaries, including Executive Home Care Franchising, LLC (EH), ALL Franchising, LLC (ALL), ALL Licensing, LLC (Licensing), B&P Burke, LLC (Grasons), Brothers Franchising, LLC (Brothers), and Brothers That Just do Gutters, LLC (BG).

EH is a franchisor that provides home care services to the elderly, physically handicapped and injured, allowing them to live at home. Executive Homecare began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. Assisted Living Locators began operations in 2006 and provides services nationwide.

Licensing is an operating company that owns technology used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services. Grasons was established in 2011 and conducts operations from its principal office in California.

Brothers is a franchisor that provides services associated with gutter instillation, repair, and maintenance.

BG operates a Brothers franchise.

Significant accounting policies:

Basis of presentation: The consolidated balance sheets is presented as of December 31, 2023 and 2022. The consolidated statements of operations, changes in members' equity, and cash flows are presented for the years ended of December 31, 2023 and 2022. The accompanying consolidated financial statements of the Company include its wholly owned subsidiaries.

All intercompany transactions have been eliminated. The accompanying consolidated financial statements have been prepared in accordance with accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets accounting principles generally accepted in the United States of America (U.S. GAAP) that the Company follows to ensure its financial condition, results of operations, and cash flows are consistently reported. References to U.S. GAAP issued by the FASB in these notes to the consolidated financial statements are to the FASB Accounting Standards Codification (ASC).

Revenue recognition policy: The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers, which provides a five-step model for recognizing revenue from contracts with customers as follows: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when or as performance obligations are satisfied.

Note 1. Summary of Significant Accounting Policies (Continued)

Nature of services - The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement, (b) preopening services, such as training, (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and therefore are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the franchisee) simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing the services is collectively referred to as franchise fee revenue.

The Company's franchise fee revenue includes franchise royalties, franchise fees, advertising fund contributions and support services performed for franchisees. Initial franchise fees are based on the market type selected and are paid at the time an individual franchise agreement is signed.

The Company also operates a franchise location. The revenue for this consists of revenue recognized at a point in time as the service is completed.

Payment terms - The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods and services to the customer. Agreements may include initial and renewal franchise fees, sales-based royalties, and fees for administrative services performed for the franchisee.

The Company believes its franchising agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the sales-based royalty is variable and based on factors outside the Company or the franchisee's control.

Revenue recognition - Initial and renewal franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement beginning when the agreement is signed. Franchise agreements typically have a term of 10 years with the option to renew for an additional five years if the franchisee is in compliance with the terms of the franchise agreement.

Continuing royalties are calculated as a percentage of franchisees' reported sales that are related entirely to the Company's performance obligation under the franchise agreement. These royalties are considered variable consideration, but because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized as franchisee sales occur. Advertising contributions received from the Company's franchisees are recorded as a component of franchise fee revenue in the consolidated statements of operations.

Contract balances - The Company records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred franchise fees) also is recorded. Revenue is recognized on a straight-line basis over the life of the franchise agreement.

Note 1. Summary of Significant Accounting Policies (Continued)

Commission costs - The Company defers those direct and incremental costs associated with the sale of franchises. Contract costs are charged to earnings when the related deferred franchise and territory fees are recognized as revenue over the term of the respective agreement. The Company has determined the period of benefit for direct and incremental costs associated with the sale of franchises to be the initial term of the franchise agreement. Expense is recognized on a straight-line basis commensurate with the pattern of revenue recognition. Contract costs are recorded in other assets in the accompanying consolidated balance sheets.

Advertising funds - The Company collects funds from its franchisees for advertising pursuant to the Company's franchise agreements at a percentage of franchisee sales. These advertising services are not considered distinct because they are highly dependent and interrelated to the franchise right. Advertising contributions are considered part of the transaction price for the franchise right and recognized as revenue as the underlying sales occur. The advertising costs incurred for franchisees will be expensed in accordance with the Company's normal policy.

Cash and cash equivalents: The Company considers all short-term, highly liquid investments with original maturities of 90 days or less to be cash and cash equivalents. Cash equivalents consist of money market accounts.

Accounts receivable: Accounts receivables represent amounts due from franchisees pursuant to their individual franchise agreements. Accounts receivables are stated at historical value which approximates fair value. The allowance for credit losses on accounts receivables represents the Company's estimate of expected credit losses over the lifetime of the receivables. This estimation process is based on historical experience, current conditions, asset-specific risk characteristics and reasonable and supportable forecasts about future economic and market conditions. Accounts receivables are written off when deemed uncollectible. Recoveries of royalty receivables previously written off are recorded when received. The allowance for credit loss was approximately $144,000 and $37,000 for the years ended December 31, 2023 and 2022, respectively. The Company will continue to monitor and evaluate the adequacy of the allowance for credit losses on accounts receivable on a regular basis and make adjustments as necessary in response to changes in economic conditions and credit quality indicators.

The Company adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326)*, on January 1, 2023. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instruments which would include accounts receivables. Prior to the adoption of this accounting standard, the Company recorded incurred loss reserves against account receivable balances based on current and historical information. The adoption of this ASU did not have a material effect on the Company's financial statements.

Concentration of credit risk: The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company maintains its cash and cash equivalents 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 Company grants credit to its franchisees and customers. Consequently, the Company's ability to collect the amounts due from franchisees and customers is affected by economic fluctuations. The Company routinely assesses the financial strength of its franchisees and customers and believes that its accounts receivable credit risk exposure is limited.

Note 1. Summary of Significant Accounting Policies (Continued)

Software development costs: Costs for software developed for internal use are accounted for in accordance with ASC 350, Intangibles—Goodwill and Other - Internal-Use Software. ASC 350 requires the capitalization of certain costs incurred in connection with developing or obtaining internal-use software. In accordance with ASC 350, the Company expenses costs incurred in the preliminary project stage of developing or acquiring internal use software, such as research and feasibility studies, as well as costs incurred in the post-implementation/operational stage, such as maintenance and training. Capitalization of software development costs occurs only after the preliminary project stage is complete, management authorizes the project, and it is probable that the project will be completed and the software will be used for the function intended. Costs associated with the purchase and development of computer software are capitalized and amortized on a straight-line basis over the estimated useful life of the related asset. Software development costs are recorded in property and equipment in the accompanying consolidated balance sheets. The Company capitalized software development costs of approximately $1,271,000 and $0 for the years ended December 31, 2023 and 2022, respectively.

Property and equipment: Property and equipment are stated at cost, net of accumulated depreciation and amortization. Expenditures for additions and improvements are capitalized while maintenance and repair expenditures are charged to operations as incurred. When assets are sold or otherwise retired from service, their cost and related accumulated depreciation and amortization are removed from the accounts and any gain or loss is included in the results of operations. Depreciation and amortization is computed using the straight-line method. Property and equipment have estimated useful lives of three to ten years. Depreciation expense for the years ended December 31, 2023 and 2022, was approximately $98,000 and $700, respectively.

Goodwill and intangibles: Goodwill is recognized for the excess of the fair value of an acquired business over the fair value of the identifiable net assets acquired. Under ASC 350, Intangibles—Goodwill and Other, the Company elected the accounting alternative to amortize goodwill on a straight-line basis over 10 years.

The Company has elected the provisions of ASU 2014-18, *Business Combinations (Topic 805): Accounting for Identifiable Intangible Assets in a Business Combination*. ASU 2014-18 specifies that a private company that elects the accounting alternative to recognize or otherwise consider the fair value of intangible assets as a result of any in-scope transactions should no longer recognize separately from goodwill: (1) customer-related intangible assets unless they are capable of being sold or licensed independently from the other assets of the business and (2) noncompetition agreements.

The Company tests its recorded goodwill for impairment upon a triggering event. Factors that could trigger an impairment test include, but are not limited to, underperformance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the overall business, significant negative industry or economic trends and a sustained period where market capitalization, plus an appropriate control premium, is less than member's equity. Goodwill is tested using a fair-value approach at the entity level. No indicators of impairment were identified for the years ended December 31, 2023 and 2022.

Intangible assets include franchise agreements, trade names, and developed technology. Intangible assets are amortized on a straight-line basis over their estimated useful lives, which range between five to 14 years.

Note 1. Summary of Significant Accounting Policies (Continued)

Long-lived assets: Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If impairment is considered, recoverability of these assets is measured by a comparison of the carrying amount of the asset to estimated future undiscounted cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount of which the carrying amount of the asset exceeds the fair value of the asset. No impairment loss has been recognized by the Company as of December 31, 2023 and 2022.

Leases: In February 2016, the FASB issued ASC 842, Leases, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. ASC 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in ASC 840, Leases) and operating leases, with classification affecting the pattern of expense recognition in the income statement. The Company adopted ASC 842 on January 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period consolidated financial statements. Under this transition provision, the Company has applied ASC 842 to reporting periods beginning on January 1, 2022, while prior periods continue to be reported and disclosed in accordance with the Company's historical accounting treatment under ASC 840, Leases.

The Company elected the package of practical expedients under the transition guidance within ASC 842, in which the Company does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases or (3) the initial direct costs for any existing leases. The Company has not elected to adopt the hindsight practical expedient, and therefore measured the ROU asset and lease liability using the remaining portion of the lease term upon the adoption of ASC 842 on January 1, 2022.

The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under ASC 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or January 1, 2022, for existing leases upon the adoption of ASC 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to nonpublic companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of ASC 842).

Note 1. Summary of Significant Accounting Policies (Continued)

The Company has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its various asset classes. The nonlease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Adoption of ASC 842 resulted in the recording of additional ROU assets and lease liabilities related to the Company's operating leases of approximately $153,000 at January 1, 2022. The adoption of the new lease standard did not materially impact consolidated net earnings or consolidated cash flows and did not result in a cumulative-effect adjustment to the opening balance of retained earnings.

Fair value measurements: The Company uses the fair value measurement and disclosure guidance for all assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various methods including market, income and cost approaches. Based on these approaches, the Company often utilizes certain assumptions that management believes market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.

Level 2: Inputs to the valuation methodology include quoted prices in markets that are not active or quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable, reflecting the entity's own assumptions about assumptions market participants would use in pricing the asset or liability.

Income taxes: As a limited liability company, the Company is treated as a partnership for federal and state income tax purposes. As such, the taxable income of the Company is allocated in the tax returns of its members for federal and state tax purposes in accordance with their respective percentage ownership. Accordingly, no provision for federal income taxes is included in the consolidated financial statements. Entity-level, composite state and local income taxes (benefits) are accrued at the applicable rates, if any, and are included in the consolidated statements of operations.

The FASB provides guidance for how uncertain tax provisions should be recognized, measured, disclosed, and presented in the consolidated financial statements. The Company identifies its tax positions taken or expected to be taken in the course of preparing its tax returns and determines whether any tax positions are more likely than not of being sustained when challenged or when examined by the applicable tax authority. Management has determined that there are no uncertain tax positions at December 31, 2023 and 2022.

Note 1. Summary of Significant Accounting Policies (Continued)

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events: The Company evaluated subsequent events for potential required disclosure through April 18, 2024, which is the date the consolidated financial statements were available to be issued.

Note 2. Acquisition of Businesses

Assisted Living Locators: On August 24, 2022, the Company acquired ALL and Licensing. ALL is a franchisor and the franchises provide senior placement and referral services. Licensing is an operating company that owns technology used by ALL. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of ALL and Licensing, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the consolidated financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

The goodwill arising from the above acquisition is largely due to the ALL's and Licensing's fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, ALL's and Licensing's presence in the marketplace and their long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Consideration:	
Cash	$ 10,604,497
3,409 Class A shares of EHC Holding Company, LLC	2,500,000
Total invested capital	$ 13,104,497
Recognized amount of identifiable assets acquired and liabilities assumed:	
Cash	$ 554,552
Receivables	90,587
Prepaid assets	63,265
Contract assets	1,535,871
Intangible assets	4,212,000
Other asset	20,232
Accounts payable	(198,630)
Accrued expenses and other liabilities	(246,569)
Contract liabilities	(4,004,575)
Total identifiable net assets acquired	2,026,733
Goodwill	11,077,764
	$ 13,104,497

Note 2. Acquisition of Businesses (Continued)

The fair value of the 3,409 Class A Units was determined based on the value of the Company at the acquisition date, using unobservable inputs.

Transaction expenses of approximately $1,077,000 were incurred as a result of the business combination and have been expensed by the Company and included in the consolidated statement of operations within the transaction expenses line item for the year ended December 31, 2022

Of the $4,212,000 of identified intangible assets, $2,736,000 was assigned to franchise agreements, $1,034,000 was assigned to trade name, and $442,000 was assigned to developed technology. Each were determined to have useful lives of 10 years, 14 years and five years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 10.45 years. Franchise agreements, trade names, and developed technology were valued using the multiperiod excess earnings method, relief from royalty method, and cost-to-recreate method, respectively.

Grasons: On November 21, 2022, the Company acquired Grasons. Grasons is a franchisor and the franchises provides downsizing and estate sale services, business liquidation services, senior transition assistance, home staging, and home organization services. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of Grasons, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the consolidated financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

The goodwill arising from the above acquisition is largely due to the Grasons' fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, Grasons' presence in the marketplace and its long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Note 2. Acquisition of Businesses (Continued)

Consideration:	
Cash	$ 3,071,454
Contingent consideration	594,240
Due from seller	(45,924)
Total invested capital	$ 3,619,770
Recognized amount of identifiable assets acquired and liabilities assumed:	
Cash	$ 66,163
Accounts receivable	25,255
Other current assets	12,508
Deposits	1,450
Intangible assets	676,000
Accounts payable	(792)
Accrued expenses and other liabilities	(23,777)
Deferred revenue	(604,617)
Total identifiable net assets acquired	152,190
Goodwill	3,467,580
	$ 3,619,770

The Company engaged an independent valuation firm to assist with the valuation of intangible assets using the relief from royalty method.

Contingent consideration in the amount of $594,240 was recognized at the date of acquisition and is included in the balance sheet within the accrued expenses line item at December 31, 2022. The contingent consideration is based on annual royalties for the 12 months ended December 31, 2022 multiplied by an agreed upon rate. The contingent consideration was settled for approximately $492,000 and goodwill was adjusted for approximately $102,000 in 2023.

Transaction expenses of approximately $404,000 were incurred as a result of the business combination and have been expensed by the Company and included in the consolidated statement of operations within the transaction expenses line item for the year ended December 31, 2022

Of the $676,000 of identified intangible assets, $295,000 was assigned to franchise agreements and $381,000 was assigned to trade name. Each were determined to have useful lives of 10 years and 14 years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 12.25 years. Franchise agreements and trade names were valued using the multiperiod excess earnings method and relief from royalty method, respectively.

Brothers: on November 22, 2023, the Company acquired Brothers and BG (collectively Brothers Gutters). Brothers Gutters includes a franchisor and the franchises provide services associated with gutter installation, repair and maintenance. In addition, one franchisee was acquired. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of Brothers Gutters, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

Note 2. Acquisition of Businesses (Continued)

The goodwill arising from the above acquisition is largely due to the Brothers Gutters' fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, Brothers Gutters' presence in the marketplace and its long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Consideration:	
Cash	$ 47,192,063
14,709 Class A shares of EHC Holding Company, LLC	14,000,000
Due from seller	(419,099)
Total purchase consideration	$ 60,772,964
Fair value of identifiable assets acquired and liabilities assumed:	
Cash	$ 992,260
Accounts receivable	1,082,985
Inventory	47,089
Prepaid assets	108,930
Fixed asset	780,949
Contract assets	9,154,927
Intangible assets	27,157,000
Right-of-use asset and other assets	719,906
Accounts payable	(497,365)
Accrued expenses and other	(458,242)
Lease liabilities	(628,435)
Contract liabilities	(12,077,451)
Total identifiable net assets acquired	26,382,553
Goodwill	34,390,411
	$ 60,772,964

The fair value of the 14,709 Class A Units was determined based on the value of the Company at the acquisition date, using unobservable inputs.

The primary area of the preliminary valuation that is not yet finalized relates to the on-going negotiation with the Company and the seller on the working capital adjustment. An estimate of $419,099 was recorded at December 31, 2023.

Transaction expenses of approximately $1,579,000 were incurred as a result of the business combination and have been expensed by the Company and included in the statement of operations within the transaction expenses line item for the year ended December 31, 2023.

Of the $27,157,000 of identified intangible assets, $21,578,000 was assigned to franchise agreements and $5,579,000 was assigned to trade name. Each were determined to have useful lives of 10 years and 14 years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 10.8 years. Franchise agreements and trade names were valued using the multi-period excess earnings method and relief from royalty method, respectively.

Note 3. Property and Equipment

Property and equipment is summarized as follows:

	2023	2022
Furniture and fixtures	$ 386,373	$ 2,367
Computer equipment and software	1,450,561	-
Equipment	50,890	-
Leasehold improvements	250,564	-
Total property and equipment	2,138,388	2,367
Less accumulated depreciation and amortization	(98,734)	(696)
Property and equipment, net	$ 2,039,654	$ 1,671

Note 4. Intangible Assets and Goodwill

Following is a summary of intangible assets:

	December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	$ 24,937,000	$ 711,414	$ 24,225,586
Trade names	7,126,000	248,785	6,877,215
Developed technology	482,512	128,614	353,898
	$ 32,545,512	$ 1,088,813	$ 31,456,699
Goodwill	$ 51,475,640	$ 2,822,649	$ 48,652,991

	December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	$ 3,359,000	$ 139,043	$ 3,219,957
Trade names	1,547,000	60,174	1,486,826
Developed technology	482,512	32,112	450,400
	$ 5,388,512	$ 231,329	$ 5,157,183
Goodwill	$ 17,187,323	$ 737,245	$ 16,450,078

Note 4. Intangible Assets and Goodwill (Continued)

The change in the carrying value of goodwill for the year ended December 31, 2023 and 2022, is as follows:

Balance at December 31, 2021	$ 2,602,433
Additions of goodwill	14,545,344
Amortization expense	(697,699)
Balance at December 31, 2022	$ 16,450,078
Additions of goodwill	34,390,411
Reduction of contingent consideration	(102,094)
Amortization expense	(2,085,404)
Balance at December 31, 2023	$ 48,652,991

Amortization expense recognized on intangible assets and goodwill totaled approximately $2,943,000 and $919,000 as of December 31, 2023 and 2022, respectively.

The future estimated aggregate amortization expense for intangibles and goodwill is as follows for each of the next five years ending December 31:

	Goodwill	Intangibles
Years ending December 31:		
2024	$ 5,147,564	$ 3,275,574
2025	5,147,564	3,275,574
2026	5,147,564	3,275,574
2027	5,147,564	3,239,050
2028	5,147,564	3,152,671

Note 5. Leases

The Company leases three offices under operating lease agreements that have an initial term of 3 - 6 years. Some leases include one or more option to exercise renewal terms that can extend the lease term for more years, at the Company's sole discretion. In addition, some leases contain rights to terminate whereby those termination options are held by either the Company, the lessor, or both parties. These options to extend or terminate the lease are included in the lease terms only when it is reasonably certain that the Company will exercise that option. The Company's leases generally do not contain any material restrictive covenants.

Operating lease cost is recognized on a straight-line basis over the lease term. Lease expense is approximately $106,000 and $29,000 for the years ended December 31, 2023 and 2022, respectively. For the years ended December 31, 2023 and 2022, weighted average remaining on lease term is 4.7 years and 3.8 years and the weighted average discount rate is 2.64% and 1.37%, respectively.

Note 5. Leases (Continued)

Supplemental cash flow information related to leases is as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Operating leases:		
Operating cash outflows—payments on operating leases	$ 91,762	$ 30,150
Right-of-use assets in exchange for new lease obligations:		
Operating leases	$ 1,084,556	$ -

The future minimum rentals under this lease for the years subsequent to December 31, 2023, are as follows:

Years ending December 31:	
2024	$ 222,245
2025	230,942
2026	228,719
2027	203,733
2028	139,664
Thereafter	53,632
Total lease payments	1,078,935
Less imputed interest	(46,741)
Total present value of lease liabilities	$ 1,032,194

Note 6. Related-Party Transactions

A company related to the Company's majority member, charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in general and administrative expenses on the accompanying consolidated statements of operations. The total expense for the years ended December 31, 2023 and 2022, is approximately $568,000 and $500,000, respectively.

Note 7. Members' Equity

Members' equity consisted of the following membership units:

	2023	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	109,546
Class B Units	1,000,000	1,661

	2022	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	39,316
Class B Units	1,000,000	823

Class A Units have voting rights on all matters requiring the consent, approval or vote of the Members. The Class A Units receive preference on distributions.

Class B Units are deferred units that do not have voting rights and have been issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B Units are dilutive to the participating preferred units. The units substantially vest upon a change in control of the Company, if still employed.

The Company has issued 2,062 and 823 units to certain management employees as of December 31, 2023 and 2022 and had 1,224 units forfeited as of December 31, 2023.

No compensation expense is recognized on the Class B units as their vesting condition is not considered probable until a change in control occurs.

Note 8. Phantom Stock

During 2023, the Company adopted a phantom deferred unit plan. Each share of phantom deferred unit awarded to eligible individuals represents a contractual right to receive an amount in cash equal to the fair value of the unit upon the occurrence of a significant sale. The Company has authorized 1,000,000 units and 3,286 units are outstanding at December 31, 2023. No compensation expense is recognized on the phantom stock deferred units as their vesting condition is not considered probable until a significant sale occurs.

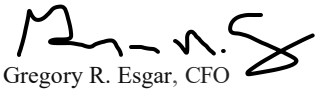
GUARANTEE OF PERFORMANCE

For value received, EHC Holding Company, LLC, a Delaware limited liability company (the "Guarantor"), located at 630 Fifth Avenue, Suite 400, New York, NY 10111, absolutely and unconditionally guarantees to assume the duties and obligations of Brothers Parsons Franchising, LLC, located at 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Scottsdale, Arizona on the 24th day of April 2026.

Guarantor:

EHC Holding Company, LLC

By: 

Gregory R. Esgar, CFO

Exhibit D-2
Guaranty of Performance

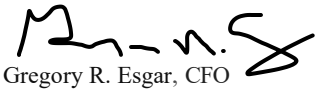
GUARANTEE OF PERFORMANCE

For value received, EHC Holding Company, LLC, a Delaware limited liability company (the "Guarantor"), located at 630 Fifth Avenue, Suite 400, New York, NY 10111, absolutely and unconditionally guarantees to assume the duties and obligations of Brothers Parsons Franchising, LLC, located at 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Scottsdale, Arizona on the 24th day of April 2026.

Guarantor:

EHC Holding Company, LLC

By: 

Gregory R. Esgar, CFO

Franchise Disclosure Document
Exhibit E – Franchise Agreement

Brothers Parsons Franchising LLC

FRANCHISE AGREEMENT

_____ Franchisee Name

The Brothers that just do Gutters®
FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

This Franchise Agreement (the "Agreement") is entered into on _____ (the "Effective Date"), between Brothers Parsons Franchising LLC, an Arizona limited liability company with a principal place of business located at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251 (the "Franchisor") and _____ (the "Franchisee").

RECITALS

Franchisor has developed a distinctive and proprietary system (the "System") for the development and operation of a business that offers, sells and provides gutter installation, maintenance, cleaning, repair, and other gutter related services and products (the "Approved Services and Products") under the Licensed Marks (defined below) (each business referred to as a "Franchised Business" or "Brothers Gutters Business");

The System is identified by the Licensed Marks and trade dress, required service and product offerings, required operating processes and procedures, required equipment and supplies, and required marketing, advertising, and business development obligations and brand standards, all of which are part of the System and may be modified by Franchisor from time to time; and

Franchisee desires to obtain the license to develop and operate a Franchised Business in conformity with the System and within a designated operating territory pursuant to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties do hereby agree, as follows:

ARTICLE 1
DEFINITIONS

Supplementing the terms and definitions contained in the foregoing "Recitations", the terms listed below have the following additional meanings:

"**Accounting Period**" refers to and means the period of time selected and determined by Franchisor for the required measurement and reporting of financial information and payment of financial obligations by Franchisee. The applicable measurement period will be determined by Franchisor from time to time with respect to Franchisee's obligations to report financial information and data to Franchisor and Franchisee's payment of all fees and other obligations under this Agreement. The respective "Accounting Period" shall be those Franchisor designated times, whether, weekly, monthly, or otherwise, as designated by Franchisor, with all such Accounting Periods automatically commencing on the earlier of the (a) Scheduled Opening Date, or (b) the Actual Opening Date of the Franchised Business and, continuing, throughout the Term of this Agreement. Unless otherwise designated by Franchisor at any time, unless otherwise specified in this Agreement, the Accounting Period shall be a weekly period for each and every week throughout the Term of this Agreement.

"**Actual Opening Date**" refers to and means the date upon which Franchisee first advertises, offers and/or provides services to the public concerning the Franchised Business.

"**Additional Initial Training Fee**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Additional Territory**" refers to each and every Territory, if any, added to Franchisee's Base Territory and, together, comprising Franchisee's Operating Territory as determined at the time of signing this Agreement and as specified in this Agreement.

"**Administrative Office(s)**" refers to and means the non-retail, back-end, administrative office and/or facilities from which a Brothers Gutters Businesses is managed. An Administrative Office may be comprised of, if permitted by law, a home based office, or a non-retail, non-public back-end office and/or facility for managing the operations of the Franchised Business and may include facilities for storing inventory and supplies, parking service vehicles, and staging on-site customer service visits.

"**Advertising Contributions**" refers to and means any and all obligations of Franchisee to contribute to and/or pay fees to Franchisor or Franchisor's affiliate or designees as set forth in this Agreement including, but not limited to, the Brand Development Fund Fees (Article 9.A.) and Advertising Cooperative contributions and contributions (Article 9.C.).

"**Advertising Cooperative**" shall have the meaning defined and set forth in Article 9.C. of this Agreement.

"**Alternative Channels of Distribution**" refers to and means retail and/or wholesale based sales and/or distribution outlets based on the world wide web, print catalogs, and mail order outlets.

"**Ancillary Agreements**" refers to and means, individually and collectively, each and every agreement between: (a) Franchisor and Franchisee, but not including this Agreement; (b) Franchisor and each of Franchisee's Owners, whether individually and/or collectively; and (c) Franchisor and each Spouse of Franchisee's Owners, whether individually and/or collectively. Without limitation to the foregoing, the term Ancillary Agreements includes the Franchise Owner and Spouse Agreement and Guaranty and the Assignment of Telephone Numbers and Digital Media Accounts, as said agreements, individually and/or collectively, may have been entered into between the foregoing parties.

"**Annual Conference Attendance Fee**" refers to and means an annual conference attendance fee to be paid by Franchisee to Franchisor in an amount determined by Franchisor but not exceeding $1,000 annually.

"**Annual Minimum Gross Sales Requirements**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Annual System Conference**" refers to and means a conference that may be established and organized by Franchisor for the purpose of facilitating networking among Brothers Gutters Business franchisees, and general education. Franchisor shall designate and determine whether or not an Annual System Conference shall occur and, if one is established in any particular year, the dates, content and location of the Annual System Conference. The Annual System Conference shall be for a duration of not more than three consecutive days per calendar year. Franchisee is responsible for all costs and expenses associated with Franchisee's travel to and attendance at the Annual System Conference.

"**Approved Services and Products**" shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean refers to and means those products and services that Franchisor authorizes for sale by Brothers Gutters Businesses. Franchisor shall exclusively designate and

determine the Approved Services and Products and Franchisor, in Franchisor's Reasonable Business Judgment, may change, modify, reduce or supplement the Approved Services and Products that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Operations Manual, subject to changes that Franchisor may make from time to time and Franchisor's right to change and modify the Approved Services and Products, shall designate the Approved Services and Products that must be offered and sold by the Franchised Business. The Franchised Business may only offer and sell the Approved Services and Products.

"**Artificial Intelligence**" or "**AI**" means any machine-based system, software, model, algorithm, application, platform of tool (including generative, predictive, or automated decision-making systems) that is designed to perform tasks or functions that ordinarily require human intelligence, judgment, or decision-making, including learning from data, recognizing patterns, generating content, making recommendations, or automating actions, whether operated independently or in combination with other technologies, and whether accessed directly or through third party platforms or services.

"**Assigned Area**" refers to and means the operating area, designated area and/or territory of current and future Brothers Gutters Businesses other than the Operating Territory of Franchisee's Brothers Gutters Business. Franchisor shall exclusively determine Assigned Areas.

"**Assignee Corporate Entity**" shall have the meaning defined and set forth in Article 14.E. of this Agreement.

"**Assignment of Telephone Numbers and Digital Media Accounts**" refers to and means the form "Assignment of Telephone Numbers and Digital Media Accounts" agreement attached to this Agreement as Exhibit 3.

"**Base Territory**" refers to and means the initial / first designated Territory comprising Franchisee's Operating Territory.

"**Brand Development Fund**" shall have the meaning defined and set forth in Article 9.A. of this Agreement.

"**Brand Development Fund Fee**" shall have the meaning defined and set forth in Article 9.A. of this Agreement.

"**Brothers Gutters Business(es)**" refers to and means any business or businesses owned and/or operated by Franchisor, Franchisor's affiliates or an authorized franchisee that utilizes or is required to utilize the System and Licensed Marks.

"**Business Management System**" refers to and means the software, internet, web based and/or cloud based system or systems, point of sale system or systems and customer relationship management system or systems as same may be individually or collectively designated by Franchisor, in Franchisor's Reasonable Business Judgment, as being required for use by the Franchised Business, including, but not limited to, the day-to-day sales, ordering, operations and management of the Franchised Business. Franchisor reserves the right to modify and designate alternative Business Management Systems as Franchisor determines in Franchisor's Reasonable Business Judgment. At all times, Franchisor shall possess direct live access and storage based access to the Business Management System for the Franchised Business and to Franchisee's Business Management System Data.

"**Business Management System Data**" refers to and means the forms, data, tools, customer information and sales information that: (a) is pre-populated or entered into the Business Management System utilized

by Franchisee; (b) is entered (whether by Franchisor or Franchisee) into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by the Business Management System in connection with the management and operations of Franchisee's Brothers Gutters Business.

"**Closed Market**" refers to and means any and all Corporate Account customers that presently, or in the future, are located within Franchisee's Operating Territory.

"**Competitive Business**" refers to and means any business that markets, sells, offers and/or provides residential and/or commercial gutter cleaning, gutter maintenance, gutter installation, gutter replacement and/or repair services and gutter products. Without limitation to the foregoing, a Competitive Business shall further include any business that offers or sells gutter installation kits, gutter recycling services, gutter guards, gutter supplies and/or products and/or soffit maintenance installation and/or repairs.

"**Confidential Information**" refers to and means all of our trade secrets, methods, techniques, procedures, data and information (as same may exist as of the Effective Date of this Agreement and as may be developed, modified and supplemented in the future) constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of Brothers Gutters Businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by, and specifications for and knowledge of suppliers of certain materials, equipment, products, supplies and procedures used and/or sold by Brothers Gutters Businesses; (c) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of Brothers Gutters Businesses; (d) customer lists and information related to Brothers Gutters Businesses and Brothers Gutters Businesses; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

"**Confidentiality Agreement**" refers to and means the sample form of "Confidentiality Agreement" attached to this Agreement as Exhibit 2.

"**Contact Center**" refers to and means any and all organized communication systems and methods approved by Franchisor by which an individual (referred to as a "prospective customer") attempts to contact and/or communicate with a Franchisor designated corporate representative, a System customer service representative, and/or a Brothers Gutters Businesses. Franchisor, at Franchisor's election and determination, maintains sole discretion to manage, control and coordinate all Contact Center communications, including initial communications, on-going communications and responsive communications for purposes that, at Franchisor's discretion, may include: (a) receiving and responding to telephone calls from prospective customers; (b) receiving and responding to telephone calls from prospective customers attempting to contact a System representative, (c) receiving and responding to telephone calls, emails, web chats, web contacts, lead generation source contacts and other contacts that Franchisee may receive from prospective customers, current customers and former customers of the Franchised Business; (d) to individually and/or collectively process, schedule, reschedule, book and/or monitor estimate appointments with customers and prospective customers of the Franchised Business; (e) to individually and/or collectively process, schedule, reschedule, book and/or monitor service appointments with customers and prospective customers of the Franchised Business; and/or (f) to individually and/or collectively process and respond complaints and/or additional inquiries from customers or prospective customers of the Franchised Business.

"**Contact Center Fees**" shall have the meaning defined and set forth in Article 5.D. of this Agreement.

"**Contact Center Rate**" shall have the meaning defined and set forth in Article 5.D. of this Agreement.

"**Contact Center Services**" refers to and means any and all services offered and provided by Franchisor and/or required by Franchisor in connection with Franchisor's management and operation of Contact Center. Franchisor, in Franchisor's Reasonable Business Judgement and at Franchisor's discretion shall determine, from time to time, the services that may or may not be included in the Contact Center Services and what activities and actions may be delegated to Franchisees and/or may be required to be performed directly by each respective Franchisee at each Franchisee's sole cost and expense separate and apart from the Contact Center Fees. Franchisee agrees that Franchisor not and shall not be responsible for the conversion of customers or potential customers for the Franchised Business and in no event does Franchisor represent nor warranty revenue and/or converted customers that will or may be derived as a result of the Contact Center Services.

"**Controlling Interest**" shall exist for the following individuals, Owners, partners and/or entities: (a) (If Franchisee is a corporation) a controlling interest shall exist for such shareholders and Owners of the voting shares of stock of Franchisee as (i) shall permit voting control of Franchisee on any issue and/or (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (b) (If Franchisee is a general partnership) a controlling interest shall exist for such partners and Owners that possess a managing partnership interest or such percentage of the general partnership interests in Franchisee as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (c) (If Franchisee is a limited partnership) a controlling interest shall exist for such partners and Owners that possess a general partnership interest; and (d) (If Franchisee is a limited liability company) a controlling interest shall exist for such members and Owners that possess a percentage of the membership interests as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination or entity from blocking voting control on any issue or exercising any veto power.

"**Copyrights**" refers to and means all works and materials for which Franchisor or any affiliate of Franchisor has secured common law or registered copyright protection and Franchisor uses and/or allows franchisees to use in the operation of a Brothers Gutters Business, whether as of the Effective Date of this Agreement or any time in the future.

"**Corporate Accounts**" refers to and means local, regional, and/or national businesses that Franchisor and/or Franchisor's affiliates enter into with local, regional, and/or national retailers that, directly or indirectly, offer, provide, and/or subcontract on behalf of their end-user customers services and products that compete with or that are similar to the Approved Services and Products. Without limitation to the foregoing, examples of Corporate Accounts include home improvement retailers, wholesale discount clubs, national and regional new home construction contractors.

"**Corporate Entity**" refers to and means a corporation, limited liability company, partnership or other corporate legal entity that is not an individual person.

"**Customer Satisfaction Non-Compliance Event**" refers to and means any circumstance and/or event whereby Franchisee's monthly customer satisfaction and/or approval ratings, as measured on a monthly basis by a reputation management and/or customer review platform designated or selected by Franchisor, fails to achieve an aggregate customer satisfaction and/or approval rating of not less than 4.5 stars out of 5 starts and/or a 90% positive satisfaction rating for any particular month.

"**Customer Satisfaction Non-Compliance Fee**" refers to and means a fee payable by Franchisee in an amount equal to not less than $250 per month. If a Customer Satisfaction Non-Compliance Event(s) occurs or lasts for more than three consecutive months then Franchisor, in Franchisor's Reasonable Business Judgment, may increase the Customer Satisfaction Non-Compliance Fee to a monthly amount determined

by Franchisor but not in excess of $750 per month. The Customer Satisfaction Non-Compliance Fee is payable by Franchisee to Franchisor on demand by Franchisor.

"**Customer Vouchers**" refers to and means any and all gift cards, vouchers, receipts, cards and other evidence of a pre-paid purchase transaction or goods and/or services, and whether in electronic form, printed form, card or otherwise, concerning a Brothers Gutters Business.

"**Digital Media**" refers to and means any interactive or static digital document, listing, directory, application, advertisement, link, metadata, or media that is transmitted within a closed or private network, or that is connected to, in communication with, and/or networked with computers, applications, or other devices linked by communications systems, data systems, a part of the world wide web including, traditional websites, web based applications, distributed databases, including, blockchain, software applications, smart phone applications, or social media platforms such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok, and YouTube, that refers, references, identifies, reviews, promotes and/or relates, in any way, to, a Brothers Gutters Business, the Franchised Business, the Licensed Marks, the System and/or Franchisor. Digital Media includes the System Website, and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

"**Direct Solicitation**" refers to and means communications and/or contacts occurring through in person contact, telephone, mail, electronic mail, direct mail, distributed print media, Digital Media, Marketing Media, media distribution and/or marketing directed toward customers, potential customers or referral sources of the Franchised Business.

"**Due Date**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Effective Date**" shall be the date set forth and referred to in the first paragraph of this Agreement.

"**First Renewal Term**" refers to and means the 10 year period that commences on the expiration of the Term and continues for the 10 year period thereafter. The First Renewal Term shall apply only if Franchisee is entitled to invoke and does invoke Franchisee's renewal rights in accordance with the terms and conditions of this Agreement.

"**Franchised Business**" refers to and means the Brothers Gutters Business that Franchisee shall develop and is required to establish, maintain and operate as part of the System and in accordance with the terms, conditions and obligations set forth in this Agreement and the Operations Manual. Without limitation to the foregoing, the Franchised Business shall be exclusively established, maintained, owned and operated by Franchisee within Franchisee's designated Operating Territory and in accordance with the terms of this Agreement. Shall have the same meaning as Franchisee's Brothers Gutters Business.

"**Franchisee's Administrative Office**" refers to and means Franchisee's administrative office. If Franchisee elects to conduct the administrative operations of the Franchised Business from a home office, Franchisee may do so as long as it is permitted by applicable laws and regulations.

"**Franchisee's Brothers Gutters Business**" refers to and means the Brothers Gutters Business that Franchisee shall operate within the Operating Territory pursuant to the terms, conditions and obligations set forth in this Agreement. Shall have the same meaning as Franchised Business.

"**Franchisor's Reasonable Business Judgment**" refers to, means, and relates to any and all decisions, actions and choices made by Franchisor concerning or relating to this Agreement, the System generally, Brothers Gutters Businesses and/or the Franchised Business where Franchisor undertakes or makes such decision with the intention of benefitting or acting in a way that could benefit the System. When making

decisions and/or taking actions in Franchisor's Reasonable Business Judgment, Franchisor may, in addition to all other rights afforded to Franchisor under this Agreement, consider factors, in whole or in part, that include: Franchisor's profits; enhancing the value of the Licensed Marks, increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks, determining operating territory markets, minimizing potential customer confusion as to the location of Brothers Gutters Businesses, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. Franchisee agrees that when a decision, determination, action and/or choice is made by Franchisor in Franchisor's Reasonable Business Judgment that such decision, determination, action or choice shall take precedence and prevail, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee agrees that in connection with any decision, determination, action and/or choice made by Franchisor in Franchisor's Reasonable Business Judgment that: (a) Franchisor possesses a legitimate interest in seeking to maximize Franchisor's profits; (b) Franchisor shall not be required to consider Franchisee's individual economic or business interests as compared to the overall System; and (c) should Franchisor economically benefit from such decision, determination, action and/or choice that such economic benefit to Franchisor shall not be relevant to demonstrating that Franchisor did not exercise reasonable business judgment with regard to Franchisor's obligations under this Agreement and/or with regard to the System. Franchisee agrees that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee's or such third party's judgment for Franchisor's Reasonable Business Judgment. Franchisee agrees that should Franchisee challenge Franchisor's Reasonable Business Judgment in any legal proceeding that Franchisee possesses the burden of demonstrating, by clear and convincing evidence, that Franchisor failed to exercise Franchisor's Reasonable Business Judgment.

"**GAAP**" refers to and means United States Generally Accepted Accounting Principles.

"**Gross Sales**" refers to and means the total dollar sales from all business and customers of the Franchised Business and includes the total gross amount of revenues and sales from whatever source derived, whether in form of cash, credit, receipts, agreements to pay, invoices, or other consideration including the actual retail value of any goods or services traded, borrowed, or received by Franchisee in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by Franchisee or any other person or Corporate Entity from business conducted or which started in, on, from or through the Franchised Business and/or Operating Territory, whether such business is/was conducted in compliance with or in violation of the terms of this Agreement. Supplementing the foregoing, Gross Sales further includes the total gross amount of revenues and sales from whatever source derived from and/or derived by Franchisee (including any person and/or Corporate Entity acting on behalf of Franchisee) from business conducted within and/or outside the Operating Territory that is related to the Franchised Business and/or a Competitive Business located and/or operated within the Operating Territory, outside the Operating Territory, and/or otherwise (the foregoing does not constitute approval for Franchisee's operation of a Competitive Business and/or the operation of a Brothers Gutters Business outside of the Operating Territory). Gross Sales do not include sales or use taxes collected by Franchisee and authorized promotional discounts that Franchisee provides to customers.

"**Immediate Family Member**" refers to and means the spouse of a person and any other member of the household of such person, including, without limitation, children, and grandchildren of such person. Immediate Family Member shall further refer to and mean the spouse, children, grandchildren, and other members of the household of each Franchisee, if Franchisee is an individual, or each Owner of Franchisee if Franchisee is a Corporate Entity.

"**IP Claim**" shall have the meaning defined and set forth in Article 11.E. of this Agreement.

"**Know-How**" refers to means all of Franchisor's trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a Brothers Gutters Business including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information reflected in, comprising or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

"**Licensed Marks**" refers to and means the trademarks, service marks, emblems and indicia of origin, including the "The Brothers that just do Gutters" trademark, the Brothers that just do Gutters logo, Trade Dress, and other trade names, service marks, trademarks, logos, slogans and designs authorized by Franchisor in connection with the identification of Brothers Gutters Businesses and the Approved Services and Products, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by Franchisor in Franchisor's Reasonable Business Judgment.

"**Managers**" refers to and means the Managing Owners plus all assistant managers of the Franchised Business and all other employees, independent contractors, consultants, directors and board members who may possess access to the Confidential Information.

"**Managing Owner**" refers to and means, if Franchisee is a partnership or corporation, the owner responsible for the day-to-day oversight, management and operation of the Franchised Business. Said individual must possess and maintain an ownership and/or equity interest in the Franchise such that said individual owns, holds and controls no less than 25% of the equity and ownership interests in the Franchise. The Managing Owner, at all times, must participate (on a full time basis) in the day-to-day operations of the Franchised Business.

"**Marketing Media**" refers to and means all communications, whether written, oral, digital, or otherwise utilized for and/or designed for the purpose of marketing, advertising and/or promoting the Franchised Business including, but not limited to, Direct Solicitations, Digital Media, social media, print publications, print mailers, email communications and public relations.

"**Media Distribution**" shall have the meaning defined and set forth in Article 9.G. of this Agreement.

"**Minimum Weekly Royalty Fee Requirement**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Open Area**" refers to a geographic territory and area that (a) is not an Assigned Area; and (b) is located within a 10 mile radius of Franchisee's Operating Territory.

"**Operating Manager**" refers to and means the Manager designated by Franchisee or Franchisee's Managing Owner, that is charged with the obligation and responsibility to supervise and manage the day-to-day operations of the Franchised Business. At all times, the Operating Manager must: (a) meet all of Franchisor's minimum training and brand quality control standards and criteria for managers as may be set forth in the Operations Manual; (b) successfully complete Franchisor's Training Program; (c) sign the Confidentiality Agreement; and (d) agree, in writing, to assume responsibility for the on-site management and supervision of the Franchised Business.

"**Operating Territory**" shall have the meaning defined and set forth in Article 2.A. of this Agreement.

"**Operations Manual**" refers to and means, individually and collectively, the manual(s) designated by Franchisor and relating to the development and/or operations of Brothers Gutters Businesses including, but

not limited to, the policies, procedures and requirements for the development and operation of Brothers Gutters Businesses. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by Franchisor from time to time in Franchisor's Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to Franchisor's modification from time to time and based on Franchisor's Reasonable Business Judgment, the Operations Manual shall, among other things, designate the Approved Services and Products that must be offered and provided by the Franchised Business and the System Supplies that must be exclusively utilized by the Brothers Gutters Business. Only Approved Services and Products may be offered and sold by the Franchised Business. Only System Supplies may be utilized by Franchisee in the operations of the Franchised Business.

"**Operations Non-Compliance Fee**" shall have the meaning defined and set forth in Article 7.J. of this Agreement.

"**Operations Violation**" shall have the meaning defined and set forth in Article 7.J. of this Agreement.

"**Out of Territory Customer**" refers to and means a customer or potential customer of a Brothers Gutters Business where the customer and the location of the services and products to be provided on behalf of such customer are located outside Franchisee's Operating Territory and in an Open Area.

"**Out of Territory Rules**" shall have the meaning defined and set forth in Article 3.I. of this Agreement.

"**Owner**" refers to and means collectively, individually and jointly: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Managing Owner(s). Franchisee's Owners are identified in Schedule 3 to this Agreement.

"**Owner and Spouse Agreement and Guaranty**" refers to and means the form of agreement attached to this Agreement as Exhibit 1. The Owner and Spouse Agreement and Guaranty is an agreement and guarantee entered into by the Owners and Spouses of Franchisee and is entered into in their respective individual and personal capacities.

"**Qualified Single-Family Households**" refers to and means a single-family household that is occupied by individuals or families that have an annual household income exceeding $60,000. The number of Qualified Single-Family Households within Franchisee's Operating Territory will be determined by Franchisor in Franchisor's Reasonable Business Judgment based on the most recent published data available to Franchisor through the U.S. Census Bureau or other data that Franchisor believes to be more reliable. The number of single family households will be determined in the aggregate and calculated based on raw data and without regard to demographics, age or other qualifying factors. All determinations shall be based upon data existing as of or prior to the Effective Date of this Agreement.

"**Payment Non-Compliance Fee**" shall have the meaning defined and set forth in Article 5.F. of this Agreement.

"**Post-Term Restricted Period**" refers to and means the 24 month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee assigns the Franchise Agreement to another person and/or Corporate Entity. Provided however,

that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Post-Term Restricted Period" means the 18 month period after the earliest to occur of the following: (i) the expiration or termination of this Agreement for any reason; or (ii) the date on which Franchisee assigns the Franchise Agreement to another person and/or Corporate Entity.

"**Prohibited Activities**" shall have the meaning defined and set forth in Article 6.D. of this Agreement.

"**Published Content**" refers to and means any and all information, data, articles, press releases, digital content, special offers, product information, service information, web posts, videos and other information relating to and/or concerning the Franchised Business, the System, and/or the Licensed Marks that is or was made available by Franchisee and/or Franchisee's agents to the public in print and/or electronic format and/or published, listed, made available, uploaded on, downloaded to and/or posted to Digital Media.

"**Renewal Ancillary Agreements**" refers to and means Franchisor's then current individual guaranty agreement and other agreements ancillary to the Renewal Franchise Agreement that Franchisee's Owners and their Spouses, respectively, must agree to, sign and deliver to Franchisor within 30 days of the date of delivery by Franchisor to Franchisee.

"**Renewal Fee**" shall have the meaning defined and set forth in Article 15.A. of this Agreement. The Renewal Fee is a fixed sum of $10,000.

"**Renewal Franchise Agreement**" refers to and means Franchisor's then current form Franchise Agreement for the Renewal Term that Franchisee must agree to, sign, and deliver to Franchisor within 30 days of the date of delivery by Franchisor to Franchisee, along with payment of the Renewal Fee.

"**Renewal Notice**" shall have the meaning defined and set forth in Article 15.B.

"**Renewal Term**" refers to and means the First Renewal Term or the Second Renewal Term, individually.

"**Reporting Non-Compliance Fee**" shall have the meaning defined and set forth in Article 12.C. of this Agreement.

"**Reporting Violation**" shall have the meaning defined and set forth in Article 12.C. of this Agreement.

"**Reputation Management Services**" refers to and means the customer review, customer review monitoring and/or reporting services and/or reputation management services designated by Franchisor. Franchisor, in Franchisor's Reasonable Business Judgement, shall exclusively select the Reputation Management Services to be used by Franchisee and to determine and select the websites, social media sites, reporting services, surveys, and service platforms to be included in any evaluation and/or determination of Franchisee's monthly customer satisfaction and approval ratings.

"**Restricted Territory**" refers to and means the entire geographic area within and comprising: (a) Franchisee's Operating Territory; (b) a 25 mile radius surrounding Franchisee's Operating Territory; and (c) all other operating territories for Brothers Gutters Businesses that are operated and/or under development by Franchisor or other Brothers Gutters Business franchisees as of the Effective Date of this Agreement and those that are in operation during all or any part of the Post-Term Restricted Period. However, if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within and comprising Franchisee's Operating Territory plus a 25 mile radius surrounding Franchisee's Operating Territory.

"**Royalty and Activity Report**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Royalty Fee**" shall have the meaning defined and set forth in Article 5.B. of this Agreement.

"**Scheduled Opening Date**" shall refer to and mean the day that occurs 120 days immediately following the Effective Date of this Agreement.

"**Second Renewal Term**" refers to and means the 10 year period that commences on the expiration of the First Renewal Term and continues for the 10 year period thereafter. The Second Year Renewal Term shall apply only if Franchisee is entitled to invoke and does invoke Franchisee's renewal rights in accordance with the terms and conditions of this Agreement.

"**Service Vehicle(s)**" refers to and means the Franchisor approved commercial vehicle(s) to be acquired, leased, maintained and operated by Brothers Gutters Business franchisees in connection with the day to day operations of a Brothers Gutters Business. Franchisee's Service Vehicle(s) must be dedicated to the day to day operations of the Franchised Business, must be approved by Franchisor, and must meet Franchisor's specifications as to vehicle models, vehicle age, vehicle type, interior configuration and capability, signs, and exterior vehicle wrap.

"**Spouse**" refers to and means the legal spouse of an Owner.

"**Supplemental Training**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Supplemental Training Fee**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**System**" shall have the meaning defined in the "Recitals" section of this Agreement and is further supplemented, as follows: (a) the Approved Services and Products, System Supplies and the services, procedures and systems that are designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a Brothers Gutters Business; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights, (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a Brothers Gutters Business; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by Franchisor in Franchisor's Reasonable Business Judgment.

"**System Supplies**" refers to and means the equipment and supplies designated by Franchisor as required for use in connection with Franchisee's Brothers Gutters Business and the Approved Services and Products. Without limitation to the foregoing, the System Supplies shall include System branded, non-branded and third party branded equipment and supplies designated by Franchisor for use in the day-to-day operations of Franchisee's Brothers Gutters Business including, among other things: gutters, gutter guards, gutter installation kits, gutter installation and repair tools, Customer Vouchers, installation kits, uniforms, and other products designated by Franchisor in the Operations Manual and/or otherwise in writing and, as may be modified and supplemented by Franchisor from time to time in Franchisor's Reasonable Business Judgment. System Supplies shall further include those products that Franchisor authorizes for sale to customers of Franchisee's Brothers Gutters Business.

"**System Website**" refers to and means the web page and pages located on the world wide web at the www.brothersgutters.com domain and shall further include all webpages and subdomains including, those that are franchisee and/or geography specific, that are a part of www.brothersgutters.com, or as designated by Franchisor being associated with the URL of www.brothersgutters.com and/or Brothers Gutters Businesses.

"**Technology Fee**" shall have the meaning defined and set forth in Article 5.C. of this Agreement.

"**Term**" refers to and means the period of time set forth and defined in Article 2.B. of this Agreement and the applicable Renewal Term, if any, if Franchisee invokes Franchisee's renewal rights in accordance with the terms of this Agreement.

"**Territory**" refers to a geographic area, as determined and designated by Franchisor in Franchisor's Reasonable Business Judgment, comprising approximately 75,000 Qualified Single-Family Households.

"**Trade Dress**" refers to and means the Brothers Gutters Business designs, images, marketing materials, packaging, branding and/or branding images which Franchisor authorizes and requires Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by Franchisor from time to time.

"**Training Program**" shall have the meaning defined and set forth in Article 4.A. of this Agreement.

"**Transfer**" refers to and means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee; and/or (e) the legal and/or equitable transfer and/or sale of an Owners interests and/or voting rights in Franchisee.

"**Transfer Fee**" shall have the meaning defined in Article 14.C.(11) of this Agreement. The Transfer Fee is a fixed sum of $10,000.

ARTICLE 2
GRANT OF FRANCHISE

2.A. GRANT OF FRANCHISE

Franchisee has requested that Franchisor grant to Franchisee the non-exclusive license and right to develop, own and operate a Brothers Gutters Business within a specified territory. In reliance on the representations made by Franchisee and/or Franchisee's Owners in any submitted application and during the application process, and, subject to the terms and conditions of this Agreement, Franchisee's request has been approved by Franchisor, subject to the following terms and conditions:

(1) During the Term of this Agreement and subject to the rights of Franchisor including, but not limited to, the Reserved Rights, Franchisor grants to Franchisee and Franchisee accepts, the non-exclusive license, right and obligation to develop and operate a Brothers Gutters Business within the operating territory designated and set forth in Schedule 1 of this Agreement (the "Operating Territory"). If Schedule 1 does not specifically identify and designate an Operating Territory,

and/or if Schedule 1 is not signed by Franchisor, the Operating Territory shall be determined by Franchisor in Franchisor's Reasonable Business Judgment;

(2) The Operating Territory shall be comprised of a Base Territory and if, at the time of signing this Agreement, Franchisor and Franchisee agree to supplement the size of Franchisee's Operating Territory by adding additional Qualified Single-Family Households and/or Additional Territories to Franchisee's Base Territory, the additional Qualified Single-Family Households and/or Additional Territories shall also be included within the territory identified in Schedule 1 and shall be quantified in Schedule 2 for purposes of calculating the Initial Franchise Fee;

(3) Franchisee's Administrative Office must be located within the Operating Territory and be approved by Franchisor;

(4) Franchisee may only operate the Franchised Business within Franchisee's Operating Territory and, without limitation to the foregoing, Franchisee may only offer and sell the Approved Services and Products within Franchisee's Operating Territory, the System standards designated by Franchisor, and in accordance with the requirements designated by Franchisor in the Operations Manual;

(5) Except as otherwise provided in this Agreement including, but not limited to, the Reserved Rights and Closed Markets, provided that, at all times, Franchisee is and remains in compliance with the terms of this Agreement, during the Term of this Agreement, Franchisor will not and Franchisor's affiliates will not operate, or grant a franchisee the right to operate a Brothers Gutters Business using the Licensed Marks and System within Franchisee's Operating Territory, provided that an Operating Territory has been designated and approved by Franchisor in accordance with the terms of this Agreement; and

(6) The foregoing rights granted in this Article 2.A. are subject to and contingent upon each and every, term and condition of this Agreement, the rights of any prior user, and are non-exclusive and subordinate to the Reserved Rights.

2.B. TERM

Unless sooner terminated pursuant to the terms of this Agreement, the term of this Agreement will be for a period of 10 consecutive years, commencing from the Effective Date (the "Term").

2.C. GUARANTY, CONFIDENTIALITY AND RESTRICTIVE COVENANTS

If Franchisee is, at any time, a Corporate Entity, Franchisee agrees that each Owner and their respective Spouse shall execute, sign and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1 and, in doing so, among other things, will individually, jointly, and severally, guarantee Franchisee's obligations under this Agreement and personally bind themselves to confidentiality and non-competition covenants and restrictions.

2.D. RESERVATION OF RIGHTS

Franchisor on behalf of itself, its affiliates and its assigns retains all rights, on any and all terms and conditions that Franchisor deems advisable and without any compensation or consideration to Franchisee to engage in the following activities (the "Reserved Rights"): (a) operate and grant to others the right to operate a Franchised Business, Brothers Gutters Business and/or other businesses using the System and Licensed Marks at locations outside Franchisee's Operating Territory; (b) acquire or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, and after such acquisition, merger or affiliation to own and operate and to franchise or license others to own and operate and to continue to own and operate such businesses, including Competitive

Businesses (but not utilizing the Licensed Marks) within Franchisee's Operating Territory; (c) be acquired by or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, even if such business or businesses presently or, in the future, own and operate and franchise or license others to own and operate such businesses, including Competitive Businesses (but not utilizing the Licensed Marks) within Franchisee's Operating Territory; (d) use the Licensed Marks and System to distribute the Approved Services and Products offered and sold by the Franchised Business or products and services similar to the Approved Services and Products offered and sold by the Franchised Business in Alternative Channels of Distribution within or outside your Operating Territory; (e) use the Licensed Marks and System to offer, sell, and provide Approved Services and Products or products and services similar to the Approved Services and Products offered and sold by the Franchised Business on behalf of customers of Corporate Accounts within or outside Franchisee's Operating Territory; and (f) use the Licensed Marks and System and to license others to use the Licensed Marks and System, to engage in all other activities not expressly prohibited by the Franchise Agreement.

2.E. MODIFICATION OF SYSTEM

Franchisor, in Franchisor's Reasonable Business Judgment, reserves the right, at all times, to supplement, modify, alter and/or amend the System including any and/or all components of the System. Franchisee shall promptly comply with all such modifications to the System whether such modification results in the addition, subtraction, modification and/or enhancement to any and/or all components of the System. Franchisor shall provide Franchisee with a reasonable time period to comply with any change or modification to the System, which shall be communicated to Franchisee by Franchisor including, but not limited to, communication through the Operations Manual. Franchisor's modifications to the System shall not materially alter Franchisee's fundamental rights under this Agreement.

2.F. CORPORATE ENTITY OWNERSHIP

If Franchisee is a Corporate Entity, Franchisee represents that: (a) the information contained in Schedule 3 of this Agreement is and shall remain complete, true and accurate throughout the Term of this Agreement; (b) Franchisee has been duly organized and validly exists under the law of the state where Franchisee was formed; (c) Franchisee is duly qualified and authorized to conduct business within the jurisdiction comprising Franchisee's Operating Territory and in each jurisdiction where Franchisee is or will be conducting business; and (d) the execution of this Agreement and the consummation of the transactions contemplated by this Agreement are within Franchisee's corporate power and are authorized.

ARTICLE 3
DEVELOPMENT AND OPERATION OF THE FRANCHISED BUSINESS

3.A. DEVELOPMENT OF THE FRANCHISED BUSINESS

Franchisee must develop and open the Franchised Business on or before the Scheduled Opening Date. Notwithstanding the foregoing, prior to opening and commencing the operations of the Franchised Business, Franchisee must, as determined by Franchisor: (a) be in compliance with the terms and conditions of this Agreement; (b) have satisfied the pre-opening obligations designated by Franchisor in the Operations Manual; (c) have completed and satisfied the training obligations designated by Franchisor; (d) have developed an Administrative Office in conformity with Franchisor's standards and specifications and as otherwise required by Franchisor in the Operations Manual; (e) have obtained the necessary licenses and permits to operate the Franchised Business; (f) have secured a Service Vehicle in in conformity with Franchisor's standards and specifications and as otherwise required by Franchisor in the Operations Manual; and (g) have obtained Franchisor's written consent to open the Franchised Business.

3.B. OPERATIONS OF THE FRANCHISED BUSINESS

At all times the Franchised Business shall: (a) be operated within Franchisee's Operating Territory, excluding Closed Markets; (b) be operated from an approved Administrative Office located within the

Operating Territory; (c) exclusively offer, sell and provide the Approved Services and Products in accordance with Franchisor's standards, specifications, and requirements; (d) ensure that the Approved Services and Products are only offered and provided by Franchisee through employees and/or Owners that have, to Franchisor's satisfaction, completed the training requirements and Training Programs required by Franchisor; (e) exclusively use, maintain, and, stock in inventory, the System Supplies in such quantities as designated by Franchisor; (f) exclusively purchase the System Supplies from the supplier and/or suppliers, vendor and/or vendors approved by Franchisor and designated by Franchisor, in Franchisor's Reasonable Business Judgment; (g) be exclusively managed and operated by Franchisee or, if Franchisee is a Corporate Entity, Franchisee's Managing Owner; (h) maintain the necessary licenses and permits and, those licenses and permits required, and/or recommended by Franchisor, for Franchisee's development, ownership, and operation of the Franchised Business; (i) exclusively provide the Approved Services and Products from on-site at customer locations and using an approved Service Vehicles; and (j) be operated in conformity with Franchisor's standards, specifications, criteria and requirements as set forth by Franchisor in the Operations Manual as such Operations Manual exists as of the Effective Date of this Agreement and as the Operations Manual may be modified and supplemented from time to time in the future by Franchisor, in Franchisor's Reasonable Business Judgment.

3.C. FRANCHISEE'S ADMINISTRATIVE OFFICE

Franchisee must operate the Franchised Business from an Administrative Office that conforms to Franchisor's standards and specifications and, such other requirements as set forth in the Operations Manual. Franchisee must obtain Franchisor's written approval of the location of Franchisee's Administrative Office. Franchisee's Administrative Office must not be accessible to the public or to Franchise's customers. If permitted by applicable laws, rules, and regulations, including, but not limited to, local zoning laws and regulations (to be independently verified by Franchisee) Franchisee may designate Franchisee's personal residence as Franchisee's Administrative Office. Otherwise, Franchisee must develop Franchisee's Administrative Office from a commercial location located within the Operating Territory. If applicable, Franchisor will furnish Franchisee with Franchisor's then current preliminary plans and specifications for an Administrative Office. Franchisee shall develop, operate and manage the Franchised Business from an Administrative Office, that: (a) was identified and evaluated by Franchisee; (b) complies with the terms and conditions of this Agreement; (c) satisfies and meets Franchisor's standards and specifications; (d) is timely presented by Franchisee to Franchisor for approval as Franchisee's proposed Administrative Office; (e) is approved by Franchisor as Franchisee's Administrative Office; (f) is timely secured by Franchisee within 60 days of the Effective Date of this Agreement, as evidenced by a binding lease with a duration equal to the full Term of this Agreement; and (g) otherwise meets the terms and conditions of this Agreement and Franchisor's standards and specifications.

Franchisee will not lease, purchase or otherwise acquire a proposed Administrative Office until such information as Franchisor may require as to the proposed Administrative Office has been provided to Franchisor by Franchisee and, Franchisor has approved the location in accordance with the terms and conditions of this Agreement. Franchisor shall respond to Franchisee's request for approval of a proposed Administrative Office within 30 days following Franchisor's receipt, from Franchisee, of complete written information about Franchisee's proposed Administrative Office. If Franchisor rejects or disapproves Franchisee's proposed Administrative Office, Franchisee must nevertheless identify and obtain Franchisor's approval of a proposed Administrative Office within the time requirements set forth in this Agreement. Franchisor's disapproval of a proposed Administrative Office shall not serve as a basis to extend any deadline or requirement set forth in this Agreement.

Franchisor's approval of Franchisee's proposed Administrative Office is not and does not constitute a representation or warranty of any kind other than that Franchisor does not object to or disapprove of Franchisee's proposed Administrative Office. No provision of this Agreement shall be construed or interpreted to impose an obligation on Franchisor to locate an Administrative Office for the Franchised

Business, to assist Franchisee in the selection of a suitable Administrative Office, or to provide assistance to the Franchisee in the purchase or lease of an Administrative Office.

3.D. FURNITURE, FIXTURES, EQUIPMENT AND SIGNS

Except as to an Administrative Office operated from the personal residence of Franchisee or Franchisee's Owner, Franchisee agrees to use in the construction and operation of Franchisee's Administrative Office only those types of construction and decorating materials, fixtures, equipment, furniture, and signs that Franchisor has approved or designated in the Operations Manual for Franchised Business as meeting Franchisor's specifications and standards for appearance, function and performance. Franchisee shall purchase approved or designated types of construction and decorating materials, fixtures, equipment, furniture and signs including, but not limited to, System Supplies, only from suppliers approved or designated by Franchisor from time to time in writing and/or in the Operations Manual.

3.E. SYSTEM SUPPLIES

Franchisee shall exclusively purchase and use the System Supplies in the operations of the Franchised Business. Franchisee shall exclusively purchase the System Supplies from the supplier and/or suppliers and vendor and/or vendors designated by Franchisor from time to time. Franchisee agrees that control over the nature, quality, branding and source of the System Supplies is critical to the System and that irrespective of the availability of substitute products, supplies, equipment and/or sources of supply, Franchisee shall only purchase and use the System Supplies as designated by Franchisor and only from those suppliers designated and approved by Franchisor. Franchisee agrees that in many instances Franchisor and/or Franchisor's affiliates may be and/or may become the sole and exclusive supplier of the System Supplies.

3.F. BUSINESS MANAGEMENT SYSTEM

Franchisee shall exclusively use the Business Management System or systems designated by Franchisor, in Franchisor's Reasonable Business Judgment, and as may be modified, supplemented or replaced by Franchisor from time to time. Franchisee shall purchase, license and maintain such Business Management System and/or systems from Franchisor and/or such third party suppliers designated by Franchisor. Franchisor, in Franchisor's Reasonable Business Judgment, may require that Franchisee's license, and use of the Business Management System occur through accounts registered to Franchisor, controlled by Franchisor, or licensed through Franchisor. Franchisee shall provide and grant Franchisor with unlimited and uninterrupted direct internet based and/or remote access to the Business Management Systems of the Franchised Business. Franchisee shall pay and be responsible for all fees associated with the Business Management Systems including, but not limited to, initial and on-going license fees. Supplementing and, without limitation to the foregoing, Franchisee agrees that:

(1) The Business Management System will contain proprietary and Confidential Information owned by Franchisor and related to the System;

(2) The Business Management System shall be exclusively used by Franchisee in the operations of the Franchised Business, in accordance with the terms of this Agreement and the standards and specifications set forth by Franchisor in the Operations Manual;

(3) As between Franchisee and Franchisor, Franchisor is and shall be the exclusive owner of the Business Management System Data, except that Franchisee shall store and maintain such data in accordance with all applicable local, state and federal privacy, data collection and solicitation laws. Upon expiration or termination of this Agreement for any reason, Franchisee shall preserve and maintain the Business Management System data for the purpose of transferring such data to Franchisor;

(4) At all times, Franchisee shall provide and permit Franchisor to maintain direct and independent access to the Business Management System and the Business Management System Data and to duplicate and evaluate the data;

(5) Franchisee shall upgrade, replace and modify the Business Management System at the request of Franchisor and in accordance with Franchisor's written instructions;

(6) Other than permitting access to employees of the Franchised Business for the purpose of conducting the authorized operations of the Franchised Business, Franchisee shall not permit or allow any third party to access, use or duplicate the Business Management System or the Business Management System Data;

(7) Franchisee shall keep and maintain the Business Management System and the Business Management System Data as secret and confidential and, Franchisee shall maintain security precautions to maintain the confidentiality of the Business Management System and the Business Management System Data; and

(8) In no event shall Franchisor be liable to Franchisee for any damages, including any lost profits, lost savings, or other incidental or consequential damages, relating to Franchisee's use, or Franchisee's inability to use, the Business Management System even if Franchisor has been advised of the possibility of such damages, or for any claim by any other party including the software manufacturer. The foregoing limitations of liability are intended to apply without regard to whether other provisions of the Agreement have been breached or proven ineffective.

3.G. DIGITAL MEDIA, SYSTEM WEBSITE AND TELEPHONE NUMBERS

As between Franchisor and Franchisee, Franchisor is the absolute owner of the Digital Media. Franchisee shall not utilize, access or open accounts regarding or related to Digital Media unless expressly approved by Franchisor in writing which approval Franchisor may withhold, condition, limit, modify, or withdraw as determined by Franchisor in Franchisor's Reasonable Business Judgment and, which approval, if given, shall be limited to the marketing and promotion of the Franchised Business in accordance with Franchisor's standards and specifications. Upon expiration or termination of this Agreement for any reason, all prior authorizations respecting Franchisee's right to use the Digital Media and/or otherwise as to any rights of Franchisee in or to the Digital Media, shall be automatically terminated and, at Franchisor's election, the right to any and all accounts and/or sites (if any) associated with Digital Media utilized by Franchisee shall be transferred by Franchisee to Franchisor. Franchisee shall not utilize the Digital Media for purposes of or with the effect of libeling or disparaging another party and Franchisee shall not violate any copyrights or the legal rights of any other party or person. Franchisee is exclusively responsible for disparagement, libel and/or copyright or intellectual property infringement as to all information, data, materials, and Published Content issued, posted, and/or made available by Franchisee.

Franchisee agrees that Digital Media and/or Published Content, if permitted by Franchisor, must be approved by Franchisor prior to publication or use in any form. Digital Media and Published Content that is approved by Franchisor or that otherwise is acceptable to Franchisor as meeting Franchisor's standards shall, at Franchisor's discretion, be owned by Franchisor. As between Franchisor and Franchisee, any and all interest and right in or to the Digital Media and/or Published Content shall, at all times, be and is the exclusive property of Franchisor both during the Term of this Agreement and upon the expiration or termination of this Agreement. The System Website and all improvements and modifications made to the System Website, Digital Media, and Published Content is and shall be the exclusive property of Franchisor. During the Term of this Agreement and subject to Franchisee's compliance with this Agreement, the System Website shall include information related to the Franchised Business as shall be determined and designated by Franchisor in Franchisor's Reasonable Business Judgment. All rights in and to telephone

numbers associated with the Franchised Business, shall, at Franchisor's election, be transferred to Franchisor.

Without limitation to the foregoing, Franchisee shall, upon the request of Franchisor, execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 3. Upon the request of Franchisor, Franchisee shall execute, update, and/or re-execute the Assignment of Telephone Numbers and Digital Media Accounts agreement upon the request of Franchisor. As between Franchisor and all third parties, Franchisee represents and acknowledges that such third party is authorized to rely on the Assignment of Telephone Numbers and Digital Media Accounts agreement, irrespective of any dispute and/or controversy between Franchisor and Franchisee and irrespective of any contrary instructions of Franchisee.

3.H. RELOCATION OF FRANCHISEE'S BUSINESS FACILITY

Franchisee shall not relocate Franchisee's Administrative Office to a facility located outside the Operating Territory. To the extent that Franchisee wishes to relocate Franchisee's Administrative Office to a suitable commercial facility located within the Operating Territory then Franchisee must obtain Franchisor's prior written consent which shall not be unreasonably withheld provided that Franchisee is in compliance with the terms and conditions of this Agreement and provided that the new facility meets Franchisor's then current standards and specifications. Franchisee may not operate the Franchised Business from a residence location outside of the Operating Territory.

3.I. OUT OF TERRITORY CUSTOMERS

The license and rights granted to Franchisee in this Agreement are limited to, among other things, the Operating Territory, the grant of franchise rights set forth in Article 2.A. of this Agreement, and the reservation of rights set forth in Article 2.D. of this Agreement. Subject to the existence of an Open Area and Franchisee's compliance with following rules and requirements ("Out of Territory Rules"), Franchisee may provide the Approved Services and Products on behalf of customers located within an Open Area:

Out of Territory Rules

(1) Franchisee must conduct the operations of the Franchised Business from within Franchisee's Operating Territory and Franchisee must provide the Approved Services and Products on behalf of customers located within Franchisee's Operating Territory. The marketing of the Franchised Business must be targeted to Franchisee's Operating Territory and, at all times, must conform and comply with, among other things, the restrictions set forth in Article 9.G. of this Agreement;

(2) Provided that Franchisee: (i) does not engage in any Direct Solicitation of customers or potential customers outside of Franchisee's Operating Territory or, within the Operating Territory of another Brothers Gutters Business, (ii) Franchisee does not otherwise violate the restrictions set forth in Article 9 of this Agreement, and (iii) unless otherwise directed by Franchisor at any time, from time to time, and in Franchisor's sole direction, Franchisee may provide Approved Services and Products to a customer in an Open Area surrounding Franchisee's Operating Territory. Upon written notice from Franchisor for any reason or no reason at all, Franchisee must discontinue from providing Approved Services and Products in an Open Area; and

(3) Once an Open Area becomes an Assigned Area, Franchisee shall cease communicating with customers previously serviced by Franchisee in the Open Area and Franchisee shall turnover to Franchisor, for the benefit of Franchisor or, another Brothers Gutters Business, all information and records related to the Approved Services and Products provided within the Open Area.

Nothing contained in this Article 3.I. shall expand either the non-exclusive franchise rights granted to franchisee in Article 2 of this Agreement or, Franchisee's Operating Territory and, in the event of any inconsistency or conflict between the terms of this Article 3.I. and Article 2, Article 2 shall take precedence and govern.

3.J. SERVICE VEHICLES

Franchisee shall purchase and/or lease and exclusively use in the operations of the Franchised Business, only those Service Vehicles that meet Franchisor's System standards and specifications, and that are approved by Franchisor. Franchisee shall maintain the Service Vehicles in a clean, safe, and well maintained condition and shall operate same in accordance with all applicable laws, rules, and regulations. Franchisee may only offer and provide the Approved Services and Products using Service Vehicles approved by Franchisor and that meet Franchisor's brand standards and specifications.

3.K. CORPORATE ACCOUNTS

The license and rights granted to Franchisee in this Agreement are limited to, among other things, the Operating Territory, the grant of franchise rights set forth in Article 2.A. of this Agreement, and the reservation of rights set forth in Article 2.D. of this Agreement. Subject to the following terms and conditions and, Franchisee's compliance with same (hereinafter the "Corporate Account Rules"), Franchisee may provide Approved Services and Products to a Corporate Account or a customer of a Corporate Account located within Franchisee's Operating Territory:

Corporate Account Rules

(1) Franchisee must be in compliance with the terms and conditions of this Agreement;

(2) If Franchisor, in Franchisor's Reasonable Business Judgment, determines that Franchisee possesses the operational capacity and experience sufficient for performing the services to or for a Corporate Account or customer of a Corporate Account, Franchisor shall submit to Franchisee a proposed Service Order (the "Service Order") to Franchisee disclosing that portion of the Approved Services and Products designated by Franchisor to be performed by Franchisee, the pricing related thereto, timing requirements, and other information determined to be relevant by Franchisor;

(3) Franchisee shall have 10 days to evaluate the Service Order and determine whether or not Franchisee wishes to accept same and provide, on an individual or on-going basis as designated by the Service Order, the Approved Services and Products to the Corporate Account or customers of the Corporate Account; and

(4) If Franchisee elects to accept the Service Order, Franchisee shall perform and comply with same. If Franchisee elects to reject the Service Order, Franchisee is under no obligation to perform same. If Franchisee fails to respond in writing within 10 days where Franchisee either accepts or rejects the Service Order, Franchisee shall be deemed to have rejected the Service Order.

Franchisee agrees that if Franchisor, in Franchisor's Reasonable Business Judgment, determines that Franchisee does not possess the requisite capacity, skills and/or resources to provide Approved Services and Products in connection with the Corporate Account or a customer of the Corporate Account, that Franchisor may elect to not submit a Service Order to Franchisee and either Franchisor, Franchisor's affiliates, and/or other System franchisee's may be selected to provide Approved Services and Products to the Corporate Account or the customers of the Corporate Account located within Franchisee's Operating Territory; and

(5) If Franchisee elects to accept the Service Order, Franchisee shall, at its sole cost and expense, obtain and maintain insurance coverage in the types and amounts required by the applicable Corporate Account

and/or as set forth in the Operations Manual. Such insurance shall include coverage naming Franchisor, the Corporate Account, and their affiliates as additional insureds on a primary and non-contributory basis. Upon request, Franchisee shall provide Franchisor and/or the Corporate Account with copies of such policies or endorsements.

Franchisee further agrees to defend, indemnify, and hold harmless Franchisor, the Corporate Account, and their affiliates from and against any and all claims, demands, losses, liabilities, costs, damages, or expenses (including reasonable attorneys' fees) arising out of or relating to Franchisee's relation with or the services provided in connection with the Corporate Account. This indemnity obligation shall apply regardless of whether Franchisee is in direct contractual privity with the Corporate Account and shall survive the termination or expiration of this Agreement. This indemnity obligation shall apply to the fullest extent permitted by law, including with respect to claims involving the partial or sole negligence of the Franchisor or the Corporate Account, where not prohibited

3.L. CONTACT CENTER AND CONTACT CENTER SERVICES

Franchisee agrees that Franchisor, in Franchisor's Reasonable Business Judgment and sole discretion, may implement and require that Franchisee, at Franchisee's sole cost and expense, participate in utilizing the Contact Center and Contact Center Services designated by Franchisor and as may be modified by Franchisor from time to time. Franchisee agrees that a core and critical component to all Brothers Gutters Businesses and Franchisee's Brothers Gutters Business relates to and includes communications with customers and prospective customers, the scheduling and rescheduling of estimate appointments, the scheduling and rescheduling of service visits, responding to customer complaints and other customer communications. Franchisee agrees that Franchisee shall exclusively adopt and utilize only those Contact Centers designated and approved by Franchisor and that Franchisee shall exclusively adopt and utilize only those Contact Center Services designated by Franchisor of which Franchisor, and/or Franchisor's affiliates or designees may be the sole and exclusive supplier. Franchisee shall pay for all costs and expenses charged to Franchisee for Contact Center Services. Fees for Contact Center Services shall, in Franchisor's Reasonable Business Judgment, be exclusively determined by Franchisor in accordance with the terms of Article 5.D. of this Agreement or as otherwise authorized by this Agreement. Franchisee's participation and use of the Contact Center is mandatory and Franchisee's payment of Contact Center Fees is mandatory.

ARTICLE 4
TRAINING AND OPERATING ASSISTANCE

4.A. INITIAL TRAINING, SUPPLEMENTAL TRAINING AND SYSTEM-WIDE TRAINING

(1) Within 45 days of the earlier of the Scheduled Opening Date or the Actual Opening Date, Franchisee's Managing Owner and one manager must complete, to Franchisor's satisfaction, Franchisor's initial training program (the "Training Program"). Franchisor will provide Franchisee, comprised of Franchisee's Managing Owner, and one designated manager, with Franchisor's Training Program. If Franchisee would like more than two individuals to attend the Training Program, subject to Franchisor's approval, Franchisee shall pay to Franchisor an additional fee of $500 per additional person attending the Training Program (the "Additional Initial Training Fee"). Additional Initial Training Fees shall be pre-paid in advance of training and upon submission of invoice by Franchisor to Franchisee.

Prior to opening and commencing the operations of the Franchised Business, the Managing Owner and other personnel as designated or determined by Franchisor, must attend and successfully complete the Training Program designated by Franchisor. The training may include classroom and on-the-job instruction at a location or facility designated by Franchisor, and/or, at the election of Franchisor and as determined by Franchisor, in Franchisor's Reasonable Business Judgment, may be conducted remotely through online web based conferencing. Following completion of the

Training Program, Franchisee shall be responsible for the ongoing training of Franchisee's employees, staff and all other employees of the Franchised Business. Said on-going training must conform to Franchisor's standards and specifications. The Training Program shall be structured, configured and established by Franchisor from time to time. The Training Program may be structured so that it is offered and completed by Franchisee in various phases.

(2) Franchisee or, if Franchisee is a Corporate Entity, Franchisee's Managing Owner and Manager, at Franchisee's sole cost and expense, must attend and successfully complete all refresher training courses or system-wide training courses, additional training programs and seminars as Franchisor periodically may designate or offer in Franchisor's Reasonable Business Judgment. Franchisor provides instructors and training materials for those programs and seminars, but Franchisor reserves the right to assess Franchisee reasonable charges for such training. Franchisee is responsible for all expenses Franchisee and Franchisee's employee incurs in connection with attendance and participation in these programs and seminars, including, without limitation, the cost of transportation, lodging, meals and any salaries and other wages.

(3) Franchisee shall pay all costs and expenses incurred by Franchisee and, those attending training on behalf of Franchisee, in connection with Franchisee's participation in all Training Programs and, satisfaction of Franchisee's Training Program obligations as designated by Franchisor.

(4) Subject to Franchisor's approval and agreement, Franchisor may offer supplemental training within Franchisee's Operating Territory or as elected by Franchisor, remotely through online web based conferencing (hereinafter referred to as "Supplemental Training"). Franchisor, in Franchisor's Reasonable Business Judgment, reserves the right to reject or approve of any request by Franchisee for Supplemental Training. If Franchisor does agree to offer and provide Supplemental Training, Franchisee shall pay to Franchisor a supplemental training fee at the rate of $500 per trainer per day plus, if applicable, reimbursement of travel and hotel accommodation expenses incurred by Franchisor (the "Supplemental Training Fee"). Franchisee agrees that in each instance where Franchisee hires a new Operating Manager, and/or Franchisor, in Franchisor's Reasonable Business Judgment, determines that Franchisee is not satisfying and/or meeting Franchisor's operational standards, then Franchisor may require that Franchisee, and/or, as applicable, Franchisee's Operating Manager participate in, and successfully complete, Supplemental Training pay the Supplemental Training Fees designated by Franchisor. Supplemental Training Fees shall be pre-paid in advance of training and upon submission of invoice by Franchisor to Franchisee.

(5) Franchisor, in Franchisor's Reasonable Business Judgment must approve of all individuals attending and participating in the Training Program and all Supplemental Training programs. All participants in the Training Program must qualify as either an Owner or Operating Manager and, prior to training, among other things, must have executed the Owner and Spouse Agreement and Guaranty or the Confidentiality Agreement, respectively.

4.B. OPERATING ASSISTANCE

From time to time and as determined by Franchisor, in Franchisor's Reasonable Business Judgment, Franchisor shall advise Franchisee of those applicable standards, procedures and System requirements concerning the Franchised Business. Operating assistance may, as determined by Franchisor, in Franchisor's sole discretion, consist of:

(1) Establishing and communicating systems and procedures related to the development and operation of the Franchised Business;

(2) Establishing and communicating Approved Services and Products and, as applicable and as determined by Franchisor, modifications, if any, to the Approved Services and Products including, but not limited to, additions, deletions, and/or changes to the Approved Services and Products;

(3) Designating and communicating System Supplies and, as applicable and as determined by Franchisor, modifications, if any, to the System Supplies including, but not limited to, additions, deletions, and/or changes to the System Supplies;

(4) Designating and communicating approved and designated suppliers of the Franchised Business and, as applicable and as determined by Franchisor, modifications, if any, to approved and designated suppliers including, but not limited to, additions, deletions, and/or changes to the approved and designated suppliers;

(5) Establishing and communicating marketing and brand standards related to the promotion of the Franchised Business;

(6) Approving or disapproving of Franchisee requests related to marketing materials and Digital Media that may be used to market the Franchised Business; and

(7) Establishing and communicating System standards and requirements in the form of the Operations Manual and, as Franchisor, in Franchisor's sole discretion.

4.C. OPERATIONS MANUAL

Franchisor shall provide Franchisee with access to the Operations Manual. The Operations Manual contains, as designated and determined by Franchisor, mandatory and, as applicable, suggested specifications, standards and operating procedures that Franchisor prescribes for Brothers Gutters Businesses. Franchisee shall operate the Franchised Business in strict accordance with the standards, specifications, and requirements set forth in the Operations Manual as such standards, specifications, and requirements including, but not limited to, the Approved Services and Products, System Supplies, and, authorized and designated suppliers, as of the Effective Date of this Agreement, and, as they may be supplemented, modified, changed, and/or replaced in the future and, from time to time, by Franchisor, in Franchisor's Reasonable Business Judgment. Franchisee shall keep and maintain the confidentiality of the Operations Manual and shall keep and maintain all files, data and information contained in the Operations Manual in a secure location and/or in a protected confidential state and, as otherwise directed by Franchisor. The master copy and official version of the Operations Manual is and shall be the copy and/or version maintained and designated by Franchisor in Franchisor's ordinary course of business.

Franchisor shall provide Franchisee with reasonable notice of modifications and changes made to the Operations Manual and, such notice may take the form of electronic communications including emails and, if the Operations Manual is maintained on an online web based platform, notifications within said platform. Franchisor shall provide Franchisee with a reasonable period of time, as determined by Franchisor, in Franchisor's Reasonable Business Judgment, to implement changes and modifications as set forth in the Operations Manual. Without limitation to the foregoing, Franchisee may only offer and sell the Approved Services and Products and utilize the System Supplies as designated by Franchisor, in Franchisor's Reasonable Business Judgment, in the Operations Manual and, in accordance with the terms, specifications and requirements set forth in the Operations Manual and as Franchisor may supplement and modify the Operations Manual from time to time or, as Franchisor may otherwise designate in writing.

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ARTICLE 5
FEES

5.A. INITIAL FRANCHISE FEE

Upon execution of this Agreement Franchisee shall pay to Franchisor a non-recurring initial franchisee fee (the "Initial Franchise Fee") of $49,500 for an Operating Territory comprising a Base Territory. If Franchisee's Base Territory is supplemented with additional Qualified Single-Family Households and/or Additional Territories, the Initial Franchise Fee shall be increased and shall be the amount set forth in Schedule 2 of this Agreement. The Initial Franchise Fee is fully earned by Franchisor upon execution of this Agreement and is not refundable.

5.B. ROYALTY FEES

Royalty Fees: Throughout the Term of this Agreement and any renewal terms, Franchisee shall pay to Franchisor a continuing weekly non-refundable royalty fee (the "Royalty Fee") in an amount equal to the greater of (a) 6% (the "Royalty Rate") of Franchisee's weekly Gross Sales, or (b) the amount of the then applicable minimum weekly Royalty Fee requirement (the "Minimum Weekly Royalty Fee Requirement"). Notwithstanding the foregoing, the Royalty Rate for Out of Territory Customer Gross Sales shall be 10%. The Minimum Weekly Royalty Fee Requirement is determined based on the number of Territories located within Franchisee's Operating Territory, as determined by Franchisor, and as set forth in the following schedule:

Total Territories	Minimum Weekly Royalty Fee Requirement
1	$125
2	$250
3	$375
4	$500
5	$625
6	$750
7	$875
8	$1,000
9	$1,125
10	$1,250
11	$1,375
12	$1,500

Commencement: The Minimum Weekly Royalty Fee Requirement is not imposed during the initial 12 month period following the earlier of the Actual Opening Date or the Scheduled Opening Date and shall apply to all Territories purchased by Franchisee and/or included in Franchisee's Operating Territory.

Renewal Term: During any applicable Renewal Term, Franchisor, in Franchisor's Reasonable Business Judgment, may increase the applicable Minimum Weekly Royalty Fee Requirement by an amount not exceeding 10% per annum.

On an on-going annual basis commencing following the completion of the first full year after the earlier of the Actual Opening Date or the Scheduled Opening Date, Franchisee must satisfy and meet the following annual minimum Gross Sales requirements in connection with the Gross Sales generated from Approved Services and Products (the "Annual Minimum Gross Sales Requirements"), which are determined based on the number of Territories comprising Franchisee's Operating Territory:

Annual Minimum Gross Sales Requirements	
1 Territory	$500,000
2 Territories	$750,000
3 Territories	$1,000,000
For each Territory beyond three Territories comprising Franchisee's Operating Territory, the Annual Minimum Gross Sales Requirement increases by an additional $250,000 per Territory per year (e.g., $1,250,000 for four Territories; $1,500,000 for five Territories; and so on).	

Commencing on the earlier of the Actual Opening Date or the Scheduled Opening Date and every year during the Term of this Agreement Franchisee thereafter, you must meet the applicable Annual Minimum Gross Sales Requirements. In the event Franchisee fails to satisfy the Annual Minimum Gross Sales Requirements in any given year during the Term of this Agreement, Franchisor shall have the right, in Franchisor's Reasonable Business Judgment, to exercise any one or more of the following remedies, individually or in combination, without waiving any other rights or remedies available to Franchisor under this Agreement or applicable law:

(i) Additional Training. Franchisor may require Franchisee and/or Franchisee's Managing Owner and/or Operating Manager to attend and successfully complete such additional training programs as Franchisor may designate, at Franchisee's sole cost and expense, including, without limitation, all costs associated with travel, lodging, meals, and any applicable Additional Initial Training Fees;

(ii) Fines and Fees. Franchisor may assess and require Franchisee to pay monetary fines in an amount determined by Franchisor in Franchisor's Reasonable Business Judgment, not to exceed $2,500 per month for each month during which Franchisee fails to satisfy the Annual Minimum Gross Sales Requirements, which fines shall be due and payable by Franchisee to Franchisor on demand;

(iii) Territory Reduction. Franchisor may, upon written notice to Franchisee, reduce Franchisee's Operating Territory by removing one or more Territories from Franchisee's Operating Territory or by reducing the size of any Territory. Any Territory removed from Franchisee's Operating Territory pursuant to this provision may, at Franchisor's sole discretion, be designated as an Assigned Area or otherwise made available by Franchisor; and/or

(iv) Termination. Franchisor may terminate this Agreement in accordance with the termination provisions set forth in this Agreement, upon written notice to Franchisee.

Franchisor's exercise of any one remedy under this Section shall not preclude Franchisor from subsequently or concurrently exercising any other remedy available under this Section or otherwise available under this Agreement or applicable law. Franchisee acknowledges and agrees that the remedies set forth in this Section are reasonable and necessary to protect the integrity and value of the System and the Licensed Marks.

Payment and Due Date: The Royalty Fee shall be calculated on a weekly basis for each respective weekly Accounting Period. Royalty Fee payments shall be paid by Franchisee to Franchisor weekly by ACH, electronic funds transfer, or as otherwise designated by Franchisor and shall be due on the Thursday of each weekly Accounting Period for the preceding week, and each week thereafter throughout the entire Term of this Agreement or, such other specific day of the week that Franchisor designates from time to time or for such other period that Franchisor may designate (the "Due Date").

Tax Obligations: If any federal, state or local tax, other than an income tax, is imposed on the Royalty Fee paid by Franchisee to Franchisor that, Franchisor cannot directly and, dollar for dollar, offset against taxes required to be paid by Franchisor under any applicable federal or state laws, Franchisee must compensate Franchisor in the manner prescribed by Franchisor so that the net amount or net rate received by Franchisor

for the Royalty Fee is not less than that which has been established by this Agreement and which was due to Franchisor on the effective date of this Agreement. If any state imposes a sales or other tax on the Royalty Fees, then Franchisor shall have the right to charge and collect the tax from Franchisee.

Payment Authorization: Upon the request of Franchisor and in no event not later than 30 days prior to the earlier of the Actual Opening Date or the Scheduled Opening Date, Franchisee shall execute Franchisor's designated ACH Authorization Form and such other authorization agreements, in the form prescribed by Franchisor and permitting Franchisor's direct withdrawal and/or electronic transfer of sums from Franchisee's designated business bank account, for the on-going payment of Royalty Fees and, all other fees and sums due from Franchisee under this Agreement. As of the Effective Date, Franchisor's current ACH Authorization that must be executed and complied with by Franchisee is attached to this Agreement as Exhibit 4. Franchisor may require Franchisee to pay the Royalty Fees and other amounts due under this Agreement by means other than ACH and/or automatic debit whenever Franchisor deems appropriate, and Franchisee agrees to comply with Franchisor's payment instructions.

Royalty and Activity Reports: On the Due Date each week, Franchisee shall report, transmit, confirm, and/or otherwise make available to Franchisor, as designated by Franchisor, a Royalty and Activity Reports containing information as designated by Franchisor and relating to the Gross Sales, financial performance, and operations of the Franchised Business for the preceding weekly Accounting Period (the "Royalty and Activity Report"). Franchisor shall have the right to verify such royalty payments from time to time, as it deems necessary in any reasonable manner.

5.C. TECHNOLOGY FEE

Throughout the Term of this Agreement and any applicable renewal term, Franchisee shall pay to Franchisor a continuing monthly non-refundable Technology Fee. Franchisor, in Franchisor's Reasonable Business Judgment, possesses the right, at any and all times throughout the Term, to implement and charge Franchisee a monthly Technology Fee in a monthly amount designated by Franchisor but provided that such monthly amount does not exceed $750 per month. Franchisee agrees that this Technology Fee is a general administrative fee and is not connected to any particular service. The Technology Fee shall be paid to Franchisor each and every month on the Due Date.

5.D. CONTACT CENTER FEES

Throughout the Term of this Agreement and any applicable renewal term, Franchisee shall pay to Franchisor, Franchisor's affiliates, or designees, a continuing weekly non-refundable contact center fee (the "Contact Center Fees") in an amount equal to a percentage (the "Contact Center Rate") of Franchisee's weekly Gross Sales or a flat or fixed fee for each service, provided that the weekly Contact Center Fees shall not exceed 3% of Gross Sales generated by Franchisee in the corresponding week. Franchisee agrees that Franchisor shall determine the Contact Center Rate in Franchisor's Reasonable Business Judgment and that Franchisor may modify the Contact Center Rate and the Contact Center Fees from time to time provided that the Contact Center Rate shall not exceed 3% of Franchisee's Gross Sales during each respective weekly Accounting Period. Franchisor shall, in Franchisor's Reasonable Business Judgment, determine the services that may or may not be included in the Contact Center Services and the services that are included in the Contact Center Fees. The Contact Center Fees shall be calculated on a weekly basis for each respective weekly Accounting Period and shall be payable on Thursday each week for the immediate preceding week or such other date specified by Franchisor in the Operational Manual.

5.E. OTHER FEES

As designated by Franchisor in this Agreement, the Manual or otherwise, Franchisee shall pay the following additional fees to either Franchisor, Franchisor's affiliate(s), or Franchisee's designee(s):

(1) Brand Development Fund Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or

Franchisor's designees, the Brand Development Fund Fee as set forth in Article 9.A. of this Agreement.

(2) Customer Satisfaction Non-Compliance Fee – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees, a Customer Satisfaction Non-Compliance Fee upon demand of Franchisor following the occurrence of a Customer Satisfaction Non-Compliance Event.

(3) Non-Compliance Fees – Franchisee shall pay to Franchisor all Non-Compliance Fees in accordance with the terms of this Agreement including, but not limited to, Payment Non-Compliance Fees, Operations Non-Compliance Fees, and Reporting Non-Compliance Fees.

(4) Supplemental Training Fees – Franchisee shall pay to Franchisor all training fees in accordance with the terms of this Agreement including, but not limited to, Additional Initial Training Fees and Supplemental Training Fees.

(5) Quality Assurance Audit Fees – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees on-going weekly, monthly, and/or per use fees related to quality assurance programs designated by Franchisor related to periodic inspections of Franchisee's Brothers Gutters Business and secret shopper evaluations.

(6) Annual Conference Attendance Fees – Franchisee shall be responsible for all expenses of its personnel attending the Annual System Conference including travel, meals and lodging. Franchisee shall be required to pay to Franchisor an Annual Conference Attendance Fee. **Franchisee agrees that if Franchisee fails to attend the Annual System Conference that Franchisor shall, nevertheless, charge and Franchisee shall pay the Annual Conference Attendance Fee – even if Franchisor waives such fee for franchisees who attend the Annual System Conference.**

(7) All Other Fees and Obligations Set Forth in this Agreement – Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees such other fees, charges and expenses as set forth in this Agreement and in accordance with the terms of this Agreement or, otherwise, in accordance with the Manuals and/or Franchisor's standards and specifications.

5.F. PAYMENT NON-COMPLIANCE FEES AND CHARGES

In addition to all other rights afforded to Franchisor under this Agreement, in connection with each and every fee, charge, and/or obligation payable and due from Franchisee to Franchisor under the terms of this Agreement including, but not limited to, this Article 5, within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor: (a) a payment non-compliance fee in the amount of $150 (the "Payment Non-Compliance Fee") for each and every instance where a fee, charge, and/or obligation payable to Franchisor under this Agreement is not paid in full when due; plus (b) interest on all unpaid fees, sums, and/or obligations payable and due from Franchisee to Franchisor at an interest rate equal to the lesser of either 18% per annum, or the maximum interest rate allowed by applicable law and with interest accruing on the date when such fee, sum, or obligation was due; plus (c) all costs incurred by Franchisor in the collection of such unpaid and past due obligations including, but not limited to, reasonable attorney's fees, costs, and expenses. The foregoing does not constitute Franchisor's agreement to accept payments after they are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of the Franchised Business. Nothing contained in this Article 5.F. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16, and as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

5.G. APPLICATION OF PAYMENTS

Franchisor has sole discretion to apply any payments received from Franchisee or to offset any indebtedness of Franchisor to Franchisee to any past due indebtedness of Franchisee for Royalty Fees, Advertising Contributions, purchases from Franchisor or its affiliates, interest or any other indebtedness of Franchisee to Franchisor or its affiliates.

5.H. WITHHOLDING PAYMENTS UNLAWFUL

Franchisee agrees that under no circumstance is Franchisee entitled to withhold payments due to Franchisor under this Agreement. Among other things and without limitation to the foregoing, Franchisee expressly agrees that any claim by Franchisee as to the alleged non-performance of Franchisor's obligations shall not permit and/or entitle Franchisee to withhold payments due Franchisor under this Agreement.

ARTICLE 6
RESTRICTIVE COVENANTS AND OBLIGATIONS

6.A. NECESSITY FOR RESTRICTIVE COVENANTS

Franchisee agrees that only through the course of entering into this Agreement is Franchisee being provided with access to the System, Franchisor's training, use of the Licensed Marks, and access to the Operations Manual and Confidential Information. Franchisee agrees that competition by Franchisee, Owners, Spouses and/or their immediate family members will jeopardize the System and cause irreparable harm to Franchisor and franchisees of Brothers Gutters Businesses. Accordingly, Franchisee and Franchisee's Owners and Spouses agree to comply with the restrictive covenants set forth in this Agreement, including this Article 6.

6.B. RESTRICTIVE COVENANTS: KNOW-HOW

Franchisee agrees that, at all times, both during the Term of this Agreement and, after its expiration or termination, Franchisee: (a) shall not use the Know-How in any business or capacity other than the operation of the Franchised Business pursuant to this Agreement and as instructed by Franchisor; (b) shall maintain the confidentiality of the Know-How at all times; (c) shall not make unauthorized copies of documents containing any Know-How; (d) shall take all reasonable steps that Franchisor requires from time to time to prevent unauthorized use or disclosure of the Know-How; and (e) shall stop using the Know-How immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants shall also apply to: (a) Franchisee's Owners and Spouses and, that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1; and (b) Franchisee's directors, officers, employees and agents where disclosure of the Know-How was necessary for the operations of the Franchised Business and where such director, officer, employee and/or agent previously executed and timely delivered to Franchisor the Confidentiality Agreement in the form attached as Exhibit 2.

6.C. RESTRICTIVE COVENANTS: CONFIDENTIAL INFORMATION

Franchisee agrees that, at all times, both during the Term of this Agreement and after its expiration or termination, Franchisee: (a) shall not use the Confidential Information in any business or capacity other than the Brothers Gutters Business operated by Franchisee; (b) shall maintain the confidentiality of the Confidential Information at all times; (c) shall not make unauthorized copies of documents containing any Confidential Information; (d) shall take such reasonable steps as Franchisor may ask of Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (e) shall stop using the Confidential Information immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants and obligations shall also apply to: (a) Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this

Agreement as Exhibit 1; and (b) Franchisee's directors, officers, employees and agents where disclosure of the Confidential Information was necessary for the operations of the Franchised Business and where such director, officer, employee and/or agent previously executed and timely delivered to Franchisor the Confidentiality Agreement in the form attached as Exhibit 2.

6.D. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND IN-TERM NON-COMPETITION OBLIGATIONS

Franchisee agrees that during the Term of this Agreement, Franchisee shall not engage in the following activities (the "Prohibited Activities"): (a) owning and/or having any legal or equitable interest whether, as an individual proprietor, owner, partner, member or shareholder of a Corporate Entity, or, in any similar capacity, in a Competitive Business other than, owning an interest of 3% or less in a publicly traded company that is a Competitive Business; (b) operating, managing, funding and/or performing services whether, as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or, in any similar capacity, for or benefitting a Competitive Business; (c) diverting or attempting to divert any business or customers from Franchisor or, one of Franchisor's affiliates or franchisees; (d) inducing any customer or client of Franchisor, Franchisor's affiliates, franchisees of the System, or, of Franchisee, to any other person or business that is not a Brothers Gutters Business; and/or (e) engaging in any actions, inactions, and/or activities in violation of Articles 6.B. and/or 6.C. of this Agreement (all, individually and collectively, referred to as the "Prohibited Activities"). Franchisee agrees that if Franchisee were to engage in the Prohibited Activities that such actions would be unfair, would constitute unfair competition and would cause harm to Franchisor, the System and other Brothers Gutters Business franchisees. Franchisee agrees that the foregoing covenants and obligations shall also apply to Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.

6.E. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND POST-TERMINATION NON-COMPETITION OBLIGATIONS

Franchisee agrees that during the Post-Term Restricted Period, Franchisee shall not engage in any Prohibited Activities provided, however, that the Prohibited Activities relating to Franchisee's having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within a Restricted Territory. If Franchisee is engaged in any Prohibited Activities during the Post-Term Restricted Period, Franchisee agrees that Franchisee's Post-Term Restricted Period will be extended by the period of time during which Franchisee was engaging in the Prohibited Activity and, any such extension of time will not be construed as a waiver of Franchisee's breach or otherwise impair any of Franchisor's rights or remedies relating to Franchisee's breach. Franchisee agrees that the foregoing covenants and restrictions shall also apply to Franchisee's Owners and Spouses and that Franchisee's Owners and Spouses shall each execute and deliver to Franchisor the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1. Franchisee agrees that the covenants and restrictions set forth in this Article 6.E. and otherwise in this Article 6, are fair and reasonable and that if Franchisee engaged in any Prohibited Activity that such actions would constitute acts of unfair competition, causing irreparable harm to Franchisor and the System.

6.F. REASONABLENESS OF RESTRICTIVE COVENANTS AND OBLIGATIONS

Franchisee agrees that: (a) the terms of this Article 6 are reasonable both in time and in scope of geographic area; and (b) Franchisee has sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Article 6. **Franchisee hereby waives any right to challenge the terms of this Article 6 (including the referenced defined terms set forth in Article 1 of this Agreement) as being overly broad, unreasonable or otherwise unenforceable.** Although Franchisee and Franchisor both believe that the restrictive covenants and obligations of this Article 6 to be reasonable in terms of scope, duration and geographic area, Franchisor may at any time unilaterally modify the terms of this Article 6 (provided that such modification is in writing and signed by Franchisor) by

limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Post-Term Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon Franchisee under this Article 6 to ensure that the terms and covenants are enforceable under applicable law.

6.G. BREACH OF RESTRICTIVE COVENANTS AND OBLIGATIONS

Franchisee agrees that Franchisee's failure and/or Franchisee's Owner(s) failure to comply with the restrictive covenants and obligations set forth in this Article 6 will cause irreparable harm to Franchisor and/or other Brothers Gutters Business franchisees for which there is no adequate remedy at law. Franchisee agrees that any violation of these Article 6 covenants and obligations by either Franchisee and/or any Owner(s) will entitle Franchisor to injunctive relief. Franchisee agrees that Franchisor may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of Franchisee, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the Franchisee and Franchisor agree that the amount of the bond shall not exceed $1,000. Franchisor's remedies under this Article 6.G. are not exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

6.H. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS AND CUSTOMER INFORMATION

Franchisee agrees that with regard to the Franchised Business all customer lists and their contents and information represent Confidential Information and constitute an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term of this Agreement and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods, and products conceived or developed by Franchisee and Franchisee's affiliates, Owners, agents, and employees relating to the development and operation of Brothers Gutters Businesses. Franchisee hereby assigns to Franchisor and Franchisee agrees to procure from Franchisee's Owners, affiliates and employees' assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 6.H. Franchisor shall have no obligation to make any lump sum or on-going payments to Franchisee or Franchisee's Owners, affiliates or employees with respect to any such idea, concept, method, technique or product. Franchisee agrees that Franchisee will not use nor will Franchisee allow any other person or entity to use any such concept, method or product without obtaining Franchisor's prior written approval.

ARTICLE 7
OPERATING STANDARDS

7.A. OPERATING REQUIREMENTS

At all times, Franchisee and the Franchised Business shall, as designated by Franchisor in the Operations Manual and/or as otherwise designated by Franchisor in writing and, as may be modified by Franchisor from time to time: (a) exclusively offer and sell the Approved Services and Products; (b) exclusively purchase and use the System Supplies; (c) maintain a complete and updated inventory and supply of System Supplies; (d) maintain, update, replenish and replace Franchisee's System Supplies; (e) maintain, update, replenish and recondition Franchisee's Administrative Office; and (f) maintain Franchisee's Service Vehicles and System Supplies in a clean and safe condition and in conformity with the brand standards related to the Licensed Marks and System.

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7.B. MAINTENANCE, UPDATES AND UPGRADES

At all times, Franchisee shall update, upgrade, maintain, replenish, replace and recondition Franchisee's System Supplies, Service Vehicle(s), and, if applicable, Franchisee's Administrative Office as specified by Franchisor in the Operations Manual and/or otherwise in writing, in Franchisor's Reasonable Business Judgment, and as modified by Franchisor from time to time. Notwithstanding the foregoing, Franchisee expressly agrees that the foregoing obligations relate to brand standards and specifications associated with the Licensed Marks and the Approved Services and Products and that, at all times, Franchisee is and shall exclusively remain responsible for conditions involving the safety of customers and employees in connection with the operations of the Franchised Business.

7.C. DAMAGE CAUSED BY CASUALTY

If Franchisee's Administrative Office, Service Vehicle(s) and/or System Supplies is and/or are damaged or destroyed by fire or any other casualty, Franchisee must, as soon as practicable but in no event later than one month after such casualty, initiate repairs or reconstruction, and thereafter, in good faith and with due diligence, continue until completion of the repairs or reconstruction, to their/its original condition before casualty and otherwise in accordance with Franchisor's standards and specifications.

7.D. ALTERATIONS

At all times, Franchisee shall maintain Franchisee's System Supplies, Service Vehicles, and Administrative Office in accordance with Franchisor's current brand standards and specifications and, Franchisee shall not materially alter or modify same.

7.E. BRAND STANDARDS AND FRANCHISOR DESIGNATED REQUIREMENTS

Franchisee shall develop and operate the Franchised Business in strict conformity with the methods, standards, specifications, procedures, and operational requirements as, designated and determined by Franchisor, in Franchisor's Reasonable Business Judgment, and as set forth in the Operations Manual, as prescribed Franchisor in writing, and, as Franchisor, in Franchisor's Reasonable Business Judgment, may supplement, modify, and amend from time to time. Supplementing, and without limitation to the foregoing, Franchisee, agrees that the foregoing standards, specifications, procedures, and operational requirements shall relate and include, among other things, the Approved Services and Products, the System Supplies, System standards as designated by Franchisor, authorized and mandatory inventory levels and inventory items, authorized and mandatory supplies and inventory supply levels, designated suppliers, standards related to brand uniformity including, brand standards regarding uniforms, marketing materials, marketing media, the appearance and operations of the Franchised Business, customer service and satisfaction standards including, customer rewards programs, refund policies, gift card policies, special promotions and other customer incentive and goodwill programs, brand standards and brand standard requirements as to employee knowledge and implementation of System brand standards but not related to employment or joint employment policies, secret shopper programs, Franchisor designated secret quality control inspections, payment processing systems, Franchisor access to Business Management Systems, and the overall operations of the Franchised Business.

7.F. APPROVED SERVICES, PRODUCTS, EQUIPMENT AND SUPPLIERS

Franchisee agrees that, among other things, the products and services to be offered and sold by the Franchised Business, the supplies, suppliers and equipment utilized by the Franchised Business, the methods for monitoring customer satisfaction and, the methods for marketing and promoting the Franchised Business must conform to Franchisor's System standards and specifications as determined by Franchisor, in Franchisor's Reasonable Business Judgment, as designated by Franchisor in the Operations Manual, and/or as otherwise designated by Franchisor in writing and, as may be supplemented, modified, and/or amended by Franchisor from time to time. Without limitation to the foregoing, Franchisee agrees that:

(1) The Franchised Business shall exclusively offer and sell the Approved Services and Products to customers located within Franchisee's Operating Territory;

(2) The Franchised Business shall, in accordance with Franchisor's standards and specifications as, designated and determined by Franchisor from time to time, exclusively: (a) offer and serve the Approved Services and Products; (b) provide the Approved Services and Products in accordance with the System's standards and specifications; (c) exclusively purchase and use System Supplies from Franchisor or Franchisor's designated suppliers; (d) exclusively purchase and use equipment, supplies, promotional materials, point of sale systems and Business Management Systems designated by Franchisor and, subject to Franchisor's specifications; (e) purchase displays, point of sale displays, uniforms, supplies, marketing materials and promotional materials including, but not limited to, System Supplies as designated by Franchisor and only from Franchisor or Franchisor's approved supplier(s); and (f) purchase from distributors and other suppliers approved by Franchisor all other materials, goods, and supplies including, but not limited to, System Supplies used in preparing, offering, selling, promoting, and serving the Approved Services and Products;
(3) Franchisor has and will periodically approve suppliers and distributors of the equipment, materials, supplies and products including, but not limited to, System Supplies and Service Vehicles, that meet Franchisor's standards, specifications, and requirements including, without limitation, standards, specifications, and requirements relating to the equipment and supplies to be used by the Franchised Business and, that Franchisee shall abide by same;

(4) Franchisor, in Franchisor's Reasonable Business Judgment, may, from time to time, modify the list of approved brands, suppliers and distributors of System Supplies, Service Vehicles, and approved equipment, supplies and services to be used by the Franchised Business and that Franchisee shall, after receipt in writing of such modification, abide by same and, among other things, not reorder any brand and/or purchase from any supplier or distributor that is no longer designated or approved by Franchisor;

(5) Franchisor reserves the right to designate, from time to time, a single supplier and/or distributor for any services, products, equipment, supplies, or materials including, but not limited to, the System Supplies and Service Vehicles and to require Franchisee to use such a designated supplier exclusively, which exclusive designated supplier and/or distributor may be Franchisor and/or Franchisor's affiliates. Franchisor and its affiliates may receive payments from suppliers and/or distributors on account of such supplier's or distributor's dealings with Franchisee and other franchisees of the System and that Franchisor may use all amounts so received without restriction and for any purpose, including Franchisor's profit;

(6) Franchisee must comply with all System standards, policies, procedures, specifications, and requirements that Franchisor establishes or modifies from time to time regarding the development, access, implementation, and use of Artificial Intelligence in connection with the operation of the Franchised Business and the franchise System generally. For avoidance of doubt, the input, uploading, training, or processing of any Confidential Information or System information including financial, sales, and other operational data associated with the Franchised Business, through any Artificial Intelligence platform or tool that is not expressly approved by Franchisor in writing constitutes an unauthorized disclosure of Confidential Information; and

(7) If Franchisee proposes or requests that Franchisor consider the approval of products, services, equipment, supplies, suppliers and/or distributors for use in the Franchised Business where such products, services, equipment, supplies, suppliers and/or distributors are not, presently, at the time of Franchisee's request, approved for use in the System, Franchisee: (a) must provide Franchisor with a written request where Franchisee specifies the product, service, equipment, supply, supplier

and/or distributor, the reason for Franchisee's request; (b) shall timely submit to Franchisor such information, reports, specifications, and samples as Franchisor, in Franchisor's Reasonable Business Judgment requests; and (c) shall pay to Franchisor a supplier evaluation fee per requested product, service, equipment, supply, supplier and/or distributor to be considered including, but not limited to, the supplier evaluation fees that Franchisor, in Franchisor's Reasonable Business Judgment, establishes and assesses based on, among other things, the administrative costs and time associated with evaluating, assessing and testing the proposed product, service, equipment, supply, supplier and/or distributor including, but not limited to Franchisor's internal employees and independent third parties engaged and/or retained by Franchisor for evaluation and testing. The foregoing fees and payments shall be paid by Franchisee to Franchisor within 14 days of the date of Franchisor's invoice. Upon Franchisee's compliance with the foregoing, within 60 days of the completion of all evaluations, Franchisor shall notify Franchisee of Franchisor's approval or disapproval, which shall be determined by Franchisor in Franchisor's Reasonable Business Judgment. Under no circumstance shall the foregoing be construed as implying that Franchisor is required to approve alternative suppliers and Franchisor shall exclusively determine, in Franchisor's Reasonable Business Judgment, the level of evaluation to be conducted by Franchisor.

7.G. MARKET RESEARCH AND TESTING

Franchisor may conduct market research and testing to evaluate, modify, test or sample the services, products, equipment and supplies authorized by Franchisor and to determine consumer trends and the viability of certain services and products. Franchisee agrees to participate in Franchisor's market research programs that may be conducted by Franchisor in its discretion, by test marketing services and/or products from the Franchised Business. Franchisee agrees to provide Franchisor with timely reports and other relevant information regarding such market research. Franchisee agrees to purchase a reasonable quantity of the tested products and effectively promote and make a reasonable effort to sell the products and/or services.

7.H. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES

(1) Franchisee shall, at all times, secure and maintain in full force all required licenses, permits and certificates relating to the operation of the Franchised Business, and Franchisee must operate the Franchised Business in full compliance with all applicable laws, ordinances, codes and regulations.

(2) Franchisee shall, at all times, investigate, review, and comply with all laws applicable to the operation of the Franchised Business, including, without limitation, all labor laws and obligations, wage and hour laws and obligations, employer practices laws and obligations, labor department rules and regulations, workers compensation and unemployment laws and rules, insurance obligations, and health and safety laws, rules and obligations.

(3) Franchisee shall, at all times, investigate, review, and comply with all laws, rules, and regulations related to all laws, rules, and regulations related to customer and employee privacy obligations and protections and, all laws, rules, and regulations, related to the privacy and protection of customer and employee information and data and, all laws, rules, and regulations related to customer and employee solicitations.

(4) Franchisee must, at all times, immediately notify Franchisor in writing of any of the following concerning Franchisee, and/or the Franchised Business: (a) any cause of action, claim, lawsuit, proceeding, and investigation; (b) issuance of any order, writ, injunction, award, and/or decree by any court, agency, or other governmental entity; and (c) any notice of violation of any law, ordinance, code, permit, or regulation.

(5) Franchisee shall, at all times, ensure that all advertising and promotion of the Franchised Business by Franchisee is completely factual and conforms to the highest standards of ethical advertising, and is in conformity with Franchisor's standards and specifications. Franchisee shall refrain from any business practice, advertising practice, or personal conduct that may be injurious to Franchisor, the System, Brothers Gutters Businesses, and/or the Licensed Marks. Franchisor, in Franchisor's sole discretion, shall possess, among other things, the unilateral right to reject any and all advertising relating to the Franchised Business, Franchisor, the System, Brothers Gutters Businesses and/or using the Licensed Marks.

(6) Franchisee shall comply with, and cause Franchisee's Owners to comply with and/or to assist Franchisor, to the fullest extent possible, in Franchisor's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee and each Owner certify, represent, and warrant that Franchisee's or any Owner's property or interests is not subject to being "blocked" under any of the Anti-Terrorism Laws, and Franchisee and each Owner are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee further certifies that Franchisee and each Owner are not listed on the Annex to Executive Order 13244 (the Annex is available at http://www.treasury.gov) and will not become so listed, hire any person so listed, or have dealings with any person so listed. Franchisee agrees to immediately notify Franchisor if Franchisee or any Owner becomes so listed. "Anti-Terrorism Laws" refers to and means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing, or in any way relating to, terrorist acts and acts of war. If Franchisee, an Owner, or Franchisee's employees violate any of the Anti-Terrorism Laws and/or become listed on the Annex to Executive Order 13244, then Franchisor may terminate this Agreement immediately without prior notice to Franchisee.

In connection with Franchisee's compliance with the terms of this Article 7.H., if Franchisee discovers, learns of, and/or becomes aware of any conflict and/or discrepancy between Franchisee's obligations under this Article 7.H. with Franchisor's standards and/or specifications as contained in this Agreement, in the Operations Manual, and/or as otherwise designated by Franchisor from time to time, Franchisee shall immediately notify Franchisor in writing of such discrepancy. In the event of any conflict or ambiguity, Franchisor's determination and/or resolution made by Franchisor, in writing, and, specifically with regard to the presented conflict or ambiguity, shall be determinative as between Franchisor and Franchisee and the operations of the Franchised Business.

7.I. MANAGEMENT OF THE FRANCHISED BUSINESS

(1) Franchisee agrees that, at all times, that the development and operation of the Franchised Business shall be managed, operated, and maintained under the active, continuing management, substantial personal involvement and hands-on supervision, of Franchisee's Managing Owner. The Managing Owner must at all times be actively involved in the operation of the Franchised Business unless Franchisee delegates management functions to an authorized Operating Manager who, among other things, satisfactorily completes Franchisor's Training Program, and otherwise meets the criteria and conditions for qualification as an Operating Manager as designated and determined by Franchisor from time to time. If the Operating Manager is a family member of Franchisee and/or an Owner then the Operating Manager shall also sign and agree to be bound by the terms of the Franchise Owner and Spouse Agreement and Guaranty.

(2) Franchisee must, at all times, faithfully, honestly and diligently perform its obligations hereunder, and continuously exert its best efforts to promote and enhance the business of the Franchised Business and the goodwill of the Licensed Marks and the System.

(3) If, at any time, the Franchised Business is not being managed by a Managing Owner or Operating Manager who satisfactorily completed the Training Program, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of the Franchised Business for and on behalf of Franchisee. Franchisor's appointment of a manager of the Franchised Business does not relieve Franchisee of its obligations or constitute a waiver of Franchisor's right to terminate the Franchise pursuant to Article 16. Franchisor is not liable for any debts, losses, costs or expenses incurred in the operations of the Franchised Business or to any creditor of Franchisee for any products, materials, supplies or services purchased by the Franchised Business while it is managed by Franchisor's appointed manager.

(4) Franchisee shall, at all times, maintain sufficient working capital to fulfill its obligations under this Agreement.

7.J. REMEDIES FOR NON-COMPLIANCE WITH OPERATIONAL STANDARDS

In addition to all other rights afforded to Franchisor under this Agreement, in connection with any, each, and every violation of any term, provision, and/or operational requirement as set forth in this Article 7 (an "Operations Violation"), within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor an operations non-compliance fee (the "Operations Non-Compliance Fee") in the amount of: (a) $1,000 for each and every instance / event related to an Operations Violation involving the sale of services and/or products that are not Approved Services and Products; (b) $1,000 for each and every instance / event related to an Operations Violation involving the failure to exclusively use System Supplies, and/or Franchisor designated suppliers; and (c) $450 for all other Operations Violation. Additionally, in each of the foregoing instances, within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor all costs and expenses incurred by Franchisor in connection with any inspections, audits, and/or re-inspections directed and/or undertaken by Franchisor for the purpose, as determined by Franchisor in Franchisor's Reasonable Business Judgment, of determining whether or not Franchisee's Operations Violation has been cured in accordance with Franchisor's standards and specifications. The foregoing does not constitute Franchisor's consent to and/or acquiescence to Operations Violations. Nothing contained in this Article 7.J. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16, and as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

ARTICLE 8
INSURANCE

Franchisee, at Franchisee's sole expense, must purchase and maintain in full force at all times during the Term of this Agreement an insurance policy or policies protecting Franchisee as named insured and naming, as additional insureds, Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, Corporate Accounts, and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of Franchisor. The policy or policies must be written by a carrier or carriers with an A.M. Best Rating of at least A-, VII and reasonably acceptable to Franchisor. From time to time Franchisor may designate preferred insurance brokers and insurance carriers.

The currently required insurance policies, insurance coverage requirements, and insurance coverage amounts are designated and set forth in the Operations Manual. Franchisor may, in Franchisor's Reasonable Business Judgment, periodically change the amounts of coverage required under such insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Notwithstanding the immediately foregoing sentence, Franchisor shall not increase such minimum coverage more than once every two years. All public liability and property damages policies must contain a provision that Franchisor is entitled to recover under these

policies on any loss occasioned to Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, Corporate Accounts, and the officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees of Franchisor by reason of the negligence of Franchisee and/or Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees. By the earlier of 90 days after the Effective Date or prior to the commencement of the Training Program, Franchisee must deliver, or cause to be delivered, to Franchisor a copy of the certificates of insurance demonstrating Franchisee's compliance with this Article 8. We may also request copies of all policies and/or loss data. All insurance policies required must expressly provide that no less than 30 days' prior written notice shall be given to Franchisor in the event of a material alteration to, or cancellation of, any insurance policy Franchisee is required to maintain in accordance with this Agreement.

In the event Franchisee fails, for any reason, to procure or maintain the insurance required by this Agreement, then Franchisor has the right and authority (but not the obligation) to immediately to procure insurance and charge all costs, fees, and expenses associated with same to Franchisee, which such charges, together with a reasonable administrative fee for Franchisor's expenses in so acting, shall be immediately payable by Franchisee to Franchisor upon demand. The foregoing remedies are in addition to any other remedies Franchisor may have under this Agreement, at law, or in equity.

ARTICLE 9
BRAND DEVELOPMENT AND MARKETING

Franchisor is not required to conduct any marketing on behalf of Franchisee or the System.

9.A. BRAND DEVELOPMENT FUND

At all times and from time to time, as determined by Franchisor, in Franchisor's Reasonable Business Judgment, Franchisor may institute, implement, maintain, delegate and administer a brand development fund (the "Brand Development Fund"). The following shall apply to the Brand Development Fund at all times throughout the Term:

(1) If Franchisor institutes the Brand Development Fund, Franchisee shall pay, on the Due Date, a mandatory and continuing fee to the Brand Development Fund in an amount equal to a percentage of Gross Sales (as determined and designated by Franchisor in Franchisor's Reasonable Business Judgment) for each weekly Accounting Period (the "Brand Development Fund Fee"), provided, however, Franchisee will not be required to contribute more than 2% of the Gross Sales of the Franchised Business for each weekly Accounting Period;

(2) Franchisor will provide Franchisee with written notice of the percentage of Gross Sales that Franchisee is required to contribute to the Brand Development Fund. Upon such written notice to Franchisee, the percentage of Gross Sales to be paid by Franchisee to the Brand Development Fund will be applicable for each and every weekly Accounting Period thereafter during the Term until otherwise designated by Franchisor in writing. The Brand Development Fund Fee shall be paid to Franchisor on the Due Date and in accordance with the payment terms and method set forth in Article 5.B. for the payment of Royalty Fees or as otherwise designated by Franchisor;

(3) Franchisor, in Franchisor's Reasonable Business Judgment, shall direct all advertising, media placement, marketing and public relations programs and activities financed by the Brand Development Fund, with sole discretion over the strategic direction, creative concepts, materials, and endorsements used by the Brand Development Fund, and the geographic, market, and media placement and allocation thereof. Without limiting the foregoing, the Brand Development Fund

may also be utilized for evaluation and monitoring of the Business Management Systems, maintenance and upgrades to the System Website, and development of Digital Media;

(4) Franchisee agrees that the purpose of the advertising, media, marketing and activities financed by the Brand Development Fund is and shall be for the general enhancement of the System brand as associated with the Licensed Marks and general public brand recognition and awareness of the Licensed Marks. The Brand Development Fund will not be utilized to directly or indirectly market or promote the Franchised Business or, unless otherwise directed by Franchisor, in Franchisor's Reasonable Business Judgment, pay for media placements that may benefit or include any media market that includes Franchisee's Administrative Office or Operating Territory;

(5) Franchisee agrees that the Brand Development Fund may be used to pay various costs and expenses of Franchisor for such reasonable salaries, wages, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration, activities and/or the brand awareness goals of the Brand Development Fund including expenses incurred by Franchisor for advertising, marketing, product and service testing, product and service development, maintenance, evaluation and monitoring of the Business Management Systems, upgrades to the System Website, development of Digital Media and creative development that is internally administered or prepared by Franchisor and other marketing activities made by Franchisor, provided, however, that salary expenses for Franchisor's personnel paid by the Brand Development Fund shall be commensurate with the amount of that time spent by such personnel on Brand Development Fund matters. Franchisor shall not use contributions to the Brand Development Fund to defray any of Franchisor's general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration and activities of the Brand Development Fund and creation or conduct of its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials and collecting and accounting for contributions to the Brand Development Fund. Franchisor may spend in a fiscal year an amount greater or less than the aggregate contributions of all Brothers Gutters Businesses to the Brand Development Fund in that year;

(6) Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the Brand Development Fund;

(7) Brothers Gutters Businesses owned by Franchisor or Franchisor's affiliates are not required to pay any Brand Development Fund Fee or contribute to or make any contribution to the Brand Development Fund;

(8) Franchisee and Franchisor acknowledge and agree that (a) the Brand Development Fund is not a trust, (b) Franchisor is not a trustee or fiduciary of the Brand Development Fund, and (c) Franchisor may deposit and maintain any and all funds of the Brand Development Fund Fee in Franchisor's general accounts. Brand Development Fund Fees are not required to be segregated from other assets or accounts of Franchisor. The Brand Development Fund is not required to expend Brand Development Fund Fees in the year that they are collected and the Brand Development Fund may borrow from Franchisor or other lenders at standard commercial interest rates to cover deficits of the Brand Development Fund, and Franchisor may cause the Brand Development Fund to invest any surplus for future use by the Brand Development Fund. All interest earned on monies contributed to the Brand Development Fund will be used to pay costs of the Brand Development Fund before other assets of the Brand Development Fund are expended. A summary statement of monies collected and costs incurred by the Brand Development Fund for Franchisor's immediately preceding fiscal year shall be made available to Franchisee upon Franchisee's written request.

Franchisor will have the right to cause the Brand Development Fund to be incorporated or operated through an entity separate from Franchisor at such time as Franchisor deems appropriate, and such successor entity shall have all rights and duties of Franchisor pursuant to this Article 9.A.;

(9) Although Franchisor will endeavor to utilize the Brand Development Fund to develop advertising and marketing materials and programs, Franchisor undertakes no obligation to ensure that expenditures by the Brand Development Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Brand Development Fund by Brothers Gutters Businesses operating in that geographic area or that any Brothers Gutters Businesses will benefit directly or in proportion to its contribution to the Brand Development Fund from the development of advertising and marketing materials. Franchisor may use the Brand Development Fund to promote or benefit any type of Brothers Gutters Businesses in the System. Franchisor may use the Brand Development Fund to promote or benefit Brothers Gutters Businesses located within a particular region of the United States. Franchisee agrees that Franchisee's failure to derive any such benefit will not serve as a basis for a reduction or elimination of its obligation to contribute to the Brand Development Fund. Franchisee agrees that the failure (whether with or without Franchisor's permission) of any other franchisee to make the appropriate amount of contributions to the Brand Development Fund shall not in any way release Franchisee from or reduce Franchisee's obligations under this Article 9, such obligations being separate and independent obligations of Franchisee under this Agreement. Except as expressly provided in this Article 9, Franchisor assumes no direct or indirect liability, responsibility, or obligation to Franchisee with respect to the maintenance, direction, and/or administration of the Brand Development Fund; and

(10) Franchisor, in Franchisor's Reasonable Business Judgment, may establish a council to provide guidance respecting the administration of the Brand Development Fund and marketing matters concerning the Brand Development Fund. The council shall only serve in an advisory capacity and Franchisor shall select members of the council which may be comprised of employees of Franchisor, Franchisor, franchisees of the System and third parties.

9.B. LOCAL MARKETING

On an on-going monthly basis, Franchisee must spend not less than the greater of: (a) 3% of Franchisee's monthly Gross Sales; or (b) $2,000 per month for a Base Territory plus an additional $500 per month for each Additional Territory on the local marketing of the Franchised Business within and/or targeted to Franchisee's Operating Territory (the "Minimum Monthly Local Marketing Requirement"). On or before the 5th day of each calendar year month, or, such other dates as specified by Franchisor, Franchisee shall provide Franchisor with an accurate accounting of Franchisee's local marketing expenditures, placements, activities, and metrics for the immediately preceding calendar year month. At the request of Franchisor, Franchisee shall provide Franchisor with on-going access to any and all data and systems that record and/or report information related to Franchisee's local marketing activities and expenditures and to provide Franchisor such other periodic reports and records as may be requested by Franchisor.

If the Franchisee's expenditures in any monthly period do not, in aggregate as to any and/or each respective calendar year monthly period, equal or exceed the Minimum Monthly Local Marketing Requirement for the respective monthly period or periods then Franchisor, in Franchisor's discretion and Reasonable Business Judgment, may require that the deficiency be added as additional local marketing expenditures, for future local marketing over and above the Minimum Monthly Local Marketing Requirement for any particular month or period of time.

Franchisor reserves the right to reject any and all marketing efforts requested by Franchisee and to prescribe all marketing, marketing media, marketing channels, promotions, copy, creative, and messaging that

Franchisee may or may not use in Franchisee's marketing of the Franchised Business. Franchisee agrees that:

(1) In addition to calendar year monthly reports, Franchisee shall provide Franchisor with monthly reports documenting Franchisee's marketing initiatives, expenses incurred, placements secured, and other metrics and financial information as designated by Franchisor;

(2) Prior to opening the Franchised Business, Franchisee shall submit to Franchisor, Franchisee's initial marketing plan for review and approval by Franchisor. Franchisee shall use only those portions of its pre-opening marketing plan that is pre-approved by Franchisor and consistent with Franchisor's standards and specifications. Not less than 30 days prior to the opening of the Franchised Business and during the initial three month period following the Actual Opening Date, Franchisee shall spend not less than $15,000 to market and promote the opening of the Franchised Business in accordance with Franchisor's standards and specifications;

(3) Franchisee's marketing efforts and the distribution of each marketing channel and media engaged by Franchisee must be directly targeted to Franchisee's Operating Territory. Franchisee shall not direct or target Franchisee's marketing efforts with the purpose or effect of soliciting or attracting customers outside of Franchisee's Operating Territory. To the extent that Franchisee's marketing efforts involve a marketing medium or distribution channel that is targeted to Franchisee's Operating Territory but reaches outside of and beyond Franchisee's Operating Territory Franchisor, in Franchisor's Reasonable Business Judgment, shall have the right to direct and require Franchisee to discontinue such marketing;

(4) Franchisee grants to Franchisor the right, without compensation to Franchisee, to use Franchisee's name, address, photograph, and biographical information in any publication related to the System, including in relation to the sale of Brothers Gutters Business franchises; and

(5) Franchisee grants to Franchisor the right to use of Franchisee's financial data and information related to the financial performance of the Franchised Business for reporting purposes within Franchisor's publicly issued and published Franchise Disclosure Document, including in relation to the sale of franchises.

9.C. ADVERTISING COOPERATIVE

At all times Franchisor, in Franchisor's Reasonable Business Judgment, possesses the right to authorize, establish, designate and de-authorize a local or regional advertising cooperative within those markets that Franchisor designates (the "Advertising Cooperative"). Franchisee agrees that Franchisor possesses the sole and exclusive right to designate any geographic area in which two or more Brothers Gutters Business franchises are located as a region for the purpose of establishing an Advertising Cooperative. If Franchisee's Brothers Gutters Business or Operating Territory is located within the geographic area of an Advertising Cooperative, franchisee must participate in and contribute to the Advertising Cooperative. Franchisee agrees to the following:

(1) If Franchisor previously instituted or, in the future, institutes an Advertising Cooperative that includes, in whole or in part, Franchisee's Operating Territory or Franchisee's Brothers Gutters Business Location, Franchisee shall participate in and make such on-going financial contributions to the Advertising Cooperative, as determined by the Advertising Cooperative;

(2) Franchisor may establish foundational and organizational requirements of the Advertising Cooperative including voting provisions that allows the Advertising Cooperative to make decisions based on the simple majority vote (one vote per franchisee Brothers Gutters Business located within

the designated area of the Advertising Cooperative) with a quorum constituting 25% of those franchisees within the Advertising Cooperative;

(3) Unless otherwise authorized and approved by Franchisor in writing, each Advertising Cooperative shall be organized for the exclusive purpose of administering marketing programs and the development of media (all subject to the review and approval of Franchisor) for use by members of the Advertising Cooperative in local or regional marketing;

(4) If at the time of execution of this Agreement an Advertising Cooperative has been established for a geographic area that includes, in whole or in part, Franchisee's Brothers Gutters Business location or Operating Territory, or if such Advertising Cooperative is established during the Term of this Agreement, Franchisee shall fully participate in the Advertising Cooperative and Franchisee shall execute, at the request of Franchisor, all documents required by Franchisor and Franchisee shall become a member of the Advertising Cooperative subject to the terms of those documents;

(5) Franchisee shall contribute to the Advertising Cooperative in the amounts as determined and required by the Advertising Cooperative or, otherwise in accordance with those documents governing the operation of the Advertising Cooperative; provided, however, Franchisee's contributions to the Advertising Cooperative shall not exceed Franchisee's local minimum marketing obligations set forth in Article 9.B. of this Agreement and Franchisee's contributions to the Advertising Cooperative shall count toward satisfaction of Franchisee's minimum local marketing obligations set forth in Article 9.B.;

(6) Franchisee shall submit to the Advertising Cooperative and to Franchisor such statements and reports as may be required by the Advertising Cooperative and approved by Franchisor. All contributions to the Advertising Cooperative shall be maintained and administered in accordance with the documents governing the Advertising Cooperative. The Advertising Cooperative shall be operated solely for the purpose of collection and expenditure of the Advertising Cooperative's fees for the purpose set forth in this Article 9.C.;

(7) No marketing materials, plans, or media may be used by the Advertising Cooperative or its members without the prior written approval of Franchisor;

(8) Brothers Gutters Businesses owned by Franchisor and/or Franchisor's affiliates that are located within the geographic area of the designated Advertising Cooperative are not required to make contributions to the Advertising Cooperative; and

(9) The Advertising Cooperative must comply with the rules and regulations established by Franchisor in the Operations Manual which may be modified by Franchisor from time to time.

9.D. REQUIRED FRANCHISOR APPROVAL OF ALL MARKETING

All marketing and promotion of the Franchised Business and all marketing media, campaigns, marketing channels, and efforts used by Franchisee must conform to Franchisor's standards and specifications as set forth in the Operations Manual or, as may be otherwise directed by Franchisor in writing from time to time. If Franchisee wishes to propose to Franchisor for approval or disapproval marketing or promotional efforts, campaigns, and/or media that are not presently and expressly approved and authorized by Franchisor, Franchisee shall submit a written request, including samples of all proposed marketing materials and a description of the marketing channels and distribution to Franchisor for Franchisor's approval or disapproval, that shall be at the sole discretion of Franchisor, in Franchisor's Reasonable Business Judgment. Provided that Franchisee has satisfied the written notice requirements set forth in this Article 9.D. and provided that Franchisee otherwise timely responds in writing to any and all requests by Franchisor

for additional information, if Franchisor does not notify Franchisee that Franchisor disapproves the materials within 15 days from the date Franchisor receives the materials, then Franchisee may commence using the materials. However, Franchisor may still disapprove such materials by notice to Franchisee, and Franchisee must then cease using such materials upon receipt of such notice. Franchisee must not use any advertising or promotional materials that Franchisor has disapproved.

9.E. WAIVERS OR DEFERRALS

On written request from Franchisee with reasons supporting such request, Franchisor may, at Franchisor's sole discretion and on conditions Franchisor deems appropriate, temporarily waive or defer the obligations of Franchisee under the Brand Development Fund and/or, if applicable, Advertising Cooperative. In no event shall such waiver or deferral extend beyond six months. However, at the end of any waiver or deferral period, Franchisee may resubmit a request for waiver or deferral of its obligations under the Brand Development Fund and/or, if applicable, Advertising Cooperative. Franchisor shall not be under any obligation to grant any waiver or deferral. Franchisor may reject Franchisee's request for a waiver or deferral based on any reason or no reason at all and, nevertheless grant the request of another system franchisee.

9.F. DIGITAL MEDIA AND WEBSITE PROHIBITIONS

Franchisee's use of Digital Media shall be subject to and require Franchisor's express written consent which shall and may be withheld by Franchisor for any or no reason at all. Without limitation to the foregoing, Franchisee possesses no right or authority to utilize Digital Media and Franchisee agrees that Franchisor reserves all rights respecting the marketing, sale and distribution of Approved Services and Products through Digital Media. Franchisee agrees that all Digital Media and Digital Media accounts associated with and/or relating to the Franchised Business and/or the System shall, upon demand of Franchisor, be transferred to Franchisor. Upon execution of this Agreement and any and all future dates demanded by Franchisor, Franchisee shall execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts agreement attached to this Agreement as Exhibit 3. The foregoing shall not be interpreted or construed as permitting Franchisee to establish, designate, utilize and/or otherwise establish accounts as to Digital Media respecting and/or concerning the Franchised Business and/or the System.

9.G. NO MARKETING OUTSIDE FRANCHISEE OPERATING TERRITORY

Franchisee agrees that Franchisee's marketing and Marketing Media must be directed toward Franchisee's Operating Territory and that Franchisee shall not cause, authorize or engage in any Media Distribution to customers, potential customers and/or customer referral sources outside of Franchisee's Operating Territory, unless: (a) such Media Distribution is a joint distribution with other Brothers Gutters Businesses and is authorized by Franchisor in writing; and (b) Franchisor, in Franchisor's Reasonable Business Judgment, otherwise agrees to same in writing.

ARTICLE 10
RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION

10.A. INDEPENDENT CONTRACTORS

This Agreement does not create a fiduciary relationship between Franchisor and Franchise, Franchisor and Franchisee are independent contractors, and nothing in this Agreement is intended to make either party a general or special agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose. The parties' relationship is strictly a franchisor and franchisee relationship. Franchisee is the sole employer of the employees of the Franchised Business. Franchisee has the sole right to select, hire and discharge Franchisee's employees. Franchisee is responsible for all decisions regarding hiring, firing, training, supervising, disciplining, scheduling and paying wages to, and withholding and paying taxes for Franchisee's employees. Franchisee, each Owner, each Spouse, and Franchisee's officers, directors, manager, agents, representatives, independent contractors and employees shall not be construed,

considered, or represented as Franchisor's employees, representatives, or agents. There is no joint employer relationship between Franchisor and Franchisee or Franchisee's employees. Franchisee's compliance with all federal, state and local labor laws rules and regulations shall be exclusively determined and managed by Franchisee. To the extent that the Operations Manual includes information, specifications, procedures, criteria and/or requirements as to employees of the Franchised Business, such requirements shall be interpreted exclusively for the purpose of maintaining brand standards associated with the System, to protect the good will associated with the System, and to ensure System uniformity requirements and standards concerning the Approved Services and Products, and under no circumstance shall same relate to the employer-employee relationship. As to the foregoing issue of "joint employer" and the non-existence thereof, in the event of any inconsistency or conflict between this Agreement and the Operations Manual, the terms of this Agreement shall take precedence and govern.

Franchisee must conspicuously identify itself at the premises of the Franchised Business and in all dealings with customers, lessors, contractors, suppliers, public officials and others as the owner of a Brothers Gutters Business under a franchise from Franchisor, and Franchisee must place other notices of independent ownership on signs, forms, stationery, advertising and other materials as Franchisor requires.

Franchisee must not employ any Licensed Mark in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation. Franchisee must not employ any Licensed Mark in a manner that is likely to result in liability of Franchisor for any indebtedness, action, inaction, or obligation of Franchisee.

Franchisor and Franchisee shall not make any express or implied agreements, guaranties or representations, or incur any debt, in the name, or on behalf, of the other. Franchisor and Franchisee shall not represent that their relationship is anything other than franchisor and franchisee. Franchisor and Franchisee shall not be obligated by, or have any liability under, any agreements or representations made by the other that are not expressly authorized. Franchisor shall not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business, whether or not caused by Franchisee's negligent, willful act or failure to act.

Franchisor shall have no liability for any sales, use, excise, gross receipts, property or other taxes, whether levied upon Franchisee, the Franchised Business or its assets, or upon Franchisor in connection with sales made, services performed or business conducted by Franchisee.

10.B. INDEMNIFICATION BY FRANCHISEE

Franchisee and each Owner shall indemnify, defend through counsel acceptable to Franchisor, and hold Franchisor, Franchisor's affiliates, Corporate Accounts, and their respective officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisor Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages arising out of, or relating to, the Franchised Business (including, without limitation, the ownership and operation of the Franchised Business), unless such loss, expense, claim, cause of action, lawsuit, liability, tax, cost, demand, proceeding, or damage is solely due to Franchisor's gross negligence, and Franchisee shall pay all of the Franchisor Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisor Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisor Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses. At the expense and risk of Franchisee and each Owner, Franchisor may elect to assume (but is not obligated to undertake) the defense and/or settlement of any action, lawsuit, proceeding, claim, or demand. Such an election by

Franchisor to assume its defense shall not diminish the obligation of Franchisee and each Owner to indemnify, defend and hold harmless the Franchisor Indemnified Parties. Franchisee and each Owner acknowledge and agree that the terms of this Article 10.B. shall survive the termination, expiration or Transfer of this Agreement. Franchisor Indemnified Parties are not required or obligated to seek recovery from third parties or otherwise mitigate their respective losses in order to maintain a claim against Franchisee or any Owner. Franchisee and each of the Owners agree that Franchisor's failure to pursue recovery or mitigate loss in no way reduces the amounts recoverable from Franchisee or any Owner.

In addition to the foregoing, Franchisee and each Owner shall indemnify, defend (through counsel acceptable to Franchisor), and hold harmless each Corporate Account, its affiliates, and their respective officers, directors, employees, agents, successors, and assigns (the "Corporate Account Indemnified Parties") from and against any and all losses, expenses, claims, causes of action, lawsuits, liabilities, costs, demands, proceedings, investigations, hearings, and/or damages arising out of or relating to (i) Franchisee's performance of services for, or dealings with, any Corporate Account; (ii) the acts, omissions, or negligence of Franchisee or its employees, agents, contractors, or representatives in connection with any Corporate Account; or (iii) Franchisee's breach of any agreement, policy, or standard applicable to the Corporate Account relationship. Franchisee shall also pay all reasonable costs, fees, and expenses (including attorney fees, expert witness fees, and court costs) incurred by the Corporate Account Indemnified Parties in connection with the defense of such claims. This indemnification obligation is in addition to, and not in limitation of, the indemnification obligations set forth elsewhere in this Agreement, and shall survive expiration, termination, or Transfer of this Agreement.

10.C. INDEMNIFICATION BY FRANCHISOR

Franchisor shall indemnify, defend, and hold Franchisee and Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisee Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages solely arising out of, or solely relating to, Franchisor's gross negligence in the operation of Franchisee's Brothers Gutters Business that was the direct cause of any such loss, expense, liability or damage provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing, and Franchisor shall pay all of the Franchisee Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisee Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisee Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing. Franchisor agrees that the terms of this Article 10.C. shall survive the termination, expiration or Transfer of this Agreement.

ARTICLE 11
LICENSED MARKS AND SYSTEM

11.A. OWNERSHIP AND GOODWILL

Franchisee agrees that Franchisor is the owner of all right, title and interest in and to the Licensed Marks, the System, Web Based Media, Published Content and the goodwill associated with the Licensed Marks and the System. Except as otherwise specifically provided in this Agreement, Franchisee agrees that Franchisee possesses no interest or right, whatsoever, in or to the Licensed Marks, the System, Web Based Media, Published Content and the goodwill associated with the Licensed Marks and the System, and Franchisee's right to use the Licensed Marks and the System is derived solely from this Agreement. Any unauthorized use of the Licensed Marks and/or the System by Franchisee or any of Franchisee's affiliates

shall constitute an infringement of the rights of Franchisor in and to the Licensed Marks and/or the System. Franchisee agrees that all usage of the Licensed Marks and/or the System by Franchisee, and all goodwill associated with the Licensed Marks and System, shall exclusively benefit Franchisor without granting any goodwill interests or rights to Franchisee except for Franchisee's non-exclusive interest and limited right to use the Licensed Marks and the System in the operation of the Franchised Business, subject to the terms and conditions of this Agreement. Franchisee shall not, at any time during the Term or after the expiration, termination or Transfer of this Agreement, contest the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System, and at no time shall Franchisee assist any other person in contesting the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System. Franchisee and each Owner shall not take any action that prejudices or interferes with the validity of Franchisor's rights with respect to Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System.

11.B. USE OF THE LICENSED MARKS

Franchisee agrees that the Licensed Marks shall be the sole identification of the Franchised Business. Franchisee must operate, advertise and market the Franchised Business only under the Licensed Marks as designated and specified by Franchisor in Franchisor's Reasonable Business Judgment. Franchisee shall not use the Licensed Marks as part of its corporate or other legal name, and Franchise shall not use the Licensed Marks with modifying words, terms, designs, or symbols, or in any modified form. Franchisee shall comply with Franchisor's instructions in filing and maintaining their requisite trade name or fictitious name registrations as may be required by applicable law.

11.C. NOTIFICATION OF INFRINGEMENT AND CLAIMS

Franchisee must notify Franchisor immediately in writing of any apparent infringement of or challenge to Franchisee's use of any Licensed Mark, the System, or claim by any person of any rights in any Licensed Mark, System feature or component or any similar trade name, trademark or service mark of which Franchisee becomes aware. Franchisee must not communicate with any person other than Franchisor and its counsel in connection with any infringement, challenge or claim. Franchisor and/or its licensor has sole discretion to take any action it deems appropriate and the right to exclusively control any litigation or administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any Licensed Mark. Franchisee agrees to execute all documents, render assistance and take all actions as may be necessary or advisable to protect and maintain the interests of Franchisor and/or its licensor in any litigation or other administrative proceeding or to otherwise protect and maintain the interests of Franchisor and/or its licensor in the Licensed Marks. Franchisor will reimburse Franchisee for reasonable direct expenses incurred by Franchisee in assisting Franchisor in any such litigation or administrative proceeding.

11.D. DISCONTINUANCE OF USE OF LICENSED MARKS

Franchisee agrees that at any time should Franchisor determine, in Franchisor's sole discretion and based on Franchisor's Reasonable Business Judgment, that it is advisable for Franchisor, the System, and/or Franchisee to replace, modify, substitute, and/or discontinue use of any Licensed Marks, then Franchisee shall comply with Franchisor's determination and instructions as to the replacement, modification, substitution, and/or discontinuance of such Licensed Marks. Franchisee shall comply within the foregoing requirements within a reasonable time period after notice by Franchisor. If Franchisee is required to take action pursuant to instruction by Franchisor pursuant to this Article 11.D. or, if Franchisee is otherwise required to replace, modify, substitute, and/or discontinue use of any Licensed Marks, the sole liability and obligation of Franchisor to Franchisee shall be to reimburse Franchisee for the reasonable and direct costs incurred by Franchisee in complying with this obligation, which Franchisee shall document to the satisfaction of Franchisor. Franchisor maintains the exclusive right, in Franchisor's Reasonable Business

Judgment, to, in whole or in part, replace, modify, substitute and/or discontinue any and all features and/or components of the Licensed Marks and/or the System at any time.

11.E. INDEMNIFICATION OF FRANCHISEE

If Franchisee is sued in a legal proceeding or is threatened with legal action and/or a notice of infringement by a third party where the claims and/or causes of action directly relate to a third party claiming trademark infringement, unfair competition, and/or trademark dilution as a result of Franchisee's use of the Licensed Marks in accordance with the terms of this Agreement and the System (the "IP Claim"), then Franchisor shall indemnify Franchisee for the reasonable and direct costs incurred by Franchisee and/or a judgment entered against Franchisee, provided: (a) Franchisee immediately notified Franchisor of the IP Claim by a written notice sent to Franchisor via priority overnight courier; (b) Franchisee provided and afforded Franchisor the absolute opportunity and right to defend against the IP Claim and to select and appoint legal counsel of Franchisor's choosing; and (c) Franchisee utilized the Licensed Marks in accordance with the terms of this Agreement and the System. Franchisee agrees that time is of the essence with respect to notifying Franchisor of the IP Claim in accordance with this Agreement, including this Article 11.E.

11.F. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS AND INFORMATION

Franchisee agrees that with regard to the Franchised Business, all customer lists, including the contents and information contained in all customer lists, constitute Confidential Information and an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term, and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods, and products conceived or developed by Franchisee, any Owner, and/or Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees relating to the development and operation of Brothers Gutters Businesses and the System. Franchisee hereby assigns to Franchisor, and Franchisee agrees to procure an assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 11.F. from each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees. Franchisor shall have no obligation to tender any lump sum payment, on-going payments, or any other consideration to Franchisee, any Owner, each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees with respect to any such idea, concept, method, technique or product. Franchisee agrees that Franchisee shall not use, or allow any other person or entity to use, any such concept, method, technique, or product without obtaining Franchisor's prior written approval.

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ARTICLE 12
RECORDS AND REPORTS

12.A. MAINTENANCE AND PRESERVATION OF RECORDS

Franchisee shall maintain during the Term and preserve for at least three years from the dates of their preparation, full, complete and accurate books, records, and accounts from the Franchised Business. Such records shall be maintained and preserved in the form and manner by Franchisor in the Operations Manual or otherwise in writing.

12.B. REPORTING OBLIGATIONS

In additional to the reporting obligations otherwise set forth in this Agreement, Franchisee agrees to the following additional reporting obligations that shall include all of the data and information requested by Franchisor, in Franchisor's Reasonable Business Judgment, and as may be modified by Franchisor from time to time:

(1) Royalty and Activity Reports – on the Due Date each week, Franchisee shall report, transmit, confirm, and/or otherwise make available to Franchisor, the Royalty and Activity Report as designated by Franchisor and in accordance with the terms of this Agreement.

(2) Monthly Financial Statements and Reports – within 30 days of the end of each calendar month Franchisee shall submit to Franchisor monthly financial statements and other reports related to the operations of the Franchised Business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports designated by Franchisor. Franchisee represents that the financial statements, information, and reports submitted to and/or made available to Franchisor shall be and remain true and accurate. The financial statements must be prepared in accordance with GAAP and, additionally, shall reconcile Gross Sales per GAAP to Gross Sales per this Agreement;

(3) Annual Financial Statements and Reports – within 60 days of the end of each calendar year, Franchisee shall submit to Franchisor Franchisee's annual financial statements and other reports related to the operations of the Franchised Business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports designated by Franchisor. The financial statements must be prepared by a licensed CPA and in accordance with GAAP and, additionally, shall reconcile Gross Sales per GAAP to Gross Sales per this Agreement;

(4) Tax Returns – Franchisee shall provide to Franchisor, Franchisee's annual federal, state and local tax returns as same are prepared and submitted to the applicable federal, state and local entities. Said tax returns shall be submitted to Franchisor within 45 days of Franchisee or Franchisee's agent filing such returns with the applicable federal, state and local entities; and

(5) Other Reports – Franchisee shall timely submit to Franchisor, all other forms, reports, records, information, and data as Franchisor may reasonably request in writing or as otherwise set forth in the Operations Manuals.

12.C. REMEDIES FOR NON-COMPLIANCE WITH RECORDS AND REPORTING

In addition to all other rights afforded to Franchisor under this Agreement, in connection with any, each, and every violation of any term, provision, and/or operational requirement as set forth in this Article 12 (a "Reporting Violation"), within 14 days of Franchisor's invoice, Franchisee shall pay to Franchisor a reporting non-compliance fee (the "Reporting Non-Compliance Fee") in the amount of $150 for each and every failure to timely submit a report and/or record as set forth in this Article 12. The foregoing does not constitute Franchisor's consent to and/or acquiescence to Reporting Violations. Nothing contained in this

Article 12.C. shall be interpreted as interfering with and/or negating Franchisor's rights and remedies as set forth in Article 16 and as otherwise set forth in this Agreement. All rights and remedies of Franchisor are cumulative and shall be interpreted as cumulative to one another.

ARTICLE 13
INSPECTION AND AUDITS

13.A. FRANCHISOR'S RIGHT TO INSPECT

Franchisor has the right at any time during business hours, and without prior notice to Franchisee, to inspect Franchisee's non-residential Administrative Office, Service Vehicles and System Supplies. Franchisee shall fully cooperate with representatives of Franchisor making any inspection and permit such representatives of Franchisor to take photographs, videos, and/or recordings of the Franchised Business, operations of the Franchised Business, interview employees and customers of the Franchised Business, conduct secret-shopper inspections, and other inspections either with or without notice to Franchisee. Franchisor shall undertake reasonable efforts to minimize the impact of any inspection on the operations of the Franchised Business.

13.B. FRANCHISOR'S RIGHT TO EXAMINE BOOKS AND RECORDS

Franchisor has the right at any time during business hours, and without prior notice to Franchisee, to examine or audit, or cause to be examined or audited by a third party, the business records, cash control devices, bookkeeping and accounting records, bank statements, sales and income tax records and returns, and other books, statements, and records of the Franchised Business and Franchisee. Franchisee shall maintain complete and accurate copies all such books, statements, records and supporting documents at all times at Franchisee's Administrative Office. Franchisee must fully cooperate with Franchisor, representatives of Franchisor, and third parties hired by Franchisor to conduct any such examination or audit. In the event Franchisor's examination of Franchisee's records reveals that Franchisee underreported any figure to Franchisor by more than 2%, then Franchisee shall reimburse to Franchisor, all of Franchisor's costs in connection with Franchisor's audit/examination.

ARTICLE 14
TRANSFER OF INTEREST

14.A. TRANSFER BY THE FRANCHISOR

At all times, Franchisor possesses and maintains the sole, absolute and unilateral right to Transfer and/or assign this Agreement, Franchisor's rights and obligations under this Agreement, and the Ancillary Agreements, in whole and/or in part (for any purpose and in any form of transaction as may be designated and/or elected by Franchisor, in Franchisor's sole discretion) to any person, entity, Corporate Entity and/or third party without the consent of Franchisee and without the approval of Franchisee or any other party. Nothing contained in this Agreement shall prevent, prohibit, restrict, hinder, enjoin or otherwise restrain Franchisor from selling, transferring, conveying, or assigning this Agreement and the Ancillary Agreements, and/or Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, to any person, entity, Corporate Entity or other third party. Franchisor has an unrestricted and unequivocal right to Transfer and/or assign any of its rights or obligations under this Agreement and the Ancillary Agreements, in whole or in part, in Franchisor's sole discretion. In the event Franchisor Transfers and/or assigns this Agreement and/or the Ancillary Agreements, and/or any or all of Franchisor's rights and obligations set forth in this Agreement and/or the Ancillary Agreements, to a person, an entity, Corporate Entity, or other third party, this Agreement and the Ancillary Agreements, shall survive, remain in full force and effect, and inure to the benefit of the purchaser, transferee, conveyee, and/or assignee of this Agreement and/or the Ancillary Agreements and/or Franchisor's rights and obligations under this Agreement and/or the Ancillary Agreements.

14.B. FRANCHISEE MAY NOT TRANSFER WITHOUT FRANCHISOR APPROVAL

Franchisee agrees, and, Franchisee represents and warrants that Franchisee's Owners understand and agree, that the rights and duties set forth in this Agreement are personal to Franchisee and each Owner. Therefore, Franchisee agrees that:

(1) No ownership interest of any Owner in Franchisee may be Transferred without the prior written consent of Franchisor;

(2) No obligations, rights or interest of Franchisee in (a) this Agreement, (b) the Franchised Business, or (c) all or substantially all of the assets of the Franchised Business may be Transferred without the prior written consent of Franchisor. This restriction shall not prohibit Franchisee from granting a mortgage, charge, lien, or security interest in the assets of the Franchised Business or this Agreement for the exclusive purpose of securing financing for the initial development (occurring prior to the Actual Opening Date) of the Franchised Business;

(3) Without limitation to the foregoing, any Transfer by Franchisee respecting and/or relating to this Agreement and/or the Franchised Business and/or assets associated with the Franchised Business will require the prior written consent of Franchisor where such Transfer occurs by virtue of: (a) divorce or legal dissolution of marriage; (b) insolvency; (c) dissolution of a Corporate Entity; (d) last will and testament; (e) intestate succession; or (f) declaration of, or transfer in trust;

(4) Any purported Transfer without the written consent of Franchisor, or otherwise in violation of this Agreement including, but not limited to this Article 14.B. shall constitute a breach of this Agreement and shall convey to the transferee no rights or interests in this Agreement; and

(5) In the event of a Transfer of this Agreement that is approved by Franchisor, Franchisee shall not be relieved of Franchisee's obligations under this Agreement whether said obligations accrued and/or arose prior to and/or after the date of Transfer.

14.C. CONDITIONS FOR APPROVAL OF TRANSFER

Provided Franchisee and each Owner and Spouse, respectively, are in substantial compliance with this Agreement and the Ancillary Agreements, and Franchisor does not elect to exercise Franchisor's right of first refusal as set forth in Article 14.F. below, Franchisor shall not unreasonably withhold its approval of a Transfer by Franchisee or an Owner. The proposed transferee (including such assignee's owner(s) and spouse(s) if the proposed transferee is a Corporate Entity) must be of good moral character, have sufficient business experience, aptitude and financial resources to own and operate a Brothers Gutters Business, and otherwise meet Franchisor's then applicable standards for franchisees as determined by Franchisor in Franchisor's Reasonable Business Judgment. Furthermore, the proposed transferee and the proposed transferee's owners and spouses may not own or operate, or intend to own or operate, a Competitive Business. Franchisee agrees that Franchisor may condition approval of a Transfer upon Franchisee's satisfaction (either before, or contemporaneously with, the effective date of the Transfer) of the following:

(1) Franchisee must provide written notice to Franchisor of the proposed Transfer of this Agreement at least 30 days prior to the Transfer, and Franchisee must have also satisfied the obligations set forth in Article 14.F. below;

(2) All accrued monetary obligations of Franchisee and all other outstanding obligations to Franchisor and/or Franchisor's affiliates under this Agreement and the Ancillary Agreements must be satisfied in a timely manner, and Franchisee must satisfy all trade, supplier, and vendor accounts and other debts, of whatever nature or kind, in a timely manner;

(3) Franchisee, each Owner, and each Spouse must not be in default or material breach of this Agreement or the Ancillary Agreements;

(4) The transferee shall be bound by all terms and conditions of this Agreement, and each owner of the transferee and their respective spouses shall personally execute the Franchise Owner and Spouse Agreement and Guaranty in the form attached to this Agreement as Exhibit 1;

(5) All obligations of Franchisee under this Agreement and the Ancillary Agreements shall be assumed by the transferee, each individual owner of transferee, and their respective spouses in a manner satisfactory to Franchisor;

(6) Franchisee, each Owner, and each Spouse must execute the General Release attached to this Agreement as Exhibit 5 releasing Franchisor, Franchisor's affiliates and Franchisor's past and present officers, directors, shareholders, members, partners, agents, representatives, independent contractors, servants and employees, of any and all claims against Franchisor for matters arising on, or before, the effective date of the Transfer;

(7) If the proposed Transfer includes or entails the Transfer of this Agreement, substantially all of the assets of the Franchised Business, a controlling interest in Franchisee, or is one of a series of Transfers which in the aggregate Transfers substantially all of the assets of the Franchised Business or a controlling interest in Franchisee, then, at the election of Franchisor and upon notice from Franchisor to Franchisee, the transferee may be required to execute (and/or, upon Franchisee's request, shall cause all interested parties to execute) for a term ending on the expiration date of the original Term of this Agreement, the then current standard form Franchise Agreement offered to new franchisees of Brothers Gutters Businesses and any other agreements as Franchisor requires. Such agreements shall supersede this Agreement and its associated agreement in all respects, and the terms of Franchisor's then current agreements may differ from the terms in this Agreement, provided that such agreements shall provide for the same Royalty Fee, Advertising Contributions, and all other financial or monetary obligations established in this Agreement;

(8) The transferee, at its expense, must improve, modify, refurbish, renovate, remodel, and/or otherwise upgrade Franchisee's non-residential Administrative Office to conform to the then current standards and specifications of Franchisor, and the transferee must complete such improvements, modifications, refurbishments, renovations, remodeling, and/or upgrading within the time period Franchisor reasonably specifies;

(9) Franchisee, each Owner, and each Spouse shall remain liable for all obligations to Franchisor set forth in this Agreement;

(10) At the transferee's expense, the transferee, and the transferee's Managing Owner, managers and/or any other applicable employees of transferee's Brothers Gutters Business must complete any training programs then in effect for franchisees of Brothers Gutters Businesses upon terms and conditions set forth in this Agreement or as Franchisor otherwise reasonably requires;

(11) Franchisee must pay a fixed sum of $10,000 to Franchisor (the "Transfer Fee");

(12) Franchisor's approval of the material terms and conditions of the Transfer, and Franchisor determines in Franchisor's Reasonable Business Judgment that the price and terms of payment are not so burdensome as to be detrimental to the future operations of the Franchised Business by the transferee;

(13) Transferee's employees, directors, officers, independent contractors, and agents who will have access to Confidential Information shall execute the Confidentiality Agreement attached hereto as Exhibit 2;

(14) Franchisee entering into an agreement with Franchisor agreeing to subordinate any obligations of transferee to make installment payments of the purchase price to Franchisee to the transferee's obligations to Franchisor, including, without limitation, transferee's obligations with respect to Royalty Fees and Advertising Contributions;

(15) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer indicates only that the transferee meets, or Franchisor waived, the criteria established by Franchisor for franchisees as of the time of such transfer, and Franchisor's approval thereof does not constitute a warranty or guaranty by Franchisor, express or implied, of the suitability of the terms of sale, successful operation, or profitability of the Franchised Business;

(16) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer at issue does not constitute Franchisor's approval of future or other Transfers or the waiver of the requirement that Franchisor must approve such future or other Transfers in accordance with this Agreement;

(17) The Transfer must be made in compliance with all applicable laws;

(18) The Transfer of the Franchised Business, the lease for Franchisee's non-residential Administrative Office (if applicable), and the assets of the Franchised Business shall be made only in conjunction with a Transfer of this Agreement, approved by Franchisor in accordance with and subject to this Article 14 and the terms and conditions of this Agreement; and

(19) Franchisor's consent to a Transfer of any interest that is subject to the restrictions of this Agreement shall not constitute a waiver of any claims it may have against Franchisee or deemed a waiver of Franchisor's right to demand strict and exact compliance with this Agreement by the transferee.

14.D. DEATH OR DISABILITY OF FRANCHISEE OR AN OWNER

(1) If Franchisee is an individual and not a Corporate Entity, upon the death or permanent disability of Franchisee, the executor, administrator, conservator or other personal representative of Franchisee, must appoint a manager that meets the equivalent of an Operating Manager within a reasonable time, which shall not exceed 30 days from the date of death or permanent disability. The appointed manager (as applicable) must serve and qualify as an Operating Manager and attend and successfully complete the Training Program within 60 days of the appointment. If Franchisee's Brothers Gutters Business is not being managed by a Franchisor approved Operating Manager (as applicable) within 30 days after such death or permanent disability, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of Franchisee's Brothers Gutters Business for, and on behalf of, Franchisee at Franchisee's sole costs until an approved Operating Manager is able to assume the management and operation of Franchisee's Brothers Gutters Business. Franchisor's appointment of a manager for Franchisee's Brothers Gutters Business does not relieve Franchisee of its obligations under this Agreement, including this Article 14.D., or constitute a waiver of Franchisor's right to terminate this Agreement pursuant to Article 16, below. At all times, including while Franchisee's Brothers Gutters Business may be managed by Franchisor's appointed manager, Franchisor shall not be liable for any debts, losses, costs, or expenses incurred in the operations of Franchisee's Brothers Gutters Business or to any creditor of Franchisee for any products, materials, supplies or services purchased by Franchisee's Brothers

Gutters Business. Franchisor has the right to charge a reasonable fee (the "Management Service Fees") for such management services and may cease to provide management services at any time.

(2) If Franchisee is a Corporate Entity, upon the death or permanent disability of Franchisee's Managing Owner, the remaining Owners within a reasonable time, which shall not exceed 30 days from the date of death or permanent disability, must appoint a new Managing Owner that is approved by Franchisor. The appointed Managing Owner must attend and successfully complete the Training Program within 60 days of the appointment. If Franchisee's Brothers Gutters Business is not being managed by a Franchisor approved Managing Owner (as applicable) within 30 days after such death or permanent disability, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of Franchisee's Brothers Gutters Business for, and on behalf of, Franchisee at Franchisee's sole costs until an approved Managing Owner is able to assume the management and operation of Franchisee's Brothers Gutters Business. Franchisor's appointment of a manager for Franchisee's Brothers Gutters Business does not relieve Franchisee of its obligations under this Agreement, including this Article 14.D., or constitute a waiver of Franchisor's right to terminate this Agreement pursuant to Article 16, below. At all times, including while Franchisee's Brothers Gutters Business may be managed by Franchisor's appointed manager, Franchisor shall not be liable for any debts, losses, costs, or expenses incurred in the operations of Franchisee's Brothers Gutters Business or to any creditor of Franchisee for any products, materials, supplies or services purchased by Franchisee's Brothers Gutters Business. Franchisor has the right to charge a reasonable fee for such management services and may cease to provide management services at any time. Notwithstanding the foregoing, if Franchisee is a Corporate Entity and the Managing Owner is the only Owner of Franchisee, then Article 14.D.(1) shall apply as if the Managing Owner were the sole individual Franchisee.

(3) Upon the death of Franchisee or any Owner, the executor, administrator, conservator or other personal representative of that deceased person must transfer his interest to a person Franchisor approves within a reasonable time, not to exceed 12 months from the date of death.

(4) If Franchisee is an individual, then in the event of the death or permanent disability of Franchisee, this Agreement may be Transferred to any designated person, heir or beneficiary without the payment of the Transfer Fee. Notwithstanding the immediately foregoing sentence, the Transfer of this Agreement to such transferee of Franchisee shall be subject to the applicable terms and conditions of this Article 14, and the Transfer shall not be valid or effective until Franchisor has received the properly executed legal documents, which Franchisor's attorneys deem necessary to properly and legally document such Transfer of this Agreement. Furthermore, said transferee must agree to be unconditionally bound by the terms and conditions of this Agreement, personally guarantee the performance of Franchisee's obligations under this Agreement, and execute the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1.

14.E. TRANSFER TO WHOLLY OWNED CORPORATE ENTITY

In the event Franchisee is an individual/are individuals, this Agreement may be Transferred by Franchisee to a Corporate Entity (the "Assignee Corporate Entity"), provided that: (a) Franchisee has provided Franchisor with 30 days prior written notice of the proposed Assignment of this Agreement; (b) Franchisee (individually, jointly and severally as to each individual Franchisee) shall sign and be bound by the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1; (c) the Spouse of each Franchisee (individually, jointly and severally as to each individual Spouse) sign and be bound by the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1; (d) Franchisee has provided Franchisor with true and accurate copies of corporate formation documents related to the Assignee Corporate Entity and the ownership of the Assignee Corporate Entity and has further provided Franchisor with all additional documentation as Franchise may request concerning the proposed

assignment and/or Assignee Corporate Entity; and (e) Franchisee is otherwise in compliance with the terms and conditions of this Agreement and any Ancillary Agreements. Franchisee agrees that an assignment to an Assignee Corporate Entity shall not relieve Franchisee of Franchisee's individual obligations under this Agreement as such obligations existed between Franchisee and Franchisor prior to the date of any assignment to the Assignee Corporate Entity.

14.F. FRANCHISOR'S RIGHT OF FIRST REFUSAL

If Franchisee or an Owner desire to engage, in whole or in part, in a Transfer of Franchisee, this Agreement, Franchisee's Brothers Gutters Business, Franchisee's non-residential Administrative Office, and/or Franchisee's Administrative Office, then Franchisee or such Owner (as applicable) must obtain a bona fide, signed written offer from the fully disclosed purchaser (the "Offer") and submit an exact copy of the Offer to Franchisor. Franchisor shall have 30 days after receipt of the Offer to decide whether Franchisor will purchase the interest in Franchisee, Franchisee's Brothers Gutters Business, Franchisee's Administrative Office, and/or Franchisee's Administrative Office for the same price and upon the same terms contained in the Offer (however, Franchisor may substitute cash for any form of payment proposed in the Offer). If Franchisor notifies Franchisee that Franchisor intends to purchase the interest within said 30 day period, Franchisee or Owner (as applicable) must sell the interest to Franchisor. Franchisor will have at least an additional 60 days to prepare for closing. Franchisor shall be entitled to receive from Franchisee or Owner (as applicable) all customary representations and warranties given by Franchisee or Owner (as applicable) as the seller of the assets and/or the ownership interest or, at Franchisor's election, the representations and warranties contained in the offer. If Franchisor does not exercise its right of first refusal, Franchisee or Owner (as applicable) may complete the Transfer to the purchaser pursuant to and in accordance with the terms of the Offer, provided that separate and apart from this Article 14.F. right of first refusal, Franchisee complies with the terms of this Article 14. However, if the sale to the purchaser is not completed within 120 days after delivery of the Offer to Franchisor, or there is a material change in the terms of the sale, Franchisor will again have the right of first refusal specified in this Article 14.F. Franchisor's right of first refusal in this Article 14.F. shall not apply to any Transfer pursuant to Article 14.E. of this Agreement.

ARTICLE 15
RENEWAL OF FRANCHISE

15.A. FRANCHISEE'S RIGHT TO RENEW

Subject to Franchisee's satisfaction of the terms of this Agreement, including this Article 15, Franchisee shall possess the option to renew the franchise for Franchisee's continued license and franchised operation of the Franchised Business for up to two additional 10 year renewal terms (each, a "Renewal Term") comprised of the First Renewal Term and the Second Renewal Term provided that as to each Renewal Term Franchisee is in compliance with the terms of this Agreement (including any renewal Franchise Agreement) and timely and independently complies with the renewal conditions set forth in this Article 15 as to both the First Renewal Term and the Second Renewal Term, respectively.

15.B. CONDITIONS FOR RENEWAL

Franchisee's renewal rights under this Article 15 are subject to and contingent upon Franchisee's satisfaction of the following conditions and criteria:

(1) Not less than 180 days prior to the expiration of the Term but not greater than 270 days prior to the expiration of the Term, Franchisee shall have provided Franchisor with written notice (the "Renewal Notice") of Franchisee's election to renew;

(2) At the time of delivering the Renewal Notice and at all times thereafter, Franchisee and Franchisee's Owners must be in compliance with the terms of this Agreement and all Ancillary Agreements, and without any default of this Agreement or the Ancillary Agreements;

(3) Franchisee must possess, present, and demonstrate to Franchisor and, subject to Franchisor's reasonable satisfaction, that: (a) Franchisee maintains the ability to continue to operate the Franchised Business within Franchisee's Operating Territory; and (b) Franchisee possesses the right to occupy and maintain Franchisee's non-residential Administrative Office in accordance with Franchisor's then current standards and specifications;

(4) Franchisee must satisfy the maintenance, update, and upgrade obligations as set forth in this Agreement;

(5) Franchisee pays the Renewal Fee and Franchisee agrees to, signs, and delivers to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current form Franchise Agreement for the Renewal Term (the "Renewal Franchise Agreement");

(6) Franchisee's Owners and their Spouses, respectively, must agree to, sign, and deliver to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current individual guaranty agreements, and, thereby, among other things, individually and jointly guarantee the full and complete performance of the Renewal Franchise Agreement including, but not limited to, payment obligations, non-compete obligations, and restrictive covenants (the "Renewal Ancillary Agreements");

(7) Franchisee and the Owners must, prior to the Renewal Term, undertake and complete, to Franchisor's satisfaction, such additional training, if any, as designated and determined by Franchisor in Franchisor's Reasonable Business Judgment; and

(8) Franchisee and the Owners must agree to, sign, and deliver to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then current form of general release whereby Franchisee and Franchisee's Owners shall each fully release and discharge Franchisor, Franchisor's affiliates and its officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, causes of action, and suits arising from and/or related to this Agreement. If local law precludes Franchisee's issuance of a general release, Franchisor at Franchisor's election, may condition renewal on Franchisee's and each Owner's delivery to Franchisor of an estoppel letter advising and informing Franchisor that the undersigned possesses no legal claim or cause of action against Franchisor and is not aware of any facts of circumstances involving any breach of this Agreement by Franchisor or Franchisor's agents or employees.

Failure by Franchisee, and, as applicable, each Owner and Spouse to timely comply with the foregoing conditions shall be deemed an election by Franchisee to not renew the Franchise Agreement.

15.C. RENEWAL FRANCHISE AGREEMENT

Franchisee agrees that the Renewal Franchise Agreement and Renewal Ancillary Agreements, as determined by Franchisor in Franchisor's sole discretion, may contain terms, conditions, requirements, and rights that are materially and substantively different from those granted and contained in this Agreement.

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ARTICLE 16
DEFAULTS AND REMEDIES

16.A. DEFAULTS BY FRANCHISEE AND TERMINATION BY FRANCHISOR

(1) **Defaults and Automatic Termination** – At the election of Franchisor, Franchisee shall be in default of this Agreement and this Agreement shall be automatically and immediately terminated, without notice to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances:

(a) Franchisee becomes insolvent, and/or Franchisee makes a general assignment for the benefit of creditors or takes any other similar action for the protection or benefit of creditors;

(b) Franchisee admits in writing Franchisee's inability to pay its debts as they mature, and/or Franchisee gives notice to any governmental body or agency of insolvency, pending insolvency, suspension of operations and/or pending suspension of operations;

(c) Franchisee files a voluntary petition in bankruptcy, Franchisee is adjudicated bankrupt or insolvent, and/or Franchisee files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief under any applicable federal and/or state law relative to bankruptcy, insolvency or similar relief for debtors;

(d) An involuntary petition in bankruptcy is filed against Franchisee and Franchisee fails to have the involuntary petition discharged within 35 days of the petition filing, and/or Franchisee seeks, consents to, or acquiesces in, the appointment of any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee;

(e) A bill in equity or other proceeding for the appointment of any trustee, receiver, conservator, custodian or liquidator of Franchisee for Franchisee's business or any assets of Franchisee is filed and Franchisee consents to same;

(f) A court of competent jurisdiction appoints or orders any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee and such appointment or order remains for an aggregate of 60 days, whether or not consecutive, from the date of entry thereof;

(g) Franchisee initiates proceedings for a composition with creditors under any state or federal law or such a proceeding is initiated against Franchisee;

(h) This Agreement, or any of Franchisee's rights under this Agreement, is levied upon under any attachment or execution, and/or Execution is levied upon or against the Franchised Business or any assets of Franchisee, and/or a final judgment against Franchisee remains of record or unsatisfied for 30 days or more, unless an appeal and/or bond is filed;

(i) Franchisee is dissolved;

(j) A cause of action or lawsuit to foreclose any lien or mortgage against the assets of the Franchised Business;

(k) A cause of action or lawsuit to foreclose any lien against equipment used in the operation

of the Franchised Business and not dismissed within 60 days after the summons is served on Franchisee;

(l) Real or personal property of Franchisee used in the operation of the Franchised Business is sold after levy thereupon by any sheriff, marshal or other law enforcement officer; and/or

(m) Upon termination by Franchisor pursuant to Article 16.A.(2), Article 16.A.(3), or Article 16.A.(4) of this Agreement.

(2) **Defaults and Automatic Termination upon Written Notice without Cure Period** – Franchisee shall be in default of this Agreement, and, this Agreement may be terminated by Franchisor, at Franchisor's sole discretion, upon written notice from Franchisor to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, with such termination effective on the date of Franchisor's notice:

(a) Franchisee, on three or more instances and/or occasions, engages, commits, and/or suffers an action, inaction, omission, event, and/or circumstance that constitutes or qualifies as a default under Articles 16.A.(3) and/or 16.A.(4) of this Agreement, irrespective of whether or not such action, inaction, omission, event, and/or circumstance is the subject of a notice of default from Franchisor to Franchisee pursuant to Articles 16.A.(3) and/or 16.A.(4) of this Agreement and irrespective of whether or not such default was timely cured and irrespective of whether or not Franchisee paid any penalties or additional fees to Franchisor;

(b) Franchisee, intentionally and knowingly, refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement with the intent of causing harm to Franchisor, the System, other System franchisee and/or customers of the Franchised Business;

(c) Franchisee intentionally, knowingly, with prior notice, and/or through negligence, at any time, develops, manages, maintains, and/or operates the Franchised Business in violation of federal, state, and/or local laws, rules, regulations, ordinances, permits, codes and/or conduct resulting in a foreseeable, immediate and/or imminent threat to the health and/or safety of any third party including customers, employees, and/or the public at large;

(d) Franchisee abandons, surrenders and/or fails to continuously and actively operate the Franchised Business, unless prevented from doing so by casualty that is the subject of Article 7.C. of this Agreement and that is cured/remedied in accordance with Article 7.C.;

(e) Franchisee, as to applicable, laws, rules and/or regulations, loses and/or fails to continuously possess, the legal right to operate Franchised Business in accordance with the terms of this Agreement and the standards, specifications, and requirements set forth in the Operations Manual and/or as otherwise communicated by Franchisor from time to time;

(f) Franchisee and/or Franchisee's Owners intentionally misrepresent and/or omit material information in any submitted application and during the application process;

(g) As to information, records, statements, and/or data that Franchisee must maintain and/or report to Franchisor pursuant to the terms of this Agreement, the Operations Manual, or as otherwise requested by Franchisor from time to time, the information, records, statements, and/or data maintained by Franchisee and/or reported by Franchisee contains intentional inaccuracies and/or material inaccuracies that are either misleading or false;

(h) Franchisee attempts to Transfer, or purportedly attempts to Transfer, this Agreement or any of Franchisee's rights under this Agreement, without Franchisor's prior approval, written consent, and/or otherwise not in accordance with this Agreement;

(i) If Franchisee is a Corporate Entity, an Owner of Franchisee attempts to Transfer, or purportedly Transfers, the Owners equity interests, ownership interests, and/or rights in Franchisee without Franchisor's prior approval, written consent, and/or otherwise not in accordance with this Agreement;

(j) Franchisee discloses, divulges, provides access to, communicates, and/or permits the communication of the contents, data and/or information contained in the Operations Manual to any third party not otherwise authorized by Franchisor;

(k) Franchisee discloses, divulges, provides access to, communicates, and/or permits the communication of Confidential Information to any third party not otherwise authorized by Franchisor;

(l) Franchisee engages in any activity that injures, harms, damages, or otherwise has a material adverse effect on Franchisor, the System, the Licensed Marks, Brothers Gutters Businesses, the Franchised Business, and/or the reputation of the Brothers Gutters brand;

(m) Franchisee, an Owner, and/or a Spouse, as applicable and whether individually or jointly, breaches or is in default of an Ancillary Agreement, and, if the applicable agreement provides for the opportunity to cure, fails to timely cure the breach or default of the Ancillary Agreement, including, without limitation, the Franchise Owner and Spouse Agreement and Guaranty;

(n) Franchisee and/or an Owner of Franchisee is convicted of a felony crime, and/or pleads guilty or nolo contendere to a felony crime;

(o) Franchisee and/or an Owner of Franchisee engages in intentionally dishonest and/or unethical conduct that, in Franchisor's Reasonable Business Judgment, results in embarrassment to Franchisor, the System, the Licensed Marks, Brothers Gutters Businesses, the Franchised Business, and/or the reputation of the Brothers Gutters brand;

(p) Franchisee fails to complete, to Franchisor's reasonable satisfaction, the Training Program and/or supplemental training programs designated by Franchisor;

(q) Franchisee fails, upon receiving actual or constructive notice, shall: (1) immediately notify Franchisor of any known breach of the Confidentiality Agreement by any person or entity; (2) immediately notify Franchisor of facts and information that would cause a reasonable person to believe that a person or entity violated the Confidentiality Agreement and/or is in the process of violating the Confidentiality Agreement; and (3) take reasonable steps including ,notice to Franchisor and Franchisee's consultation with Franchisee's legal counsel, to prevent any person or entity from violating the terms of the Confidentiality Agreement and/or otherwise publicly disseminating Confidential Information;

(r) Franchisee misappropriates, misuses, or makes any unauthorized use of the Licensed Marks, the Confidential Information, and/or the System and/or Franchisee materially impairs the goodwill associated with the Licensed Marks, and/or Franchisee applies for registration of the Licensed Marks anywhere in the world;

(s) Franchisee and/or an Owner fails to comply with Anti-Terrorism Laws or becomes listed on the Annex to Executive Order 13244; and/or

(t) Franchisee, at any time during the Term of this Agreement, fails to satisfy and/or exceed the Annual Minimum Gross Sales Requirements.

(3) **Defaults and Automatic Termination After 10 Day Cure Period** – Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 10 calendar days of Franchisor's written notice:

(a) Franchisee fails, refuses, and/or is unable to timely pay and/or satisfy the Royalty Fee, Advertising Contribution, and/or any other payment, fee, financial obligation, charge, and/or monetary obligation payable and/or due to Franchisor pursuant to the terms of this Agreement, under this Agreement, and/or any other agreement between Franchisor and Franchisee;

(b) Franchisee and/or Franchisee's affiliate fails, refuses, and/or is unable to pay and/or satisfy any payment, fee, financial obligation, charge, and/or monetary obligation payable to Franchisor and/or Franchisor's affiliates pursuant to this Agreement and/or any other agreement between or among Franchisor, Franchisor's affiliate, Franchisee and/or Franchisee's affiliate; and/or

(c) Franchisee fails or refuses, at any time, and, without legal justification as may be determined by Franchisor in Franchisor's Reasonable Business Judgment, to pay any third party supplier or vendor for any goods, products, supplies, equipment, materials and/or any other items used by, benefitting, and/or intended to benefit the Franchised Business.

The foregoing events of default set forth in this Article 16.A.(3) shall exclude events of default that are otherwise governed by and/or constitute events of default under Article 16.A.(1) or Article 16.A.(2). In the event of any inconsistency or conflict between the provisions of this Article 16.A.(3) with Article 16.A.(1), Article 16.A.(1) shall take precedence and govern. In the event of any inconsistency or conflict between the provisions of this Article 16.A.(3) with Article 16.A.(2), Article 16.A.(2) shall take precedence and govern.

(4) **Defaults and Automatic Termination After 30 Day Cure Period** – Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 30 calendar days of Franchisor's written notice:

(a) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement that is not otherwise a default under Articles 16.A.(1), 16.A.(2), or 16.A.(3) of this Agreement;

(b) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of any agreement, other than this Agreement, between Franchisor and Franchisee, and/or an affiliate of Franchisor and Franchisee;

(c) Franchisee fails or refuses, in accordance with the terms of this Agreement, to obtain and secure a signed lease agreement or fee simple ownership interest in an approved location for

Franchisee's non-residential Administrative Office;

(d) Franchisee fails or refuses to develop and open the Franchised Business on or before the Scheduled Opening Date, in compliance with the terms of this Agreement, as designated or specified in the Operations Manual, and/or in accordance with Franchisor's standards and specifications as communicated to Franchisee from time to time;

(e) Franchisee fails or refuses, at any time, to manage, maintain, and/or operate the Franchised Business in compliance with the terms of this Agreement, as designated or specified in the Operations Manual, and/or in accordance with Franchisor's standards, specifications, and requirements as communicated to Franchisee from time to time;

(f) Franchisee fails or refuses, at any time, to develop, manage, maintain, and/or operate the Franchised Business in compliance with all applicable federal, state, and local laws, rules, regulations, ordinances, permits, and codes;

(g) At any time, an inspection and/or evaluation of the operations of the Franchised Business – whether by mystery shopper programs, third party inspection services, or as otherwise designated by Franchisor, and, whether or not such inspections are on notice or secret – Franchisor, in Franchisor's Reasonable Business Judgment, determines that the operations of the Franchised Business do not meet or are in violation of the operational standards and requirements set forth in this Agreement, the Operations Manual, and/or as communicated to Franchisee from time to time;

(h) Franchisee fails or refuses to timely submit to Franchisor records, reports, stored media, recordings, financial statements, books, accounts, statements, data, documentation and/or other information as required by this Agreement, as set forth in the Operations Manual, and/or as requested by Franchisor;

(i) If any inspection or review of Franchisee's records, reports, books, accounts, statements, data, documentation and/or other information discloses, within any week, month, or Accounting Period selected by Franchisor, the underreporting of Franchisee's Gross Sales, and/or any other metrics or data, resulting in the underpayment, by 5% or more, of the obligations, payments, and/or fees due by Franchisee to Franchisor under the terms of this Agreement;

(j) Franchisee fails or refuses, at any time, to maintain the required insurance policies and insurance coverage required for the Franchised Business as set forth in this Agreement, and/or in the Operations Manual; and/or

(k) Franchisee fails to timely satisfy and pay all vendors, suppliers and/or contractors in connection with the development, construction, and/or establishment of the Franchised Business.

The foregoing events of default set forth in this Article 16.A.(4) shall exclude events of default that are otherwise governed by and/or constitute events of default under Article 16.A.(1) or Article 16.A.(2). In the event of any inconsistency or conflict between the provisions of this Article 16.A.(4) with Article 16.A.(1), Article 16.A.(1) shall take precedence and govern. In the event of any inconsistency or conflict between the provisions of this Article 16.A.(4) with Article 16.A.(2), Article 16.A.(2) shall take precedence and govern.

16.B. TERMINATION BY FRANCHISEE

If Franchisee, each Owner and Spouse (as applicable) are in full compliance with each and every term and provision of this Agreement, any amendment or successor agreement, and any of the Ancillary Agreements, and Franchisor materially breaches Franchisor's substantive and material obligations set forth in this Agreement, Franchisee may terminate this Agreement in the event of the following:

(1) Franchisor does not correct the material breach within 30 days after Franchisor's receipt of Franchisee's written notice of such material breach to Franchisor; or

(2) In a case where Franchisor's material breach cannot reasonably be cured within 30 days, within 30 days of Franchisor's receipt of Franchisee's written notice of Franchisor's material breach, Franchisor shall be provided a reasonable time period to cure such material breach provided that Franchisor provides reasonable evidence to Franchisee of Franchisor's current, continuing and/or planned efforts to correct the material breach within a reasonable time.

In either case, Franchisee's termination of this Agreement shall not take effect until expiration of the 30 day period set forth above and or such reasonable time period as necessary to cure the material breach, and Franchisee delivers to Franchisor a separate written notice of termination. The termination date must be 10 days after Franchisor's receipt of Franchisee's notice of termination. Franchisee's termination of this Agreement for any reason other than as set forth in and in compliance with this Article 16.B. shall not constitute the termination of this Agreement and shall constitute a material breach of this Agreement by Franchisee.

16.C. FRANCHISOR'S ADDITIONAL RIGHTS, REMEDIES, AND DAMAGES

Franchisee agrees that Article 16.A. sets forth actions, inactions, omissions, events, and/or circumstances that, among other things, constitute, in each and every instance and subject to any applicable cure period, if any, a default of this Agreement permitting Franchisor to, among other things, terminate this Agreement and/or resulting in the automatic termination of this Agreement. The grounds constituting a default under Article 16.A. are in addition to any and all other grounds for default as may be otherwise set forth in the Franchise Agreement. In the event of an event of default of this Agreement by Franchisee under Article 16.A., or as otherwise set forth in this Agreement, Franchisee agrees that termination of this Agreement is not the sole or exclusive remedy of Franchisor and that Franchisor's right or remedy of termination shall be in addition to any and all other rights set forth in this Agreement, and as otherwise available to Franchisor in law or equity.

Without limitation to the foregoing, additionally, in the event of the termination of this Agreement as a result of a default or breach by Franchisee and/or, by Franchisee's Owners and/or affiliates of any Ancillary Agreements, Franchisor, in addition to any and all other rights and remedies available to Franchisor as set forth in this Agreement, and, at law and in equity, shall possess the following rights and remedies, each of which are not exclusive of the other and may be/are in conjunction with one another:

(1) To void and terminate this Agreement, and thereafter to market, sell, transfer, convey and assign the rights granted to Franchisee under this Agreement to any other person or entity in Franchisor's sole discretion and without compensation to Franchisee.

(2) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, all payments, fees, monetary obligations, financial obligations, interest, and charges due and owing to Franchisor from Franchisee pursuant to this Agreement, the Ancillary Agreements, and/or any other agreements between Franchisee and Franchisor, including, without limitation, Royalty Fees and Advertising Contributions with each and every payment and obligation to be accelerated and due immediately.

(3) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, lost revenues, profits, and fees including, but not limited to Royalty Fees, Brand Development Fund Fee, Advertising Contributions, and all other fees, revenues and/or expenses that would have been paid to Franchisor, under the terms of this Agreement and throughout the Term of this Agreement, had a breach not occurred and had Franchisor not terminated this Agreement. In calculating and determining the foregoing, Franchisee agrees that in calculating and in determining such damages that it is fair and reasonable to use Franchisee's most recent calendar year Gross Sales in calculating and determining Franchisor lost revenues and fees and by assuming that such Gross Sales would have been earned in each and every year throughout the remainder of the Term had this Agreement not been terminated. If, however, the Franchised Business has been open and in operation for less than one calendar year, Franchisee agrees that it is fair and reasonable to use an average of Brothers Gutters Business Gross Sales across the System during the year in which this Agreement was terminated and to use such average Gross Sales for the purpose of calculating and determining Franchisor lost revenues and fees and, in doing so, by assuming that such Gross Sales would have been earned in each and every year throughout the remainder of the Term had this Agreement not been terminated. Franchisee agrees that the foregoing is a form of liquidated damages, and that it is fair and reasonable.

(4) To hold Franchisee and Franchisee's Owners liable for all costs, fees, expenses, and/or damages incurred by Franchisor and/or suffered by Franchisor as a result of a breach or termination including, but not limited to, the recovery of reasonable attorney fees and expenses including court costs, arbitration fees, mediation fees, arbitrator fees, mediator fees, depositions and other related expenses.

(5) To enjoin, restrain, and otherwise prohibit Franchisee from operating the Franchised Business or exercising any rights granted to Franchisee under this Agreement pursuant to a court order restraining order, injunction or other means.

(6) Declaratory judgment that this Agreement and all rights granted to Franchisee under this Agreement are terminated, null and void.

(7) All other remedies and/or rights available to Franchisor as otherwise set forth in the Agreement and/or as may be otherwise available by law or equity.

In the event of a breach or default of this Agreement, should Franchisor elect, at Franchisor's sole discretion, to not terminate this Agreement, such action shall be without prejudice and without waiver of Franchisor's rights in the future. Further, at all times, and without prejudice to Franchisor's right to declare a default and, among other things, terminate this Agreement, Franchisor may: (i) temporarily or permanently suspend any existing credit arrangements or accommodations previously extended to Franchisee and/or refrain from offering or making available to Franchisee any credit arrangements or accommodations that may be offered or made available to other System franchisees; (ii) modify payment terms for approved products, supplies, or other merchandise purchased by Franchisee which may include, without limitation, requiring cash on delivery; (iii) disqualify Franchisee from being eligible for, or from participating in, special promotion programs, rebates, and/or rebate sharing that may be offered or made available to other System franchisees; and/or (iv) refrain from providing or making available to Franchisee promotional materials or other materials developed by the Brand Development Fund and/or Advertising Cooperative.

If Franchisor does not pursue termination of this Agreement in the event of a default or breach by Franchise, and/or Franchisor accepts any royalties, payments, contributions, funds, or other monetary sums from Franchisee, such actions do not constitute a waiver or acceptance of Franchisee's default or breach, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law,

or in equity. Franchisor's rights and remedies are cumulative, and no exercise or enforcement by Franchisor of any such right or remedy precludes the exercise or enforcement by Franchisor of any other right or remedy which Franchisor is entitled by law to enforce.

16.D. GUARANTY

The payment of all payments, amounts, fees, charges and other financial obligations payable by Franchisee to Franchisor pursuant to this Agreement, and Franchisee's observance and performance of all terms and conditions of this Agreement, are guaranteed pursuant to The Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1.

16.E. NOTICE OF LEGAL PROCEEDINGS AGAINST FRANCHISOR

Franchisee shall give Franchisor advance written notice of Franchisee's intent to commence or otherwise institute any legal action or proceeding against Franchisor, specifying the basis for such proposed action, and Franchisee shall grant Franchisor 30 days from receipt of said notice to cure the alleged act upon which such legal action is to be based (hereinafter, the "30 Day Cure Notice"). Franchisee agrees that the 30 Day Cure Notice is a strict condition precedent to Franchisee commencing, or otherwise instituting, legal action or proceeding against Franchisor for any reason whatsoever.

ARTICLE 17
OBLIGATIONS UPON TERMINATION OR EXPIRATION

17.A. PAYMENT OF AMOUNTS OWED TO FRANCHISOR

Without limitation as to any other Article or provision of this Agreement, upon expiration or termination of this Agreement for any reason, Franchisee shall immediately pay to Franchisor all sums and fees due from Franchisee to Franchisor under the terms of this Agreement including, but not limited to Royalty Fees and Advertising Contributions and all other sums and fees due from Franchisee to Franchisor and/or Franchisor affiliates and/or suppliers for products and services including, but not limited to, System Supplies.

17.B. CEASE OPERATIONS AND PROTECTION OF THE SYSTEM

Upon expiration, termination, or Transfer of this Agreement for any reason, Franchisee shall immediately:

(1) Permanently cease to be a franchise owner of the Brothers Gutters Business that was the subject of this Agreement and cease to operate such Brothers Gutters Business under the System;

(2) Refrain from directly or indirectly, holding oneself/itself out to any person or entity, or represent themselves/itself as a present or former Brothers Gutters franchisee;

(3) Permanently cease to use, in any manner: (a) the System including, without limitation, the Confidential Information, the Licensed Marks, the Business Management System Data, and the Operations Manual; (b) any methods, procedures, or techniques associated with the System in which Franchisor possesses proprietary rights or that constitute Franchisor's trade secrets; (c) System Supplies, including communicating with or ordering products from Franchisor's designated suppliers and vendors of System Supplies; (d) the Approved Services and Products; and (e) any other advertising, marketing, media, and any other information, documents or things associated with Franchisor, the System, the Licensed Marks, Brothers Gutters Businesses, the Franchised Business, and Franchisee's former Brothers Gutters Business, including, without limitation, any confidential, proprietary methods, procedures, descriptions of products, techniques, trade secrets, proprietary marks, distinctive forms, slogans, symbols, signs, stationary, advertising material, articles, logos, devices, items and all other things, tangible or intangible, associated with Franchisor, the System, the Licensed Marks, and Brothers Gutters Businesses;

(4) Return to Franchisor the Operations Manual (including any and all parts, supplements, and copies of the Operations Manual), the Confidential Information (including without limitation the Business Management System Data and all customer lists and information), and all other confidential materials, equipment, software, information, and property owned by Franchisor and all copies thereof provided, however, that Franchisee may retain Franchisee's copies of this Agreement, correspondence between Franchisor and Franchisee, but not including Confidential Information that may be contained in or attached thereto, and other documents that Franchisee needs to retain pursuant to applicable law;

(5) Permanently cease accessing, immediately disconnect from, and discontinue using any and all digital media, intra-nets, cloud based systems, and/or servers that store, maintain, and/or provide access to the Operations Manual, Confidential Information, and all other standards, specifications of Franchisor;

(6) Immediately notify Franchisor, in writing, of any and all locations where Franchisee may have maintained and/or stored digital files and/or media containing all or parts of the Operations Manual, any Confidential Information, and all other standards and specifications of Franchisor, immediately turn over such digital files and media to Franchisor, and follow Franchisor's instructions as to the destruction of such digital files and media;

(7) (a) modify and alter Franchisee's former Brothers Gutters Business, Franchisee's former Brothers Gutters Administrative Office, and Franchisee's Administrative Office, as reasonably necessary or otherwise required by Franchisor, to ensure that Franchisee's Administrative Office has been completely de-identified and differentiated from its former appearance to prevent any confusion by the public as to the continued existence of a Brothers Gutters Business at your Administrative Office; (b) remove from Franchisee's Administrative Office all distinctive physical and structural features identifying a Brothers Gutters Business and all distinctive signs, trade dress and emblems associated with the System including, without limitation, signs, trade dress, and emblems bearing the Licensed Marks; and (c) make specific additional changes to Franchisee's Administrative Office as Franchisor reasonably requests for the purpose of completely de-identifying Franchisee's former Brothers Gutters Business. Franchisee shall immediately initiate the foregoing actions and complete such actions within the period of time designated by Franchisor, and Franchisee agrees that Franchisor and/or Franchisor's designated agents may enter the premises of Franchisee's Administrative Office at any time to make foregoing alterations at Franchisee's sole risk and expense. Franchisee agrees that Franchisee's failure to timely make modifications and alterations to Franchisee's Administrative Office will cause irreparable injury to Franchisor, and Franchisee consents to the entry, at Franchisee's expense, of any ex-parte order by any court of competent jurisdiction authorizing Franchisor or its agents to take action, if Franchisor seeks such an order;

(8) Take all actions necessary and/or reasonably required to cancel all fictitious or assumed names or equivalent registrations relating to the Licensed Marks;

(9) At no cost to Franchisor, take such action as may be determined by Franchisor to: (a) provide and assign to Franchisor the Business Management System, the Business Management System Data, and all customer lists, customer information, and customer data; and (b) transfer, disconnect, and/or otherwise assign, as directed by Franchisor, all telephone numbers, email addresses, yellow pages telephone directories, telephone directory type listings, Web Based Media listings, accounts and log-in information used in connection with Franchisee's former Brothers Gutters Business and/or otherwise associated with the System and/or the Licensed Marks, cancel Franchisee's interests in same as such cancellation may be directed by Franchisor, and effectuate, perform,

honor, and comply with Franchisee's obligations under the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 3;

(10) Abide by, and comply with, the restrictive covenants and obligations set forth in this Agreement, including, without limitation, the restrictive covenants and obligations set forth in Article 6 of this Agreement; and

(11) Provide Franchisor, within 30 days of the expiration, termination, or Transfer of this Agreement, with written proof demonstrating that Franchisee has complied with the terms of this Article 17 and all other obligations under this Agreement that Franchisee must perform, abide by, and comply with, subsequent to the termination, expiration, or Transfer of this Agreement.

17.C. CONTINUING OBLIGATIONS

All obligations under this Agreement that expressly, or by their nature, survive, or are intended to survive, the expiration, termination, or Transfer of this Agreement shall continue in full force and effect subsequent to, and notwithstanding, this Agreement's termination, expiration, or Transfer until such obligations are satisfied in full or, by the nature and/or terms, such obligation(s) expire.

Franchisee agrees that in the event of a Transfer of this Agreement by Franchisee, whether or not such Transfer is authorized by Franchisor or made in violation of this Agreement, Franchisee shall not be relieved of Franchisee's Obligations under this Agreement and no Owner or Spouse shall be relieved of their respective guarantees, agreements, and obligations related to, or associated with, this Agreement, including, without limitation, the guarantees, agreements, and obligations set forth in the Franchise Owner and Spouse Agreement and Guaranty attached to this Agreement as Exhibit 1. The immediately foregoing shall not be interpreted or otherwise construed as constituting consent to any Transfer of this Agreement without the express written consent by Franchisor and Franchisee's compliance with this Agreement respecting any such Transfer.

ARTICLE 18
ENFORCEMENT AND CONSTRUCTION

18.A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS

(1) Except as expressly provided to the contrary in this Agreement, each and every term and provision of this Agreement shall be interpreted or otherwise construed to be independent of each other and severable. Although each term and provision of this Agreement are considered by the parties to be reasonable and intended to be enforceable, if any such term or provision of this Agreement is found by a court of competent jurisdiction, agency, or other government agency to be unenforceable as written or otherwise, then such term and condition shall be modified, rewritten, interpreted, or "blue-lined" to include as much of its nature and scope as will render it enforceable. If such term and condition cannot be so modified, rewritten, interpreted, or "blue-lined" in any respect, then it will not be given effect and severed from this Agreement, and the remainder of this Agreement shall be interpreted, construed and enforced as if such term and condition was not included in this Agreement.

(2) If any applicable and binding law or rule requires a greater prior notice of the termination of this Agreement than is required in this Agreement, or the taking of some other action not required by this Agreement, or if under any applicable and binding law or rule, any term and condition of this Agreement, or any specification, standard, or operating procedure Franchisor prescribes is invalid or unenforceable, then the greater prior notice and/or other action required by law or rule shall be substituted for the comparable provisions, and Franchisor has the right, in its sole discretion, to modify the invalid or unenforceable term and condition, specification, standard, or

operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by any such substituted and/or modified term and condition of this Agreement imposing the maximum duty permitted by law that is prescribed within the terms of any provision of this Agreement as though it were originally and separately articulated in, and made a part of, this Agreement as of the Effective Date and/or any specification, standard or operating procedure Franchisor prescribes, which may result from striking from any terms and conditions, specifications, standards, or operating procedures, and any portion or portions thereof, a court may hold to be unenforceable or from reducing the scope of any promise or covenant to the extent required to comply with a court order. Modifications to this Agreement shall be effective only in those jurisdictions in which such terms and conditions, specifications, standards, or operating procedures are found to be unenforceable, unless Franchisor elects to give them greater applicability, in which case, this Agreement shall be enforced as originally made in all other jurisdictions.

18.B. WAIVER OF OBLIGATIONS

No delay, waiver, omission, or forbearance on the part of Franchisor to enforce any term and condition of this Agreement or exercise any of Franchisor's rights, options, or powers under this Agreement constitutes a waiver by Franchisor to enforce any other term and condition of this Agreement or exercise any of Franchisor's other rights, options, or powers under this Agreement. No such delay, waiver, omission, or forbearance shall constitute a waiver by Franchisor to subsequently enforce such term and condition of this Agreement or subsequently exercise such right, option, or power. Acceptance by Franchisor of any payments, fees, charges, or other amount from Franchisee payable to Franchisor pursuant to this Agreement shall not constitute a waiver or acceptance of Franchisee's default or breach of this Agreement or otherwise a waiver of any term and condition of this Agreement, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. Franchisor shall likewise not be deemed to have waived or impaired any term and condition, right, option or power set forth in this Agreement by virtue of any custom or practice of the parties at variance with the terms and conditions of this Agreement or Franchisor's insistence upon Franchisee's strict compliance with Franchisee's obligations, including any mandatory specification, standard or operating procedure. No waiver by Franchisor of any term and condition of this Agreement shall be valid unless in writing and signed by Franchisor.

18.C. FORCE MAJEURE

If either Franchisor or Franchisee is delayed in performing any obligation under this Agreement by any cause reasonably beyond its control when such cause would affect any person or entity similarly situated, including, without limitation, war, civil disorder, catastrophic weather, power outage, acts of God and/or labor strikes unassociated with Franchisee or Franchisor (collectively, "Force Majeure"), then the time period for performing such obligation shall be extended by a period of time equal to the period of delay. Notwithstanding the immediately foregoing sentence, any delay resulting from Force Majeure shall not excuse Franchisee's payment of any fee, charge, amount, and/or any other monetary or financial obligation to Franchisor under this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, and the non-performance of any obligation under this Agreement due to Force Majeure shall not be extended or otherwise excused for more than six months.

18.D. SPECIFIC PERFORMANCE AND INJUNCTIVE RELIEF

Nothing in this Agreement bars Franchisor's right to obtain specific performance of the provisions of this Agreement and injunctive relief under legal and/or equity rules against threatened conduct that will cause damages or loss to it, the Licensed Marks or the System. Without limitation to the rights set forth in Article 6 of this Agreement, Franchisee agrees that Franchisor may obtain such injunctive relief. Franchisee agrees that Franchisor will not be required to post a bond (other than as set forth in Article 6.G. of this Agreement) to obtain injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee

will be the dissolution of that injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). The remedies available to Franchisor under Article 6.G. are not exclusive of one another and may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages. Without limitation to the foregoing Franchisee agrees that in the event of a breach of this Agreement by Franchisee respecting and/or concerning the System and/or the Licensed Marks shall cause irreparable harm to Franchisor, the System and the Licensed Marks. The foregoing shall not be interpreted to invalidate the mediation and arbitration requirements set forth in Article 18.G. of this Agreement and shall be consistent with same.

18.E. RIGHTS OF PARTIES ARE CUMULATIVE

The rights under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy precludes the exercise or enforcement by that party of any other right or remedy which Franchisor or Franchisee is entitled by law to enforce.

18.F. GOVERNING LAW

EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *ET SEQ.*) OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE RELATIONSHIP BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ARIZONA, EXCEPT THAT ITS CHOICE OF LAW AND CONFLICTS OF LAWS RULES SHALL NOT APPLY AND ANY FRANCHISE REGISTRATION, DISCLOSURE, RELATIONSHIP OR SIMILAR STATUTE WHICH MAY BE ADOPTED BY THE STATE OF ARIZONA SHALL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

18.G. NON-BINDING MEDIATION AND BINDING ARBITRATION

(1) **Non-Binding Mediation** – Franchisee and Franchisor agree that before either party may bring any action, dispute and/or controversy arising from or related to this Agreement and/or the franchise relationship between Franchisor and Franchisee in arbitration, the parties must first mediate the dispute through non-binding mediation. Mediation shall be non-binding and shall be conducted by the American Arbitration Association ("AAA") in accordance with AAA's then current rules for the mediation of commercial disputes. All mediation proceedings shall be conducted in a suitable location selected by the mediator that is within New York County, New York or, the closest suitable location located nearest to Franchisor's corporate headquarters at the time the mediation proceeding is commenced. Mediation shall be conducted by one mediator and if Franchisor and Franchisee cannot agree on a mediator then the mediator shall be selected by AAA. Mediation shall be conducted within 45 days of AAA's designation and/or acknowledgment of the selected mediator or such longer period as may be agreed to between Franchisor and Franchisee in writing and signed by each respective party. Franchisor and Franchisee shall each be responsible for their own costs associated with mediation and Franchisor and Franchisee shall each be responsible for and shall each pay 50% of the mediator's fee and AAA's mediation fees.

Notwithstanding the preceding paragraph, Franchisor and Franchisee agree this Sub-Article 18.G.(1) and, thereby, the prerequisite requirement of non-binding mediation, shall not, at Franchisor's election, apply to: (a) any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement; and/or (b) claims by either Franchisor or

Franchisee under this Agreement that relate to either Franchisor's or Franchisee's failure to pay fees or other monetary obligations due under this Agreement.

(2) **Arbitration** – Subject to the prerequisite requirements of non-binding mediation as set forth in Sub-Article 18.G.(1), and, except at Franchisor's election, as to any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement, Franchisor and Franchisee agree that all disputes, controversies, and claims, arising from and/or related to this Agreement, the relationship between Franchisor and Franchisee, the System, and/or the validity of this Agreement and/or the Ancillary Agreements, shall be submitted, on demand of either Franchisor or Franchisee, to AAA for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with AAA's then current rules for commercial disputes, except as may be otherwise required in this Article 18.G. All arbitration proceedings shall be conducted in a suitable location selected by the arbitrator that is within New York County, New York or the closest suitable location nearest to our corporate headquarters at the time the arbitration proceeding is commenced.

In connection with binding arbitration, Franchisor and Franchisee further agree that:

(a) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(b) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(c) The arbitrator shall render written findings of fact and conclusions of law;

(d) Except as may be otherwise required and/or prohibited by this Agreement including, but not limited to Articles 18.I., 18.J., 18.N., 18.O., 18.R., 18.T., and 18.X. of this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be descriptive or invalid;

(e) They shall each be bound to the limitation's periods set forth in Article 18.I. of this Agreement and that, in any arbitration proceeding, Franchisor and Franchisee must each timely submit, within the same arbitration proceeding, any claim that would constitute a compulsory counterclaim as such claims are defined and set forth under Rule 13 of the United States Federal Rules of Civil Procedure. Any claim that is not submitted or filed as required shall be forever barred;

(f) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction;

(g) Arbitration and/or any arbitration award must be conducted in accordance with the terms of this Agreement including, but not limited to, the requirements set forth in this Article 18.

(3) **Consent to Jurisdiction and Venue** – Subject to the non-binding mediation and arbitration provisions set forth in this Article 18.G., Franchisor and Franchisee agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within New York County, New York or, as applicable, the state court or Federal District Court located nearest to Franchisor's corporate headquarters at the time the legal proceeding is commenced. Franchisor and Franchisee do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, Franchisor and Franchisee agree that Franchisor, at Franchisor's election, may bring any legal action or proceeding seeking a temporary restraining order, preliminary injunction, or any action seeking Franchisor's enforcement of an arbitration award or any judicial decision in the federal or state court located in the county and state where either the Franchised Business was located or where Franchisee resides.

18.H. VARIANCES AND DIFFERENT FORMS OF AGREEMENT

FRANCHISEE AGREES THAT FRANCHISOR HAS AND MAY AT DIFFERENT TIMES, IN FRANCHISOR'S ABSOLUTE AND SOLE DISCRETION, APPROVE EXCEPTIONS OR CHANGES FROM THE UNIFORM STANDARDS OF THE SYSTEM, WHICH FRANCHISOR DEEMS DESIRABLE OR NECESSARY UNDER PARTICULAR CIRCUMSTANCES. FRANCHISEE AGREES THAT FRANCHISEE HAS NO RIGHT TO OBJECT TO OR OBTAIN SUCH VARIANCES. FRANCHISEE AGREES THAT EXISTING AND FUTURE FRANCHISEES MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENTS AND THAT THE RIGHTS AND OBLIGATIONS OF EXISTING FRANCHISEES AND FUTURE FRANCHISEES MAY DIFFER MATERIALLY FROM THIS AGREEMENT.

18.I. LIMITATIONS OF CLAIMS

EXCEPT FOR CLAIMS BROUGHT BY FRANCHISOR WITH REGARD TO FRANCHISEE'S OBLIGATIONS TO MAKE PAYMENTS TO FRANCHISOR PURSUANT TO THIS AGREEMENT, FRANCHISOR'S ENFORCEMENT OF THE RESTRICTIVE COVENANTS SET FORTH IN ARTICLE 6 OF THIS AGREEMENT, AND FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR IN ACCORDANCE WITH THIS AGREEMENT, ANY AND ALL CLAIMS AND/OR CAUSES OF ACTION ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, OR THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR RESULTING FROM THIS AGREEMENT, SHALL BE BARRED UNLESS SUCH CLAIM AND/OR CAUSE OF ACTION IS COMMENCED WITHIN TWO YEARS FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED OR ONE YEAR FROM THE DATE ON WHICH FRANCHISEE OR FRANCHISOR KNEW, OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIM AND/OR CAUSE OF ACTION, WHICHEVER OCCURS FIRST IN TIME.

18.J. WAIVER OF PUNITIVE DAMAGES

FRANCHISOR AND FRANCHISEE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, CONSEQUENTIAL OR SPECULATIVE DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EXCEPT AS OTHERWISE PROVIDED HEREIN, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT; PROVIDED THAT SUCH WAIVER SHALL NOT APPLY TO ANY CLAIM (A) ALLOWED BY FRANCHISOR OR FRANCHISEE FOR ATTORNEY'S FEES OR COSTS AND EXPENSES UNDER THIS AGREEMENT; AND/OR (B) FOR LOST PROFITS BY FRANCHISOR OR FRANCHISEE AND THE OWNERS UPON OR ARISING OUT OF THE TERMINATION OF THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE

FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES SHALL CONTINUE IN FULL FORCE AND EFFECT.

18.K. WAIVER OF JURY TRIAL

FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

18.L. BINDING EFFECT

This Agreement is binding upon the parties of this Agreement and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Franchisee and Franchisor.

18.M. COMPLETE AGREEMENT

This Agreement, the documents referred to in this Agreement and the Schedules and Exhibits to this Agreement, together with the Operations Manual, constitute the entire, full and complete Agreement between Franchisor and Franchisee concerning the subject matter of this Agreement and supersedes all prior related agreements between Franchisor and Franchisee. The foregoing shall not constitute and does not constitute any disclaimer as to the express representations made by Franchisor in the Franchise Disclosure Document disclosed to Franchisee in connection with this Franchise Agreement.

18.N. ATTORNEY FEES AND EXPENSES

Franchisee agrees that in the event that an arbitrator in any arbitration proceeding and/or, a court of competent jurisdiction shall issue an award, judgment, decision and/or order finding, holding and/or declaring Franchisee's breach of this Agreement than Franchisor shall also be entitled to the recovery of all reasonable attorney fees, costs and expenses associated with and/or related to such arbitration and/or litigation. Said fees, costs and expenses shall include, but not be limited to, attorney fees, arbitration fees, arbitrator fees, deposition expenses, expert witness fees and filing fees.

18.O. NO CLASS ACTION OR MULTI-PARTY ACTIONS

FRANCHISOR AND FRANCHISEE AGREE THAT ALL PROCEEDINGS AND/OR LEGAL ACTIONS ARISING OUT OF OR RELATED TO THIS AGREEMENT AND/OR THE OFFER AND SALE OF THE BROTHERS GUTTERS BUSINESS FRANCHISE FROM FRANCHISOR TO FRANCHISEE, WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S OWNERS, SPOUSES AND/OR GUARANTORS AND FRANCHISOR AND/OR FRANCHISOR'S AFFILIATES, OFFICERS, DIRECTORS AND/OR EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

18.P. ACCEPTANCE BY FRANCHISOR

This Agreement will not be binding on Franchisor unless and until an authorized officer of Franchisor has signed it.

18.Q. OPPORTUNITY FOR REVIEW BY FRANCHISEE'S ADVISORS

Franchisor recommends that Franchisee have this Agreement and the Franchise Disclosure Document reviewed by Franchisee's lawyer, accountant, and other business advisors, prior to signing this Agreement.

18.R. NO PERSONAL LIABILITY BY FRANCHISOR'S EMPLOYEES, OFFICERS AND/OR AUTHORIZED AGENTS

Franchisee agrees that the fulfillment of any of Franchisor's obligations written in this Agreement or based on any oral communications ruled to be binding in a court of law shall be Franchisor's sole obligation and none of Franchisor's employees, officers and/or authorized agents shall be personally liable to Franchisee for any reason. In addition to the foregoing, Franchisor and Franchisee are not joint employers. The foregoing shall not be construed to imply that Franchisor and/or Franchisor's agents have made any oral promises as pursuant to Article 18.M. of this Agreement, this written Agreement represents the sole Agreement between Franchisor and Franchisee.

18.S. NON-UNIFORM AGREEMENTS

Franchisee agrees and acknowledges that Franchisor makes no representations or warranties that all other agreements with Brothers Parsons Franchising LLC franchisees entered into before or after the Effective Date do or will contain terms substantially similar to those contained in this Agreement. Franchisee agrees that Franchisor may waive or modify comparable provisions of other Franchise Agreements to other System franchisees in a non-uniform manner.

18.T. NO RIGHT TO OFFSET

Franchisee shall not, on grounds of the alleged nonperformance, material breach, or default by Franchisor of this Agreement, any other agreement between Franchisor and Franchisee, or for any other reason, withhold any payment, fee, or any other amount payable by Franchisee to Franchisor pursuant to this Agreement, including, without limitation, the payment of Royalty Fees and Advertising Contributions, or any other payment obligation by Franchisee to Franchisor. Franchisee shall not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Franchisee from Franchisor against any payment, fee, or any other amount payable to Franchisor pursuant to this Agreement or any other payment obligation by Franchisee to Franchisor.

18.U. HEADINGS

The headings and subheadings in this Agreement are strictly for convenience and reference only, and they shall not limit, expand, or otherwise affect the interpretation or construction of the terms and conditions of this Agreement.

18.V. AUTHORITY TO EXECUTE AND BIND

Each party acknowledges, warrants and represents that it has all requisite power and authority to enter into this Agreement. The execution, delivery, and performance of this Agreement has been duly and lawfully authorized by all necessary actions of each party, and the signatory to this Agreement for each party has been duly and lawfully authorized to execute this Agreement for and on behalf of the party for whom each signatory has signed.

18.W. COUNTERPARTS, ELECTRONIC SIGNATURES, MULTIPLE COPIES

This Agreement may be executed electronically. This Agreement may be executed in counterparts, all of which counterparts shall be deemed originals and taken together shall constitute a single agreement. Executed electronic or print duplicates of this Agreement, if any, and their respective signatures shall be deemed originals.

18.X. JOINT AND SEVERAL LIABILITY

If Franchisee consists of more than one person or entity, then their liability under this Agreement shall be joint and several among each and every individual and/or Corporate Entity franchisee.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

ARTICLE 19
NOTICES

All written notices and reports permitted or required to be delivered by this Agreement shall be deemed so delivered, at the time delivered by hand, one business day after being placed in the hands of a national commercial courier service for overnight delivery (properly addressed and with tracking confirmation), or three business days after placed in the U.S. mail by registered or certified mail, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. Reports requiring delivery shall be delivered by certified U.S. mail and/or electronically, as designated by Franchisor. The addresses for the parties set forth in the initial paragraph of this Agreement shall be used unless and until a different address has been designated by written notice to the other party. All notices to Franchisor shall also be sent via email to Notice@brothersgutters.com.Any notice required under this Agreement shall not be deemed effective or given by Franchisee to Franchisor unless given in strict compliance with this Agreement.

In all cases where Franchisor's prior approval is required and no other method or timing for obtaining such approval is prescribed, Franchisee shall request such approval in writing, and Franchisor shall respond within 10 business days after receiving Franchisee's written request and all supporting documentation, provided if Franchisor does not respond, such request shall be deemed unapproved. Franchisor's consent to, or approval of, any act or request by Franchisee shall be effective only to the extent specifically stated, and Franchisor's consent or approval shall not be deemed to waive, or render unnecessary, consent or approval of any other subsequent similar act or request.

IN WITNESS WHEREOF, the parties have executed, sealed and delivered this Agreement as of the Effective Date set forth in the first paragraph of this Agreement.

Franchisor:	**Franchisee:**
Brothers Parsons Franchising LLC	
By: _____	_____
Signature	Signature
_____	_____
Name and Title (please print)	Name (please print)
_____	_____
Dated	Dated

FRANCHISE AGREEMENT
Schedule 1
Operating Territory Acknowledgment

Franchisee's Operating Territory – Franchisee's "Operating Territory", as such term is identified and defined in the Franchise Agreement, including, but not limited to, Article 1 of the Franchise Agreement, is identified, as follows:

[IF LEFT INCOMPLETE THE OPERATING TERRITORY SHALL BE DESIGNATED AND DETERMINED BY FRANCHISOR]

The foregoing Operating Territory has been determined based on negotiations initiated by Franchisee. To the extent that the foregoing description of the Operating Territory includes and/or delineates geographic or political boundaries such determinations will be considered fixed as of the Effective Date of the Franchise Agreement and will not change for the purpose of this Agreement notwithstanding a change or reorganization to such boundaries or regions. All street boundaries, if any, will be deemed to end at the street center lines unless otherwise specified above.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

FRANCHISE AGREEMENT
Schedule 2
Franchise Fee Acknowledgment

As of the Effective Date of the Franchise Agreement, Franchisor and Franchisee agree that:

Franchisee's Operating Territory Qualifies as a: (Check appropriate box below)

	Base Territory Only		Base Territory supplemented with Additional Qualified Single-Family Households

	Base Territory plus Additional Territory / Territories

Number of Additional Territories	
Number of Additional Qualified Single-Family Households	

Initial Franchise Fee. The Initial Franchise Fee is:

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

FRANCHISE AGREEMENT
Schedule 3
Statement of Franchisee's Owners

Franchisee represents that the following schedule is complete and accurately identifies Franchisee's Owners, Franchisee's Managing Owner, and their respective ownership interests in Franchisee. Defined terms shall have the meanings set forth in the Franchise Agreement between Franchisor and Franchisee.

If Franchisee is a Corporate Entity, Franchisee represents and affirms to Franchisor that the following list identifies each and every Owner of Franchisee and their respective ownership interests.

Owner Name	**Owner Address**	**Ownership Interest Percentage**
Name of designated **Managing Owner:**		

Franchisee:

Signature of Franchisee	Signature of Franchisee
Name (please print)	Name (please print)
Dated _____	Dated _____

Franchise Agreement
Exhibit 1
Owner and Spouse Agreement and Guaranty

OWNER AND SPOUSE AGREEMENT AND GUARANTY

This Franchise Owner and Spouse Agreement and Individual Guaranty (the "Agreement") is individually entered into by you as either an owner of _____ (hereinafter referred to as "**Franchisee**"), Franchisee, or the spouse of the owner of franchisee and is given and signed by you in favor of Brothers Parsons Franchising LLC, franchisor of the Brothers Gutters franchise system and in favor of Brothers Parsons Franchising LLC's successors and assigns, upon the terms and conditions set forth in this Agreement. In this Agreement Brothers Parsons Franchising LLC is referred to as "**us**", "**our**" or "**we**", and each individual that signs this Agreement is referred to as "**you**".

Recitals and Representations

WHEREAS, Franchisee has entered into a Brothers Gutters Business Franchise Agreement (the "Franchise Agreement") for the development and operation of a The Brothers that just do Gutters Business (the "Franchised Business" or "Brothers Gutters Business") that offers and provides gutter installation, maintenance, cleaning, repair, and other gutter related services and products (the "Approved Services and Products") under the Licensed Marks (defined below);

WHEREAS, you represent that you have received and have thoroughly reviewed the completed Franchise Agreement, including Schedules and Exhibits attached to the Franchise Agreement;

WHEREAS, we have recommended that you thoroughly review the Franchise Agreement, this Agreement and all exhibits and schedules to the Franchise Agreement with a lawyer selected and hired by you;

WHEREAS, you represent to us that you are either: (a) an Owner of Franchisee such that you own or control a legal, equitable or beneficial ownership or equity interest in Franchisee and/or otherwise meet the definition of an "Owner" as set forth in this Agreement; and/or (b) the "Spouse" of an Owner of Franchisee;

WHEREAS, you acknowledge that this Agreement will apply to you individually, jointly and severally with all others who sign this Agreement (including if this Agreement is signed in counterparts or electronically among other Owners and Spouses);

WHEREAS, you acknowledge that this Agreement, among other things, personally obligates you to guarantee Franchisee's obligations to us and obligates you to brand protection, confidentiality and non-competition restrictions and covenants and that you enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee; and

WHEREAS, you acknowledge that we are relying on this Agreement and that without this Agreement we would not have entered into and/or would not be simultaneously entering into the Franchise Agreement with Franchisee.

NOW THEREFORE, to induce us to enter into the Franchise Agreement and as consideration to us for entering into the Franchisee Agreement with Franchisee and other consideration, the receipt and sufficiency of which you acknowledge, you agree as follows:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

1. Recitals and Representations.

You agree that the foregoing Recitals and Representations are true and accurate and constitute a material part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions.

Supplementing the terms and definitions contained in the Recitals and Representations:

"**Administrative Office(s)**" refers to and means the fixed administrative offices and/or facilities from which Brothers Gutters Businesses are established, operated and managed.

"**Approved Services and Products**" shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean those products and services that we authorize for sale by Brothers Gutters Businesses. We shall exclusively designate and determine the Approved Services and Products and we, in our Reasonable Business Judgment, may change, modify, reduce or supplement the Approved Services and Products that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Franchised Business may only offer and sell the Approved Services and Products.

"**Brothers Gutters Business**" shall have the meaning defined in the Recitals and Representations section of this Agreement and, without limitation to the Recitals and Representations section of this Agreement, the definition of "Brothers Gutters Businesses", shall further include, refer to and mean: every business and all businesses owned and/or operated by us, our affiliates and/or our authorized franchisee(s) that utilize and/or is/are required to utilize the System and/or Licensed Marks including, but not limited to, the Franchised Business.

"**Business Management System**" refers to and means the software, internet, web based and/or cloud based system or systems, point of sale system or systems and customer relationship management system or systems as same may be individually or collectively designated by us, in our Reasonable Business Judgment, as being required for use by the Franchised Business, including, but not limited to, the day-to-day sales, ordering, operations and management of the Franchised Business. We reserve the right to modify and designate alternative Business Management Systems as we determine in our Reasonable Business Judgment. Without limitation to the foregoing, the Business Management System may include: (a) multiple point of sale systems installed and maintained on-site at the Administrative Office; (b) portable tablet and/or computer systems utilized on-site when providing services to customers of the Franchised Business; (c) web based, private server based, network based and/or cloud based customer ordering systems, processing systems, production systems and/or service delivery systems; and (d) customer membership and rewards systems.

"**Business Management System Data**" refers to and means the forms, data, tools, customer information, inventory and sales information that: (a) is pre-populated or entered into the Business Management System utilized by Franchisee; (b) is entered (whether by us or Franchisee) into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by the Business Management System in connection with the management and operations of the Franchised Business.

"**Competitive Business**" refers to and means any business that markets, sells, offers and/or provides residential and/or commercial gutter cleaning, gutter maintenance, gutter installation, gutter replacement and/or repair services and gutter products. Without limitation to the foregoing, a Competitive Business

shall further include any business that offers or sells gutter installation kits, gutter recycling services, gutter guards, gutter supplies and/or products and/or soffit maintenance installation and/or repairs.

"**Confidential Information**" refers to and means all of our and/or our affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date of the Franchise Agreement and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of Brothers Gutters Businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by, and specifications for and knowledge of suppliers of certain materials, equipment, products, supplies and procedures used or sold by Brothers Gutters Businesses; (c) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of Brothers Gutters Businesses; (d) customer lists and information related to Brothers Gutters Businesses and the Franchised Business; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

"**Copyrights**" refers to and means all works and materials for which we or any affiliate of ours has secured common law or registered copyright protection and we utilize and/or allow Brothers Gutters Business franchisees to use, sell or display in connection with the development, marketing and/or operation of a Brothers Gutters Business, whether as of the Effective Date or any time in the future.

"**Corporate Entity**" refers to and means a corporation, Limited Liability Company, partnership or other corporate legal entity that is not an individual person.

"**Digital Media**" refers to and means any interactive or static digital document, listing, directory, application, advertisement, link, metadata, or media that is transmitted within a closed or private network, or that is connected to, in communication with, and/or networked with computers, applications, or other devices linked by communications systems, data systems, a part of the world wide web including, traditional websites, web based applications, distributed databases, including, blockchain, software applications, smart phone applications, or social media platforms such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok , and YouTube, that refers, references, identifies, reviews, promotes and/or relates, in any way, to, a Brothers Gutters Business, the Franchised Business, the Licensed Marks, the System and/or us. Digital Media includes the System Website, and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

"**Effective Date**" refers to the "Effective Date" of the Franchise Agreement as the term "Effective Date" is set forth and defined in the Franchise Agreement. If, for any reason, the Effective Date cannot be determined by reference to the Franchise Agreement, the Effective Date shall be the date that you sign this Agreement.

"**Franchised Business**" refers to and means the Brothers Gutters Business to be developed, owned and operated by Franchisee pursuant to the terms of the Franchise Agreement.

"**Franchisee's Administrative Office**" refers to and means the Brothers Gutters Administrative Office from which Franchisee establishes, operates and manages the Franchised Business.

"**Franchisee's Operating Territory**" refers to and means the "Operating Territory" as such term is set forth and defined in the Franchise Agreement.

"**Immediate Family**" refers to and means the spouse of a person and any other member of the household

of such person, including, without limitation, children of such person.

"**Intellectual Property**" refers to and means, individually and collectively, our Licensed Marks, Copyrights, Know-How, and System.

"**Know-How**" refers to means our trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a Brothers Gutters Business including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

"**Licensed Marks**" refers to and means the trademarks, service marks, emblems and indicia of origin, including the "Brothers Gutters" trademark, the Brothers Gutters logo, Trade Dress, and other trade names, service marks, trademarks, logos, slogans and designs authorized by us in connection with the identification of Brothers Gutters Businesses and the Approved Services and Products, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by us in our Reasonable Business Judgment.

"**Operations Manual**" refers to and means, individually and collectively, the manual(s) designated by us and relating to the development and/or operations of Brothers Gutters Businesses including, but not limited to, the policies, procedures and requirements for the development and operation of Brothers Gutters Businesses. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by us from time to time in our Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to our modification from time to time and based on our Reasonable Business Judgment, the Operations Manual shall, among other things, designate the Approved Services and Products that must be offered and sold by the Franchised Business and the System Supplies that must be exclusively utilized by the Franchised Business.

"**Owner**" refers to and means collectively, individually, jointly and, as of the Effective Date: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Managing Owner(s).

"**Prohibited Activities**" refers to and means any or all of the following: (a) owning and/or having any legal or equitable interest (whether as an individual proprietor or as an owner, partner, member or shareholder of a Corporate Entity or, in any similar capacity) in a Competitive Business (other than owning an interest of 3% or less in a publicly traded company that is a Competitive Business); (b) operating, managing, funding and/or performing services (whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or in any similar capacity) for a Competitive Business; (c) diverting or attempting to divert any business or customers from us (or one of our affiliates or franchisees); and/or (d) inducing any customer or client of ours (or of one of our affiliates or franchisees) or of Franchisee to any other person or business that is not a Brothers Gutters Business.

"**Reasonable Business Judgment**" refers to, means, and relates to any and all decisions, actions and choices made by us concerning or relating to the Franchise Agreement, the System, Brothers Gutters

Businesses and the Franchised Business where we undertake or make such decision with the intention of benefitting or acting in a way that could benefit the System including, as examples and without limitation, enhancing the value of the Licensed Marks, increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks, determining operating territory markets, minimizing potential customer confusion as to the location of Brothers Gutters Businesses, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. The Franchisee has agreed, and you agree, that when a decision, determination, action and/or choice is made by us in our Reasonable Business Judgment that such decision, determination, action or choice made by us takes precedence and prevails, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee has agreed, and you agree, that in connection with any decision, determination, action and/or choice made by us in our Reasonable Business Judgment as franchisor that: (a) we possesses a legitimate interest in seeking to maximize our profits; (b) we shall not be required to consider Franchisee's or your individual economic or business interests as compared to the overall System; and (c) should we economically benefit from such decision, determination, action and/or choice that such economic benefit to us shall not be relevant to demonstrating that we did not exercise reasonable business judgment with regard to our obligations under the Franchise Agreement and/or with regard to the System. Franchisee agreed and you agree that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee's or such third party's judgment for our Reasonable Business Judgment. Franchisee agreed, and you agree, that should Franchisee challenge our Reasonable Business Judgment in any legal proceeding that Franchisee shall possess the burden of demonstrating, by clear and convincing evidence, that we failed to exercise our Reasonable Business Judgment.

"**Restricted Period**" refers to and means the 24 month period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on which Franchisee assigns the Franchise Agreement to another person (other than you or your Spouse or an Immediate Family Member) provided that you do not and your Spouse does not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; (d) if you are an Owner of Franchisee, the date on which you cease to be an Owner of Franchisee; or (e) if you are the Spouse of an Owner of Franchisee, the date on which your Spouse ceases to be an Owner of Franchisee. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the 18 month period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on which Franchisee assigns the Franchise Agreement to another person (other than you or your Spouse or an Immediate Family Member) provided that you do not and your Spouse does not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; (d) if you are an Owner of Franchisee, the date on which you cease to be an Owner of Franchisee; or (e) if you are the Spouse of an Owner of Franchisee.

"**Restricted Territory**" refers to and means the geographic area: (a) comprising Franchisee's Operating Territory; (b) comprising a 25 mile radius surrounding Franchisee's Operating Territory; (c) comprising each of the operating territories, respectively, of other Brothers Gutters Businesses that are in operation or under development during all or any part of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within Franchisee's Operating Territory plus a 25 mile radius surrounding Franchisee's Operating Territory.

"**Spouse**" refers to and means, as of the Effective Date, the legal spouse of an Owner.

"**System**" refers to and means our system for the development, establishment and operation of Brothers Gutters Businesses including, but not limited to: (a) the Approved Services and Products, System Supplies, and services, procedures and systems that are designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a Brothers Gutters Business; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a Brothers Gutters Business; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by us in our Reasonable Business Judgment.

"**System Supplies**" refers to and means the equipment and supplies designated by us as required for use in connection with Franchisee's Brothers Gutters Business and the Approved Services and Products.

"**System Website**" refers to and means the web page and pages located on the world wide web at the www.brothersgutters.com domain and shall further include all webpages and subdomains including, those that are franchisee and/or geography specific, that are a part of www.brothersgutters.com, or as designated by Franchisor being associated with the URL of www.brothersgutters.com and/or Brothers Gutters Businesses.

"**Trade Dress**" refers to and means the Brothers Gutters Business designs, images, marketing materials, packaging, branding and/or branding images which we authorize and require Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by us from time to time.

"**Transfer**" refers to and means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and/or (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.

3. Additional Acknowledgments by You.

The Recitals and Representations set forth in the beginning of this Agreement are hereby incorporated into this Agreement. In addition to the foregoing, you acknowledge and represent that:

(a) as of the Effective Date you are an Owner and/or Spouse;

(b) you are signing this Agreement in your individual capacity and that you are bound to the terms and conditions of this Agreement and irrespective of any change in your status as an Owner and/or Spouse;

(c) in your capacity as an Owner of Franchisee or as the Spouse of an Owner of Franchisee that you have and may be gaining access to, among other things, the System and Intellectual Property;

(d) you acknowledge that all of the components and aspects of the System and Intellectual Property (both individually and as they relate to one another collectively) are critical to our success as the franchisor of the System and to the overall System;

(e) you acknowledge that we need to protect the System and Intellectual property and that to do so we require that you, in your individual capacity, to agree to the brand protection, non-competition and other covenants and restrictions contained in this Agreement and that you personally guarantee the financial and other obligations of Franchisee to us; and

(f) you acknowledge that the terms of this Agreement are fair and reasonable and that you have elected, based on your own decision, to enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee.

4. Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions.

(a) Know-How. You agree that: (i) you will not use the Know-How in any business or capacity other than the Franchised Business; (ii) you will maintain the confidentiality of the Know-How at all times; (iii) you will not make unauthorized copies of documents containing any Know-How; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-How; and (v) you will stop using the Know-How immediately if you are no longer an Owner of Franchisee or your Spouse is no longer an Owner of Franchisee, as applicable. You will not use the Intellectual Property for any purpose other than the development and operation of the Franchised Business pursuant to the terms of the Franchise Agreement and Operations Manual. You agree to assign to us or our designee, without charge, all rights to any improvement developed by you, including the right to grant sublicenses. If applicable law precludes you from assigning ownership of any improvement to us, then such improvement shall be perpetually licensed by you to us free of charge, with full rights to use, commercialize, and sublicense the same.

(b) Non-Competition During Franchise Relationship. Subject to the terms and conditions of Article 5 of this Agreement, below, you represent and agree that while you are an Owner of Franchisee or while your Spouse is an Owner of Franchisee (as applicable) that you will not engage in any Prohibited Activities. You agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm the System and us.

(c) Non-Competition After Franchise Relationship. You represent, acknowledge and agree that during the Restricted Period you will not engage in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers/clients who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the prohibited activity (any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies relating to your breach). You agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm us and the System.

(d) Confidentiality Restrictions. You represent, acknowledge and agree that, at all times you: (i) shall not use the Confidential Information in any business or capacity other than the Franchised Business; (ii) shall maintain the confidentiality of the Confidential Information; (iii) shall not make

unauthorized copies of documents containing any Confidential Information; (iv) shall take such reasonable steps as we may ask of you and/or Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; (v) shall immediately and permanently stop using the Confidential Information upon the expiration or termination of the Franchise Agreement; (vi) shall immediately and permanently stop using the Confidential Information if you are no longer an Owner of Franchisee and/or the Spouse of an Owner; (vii) shall immediately and permanently stop using the Confidential Information upon Franchisee's Transfer of the Franchise Agreement; and (viii) shall not disclose the Confidential Information to any third party except in a legal proceeding pursuant to an order of a court of competent jurisdiction and after affording us no less than 15 business days prior notice and an opportunity for us, at our election, to appear in such action.

(e) Immediate Family Members. You acknowledge that should you circumvent the purpose and protections (due to us) of this Agreement by disclosing Know-How to an immediate family member (*i.e.*, parent, sibling, child, or grandchild) we will and the System will be irreparably harmed. You acknowledge that if you did disclose the Know-How to an immediate family member and your immediate family member used the Know-How to engage in activities that, for you, qualify as Prohibited Activities as defined above, that we and the System will be irreparably harmed. You agree that as between you and us that you are in a better position to know if you permitted and/or provide an immediate family member with access to the Know-How. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-How. However, you may rebut this presumption by providing evidence conclusively demonstrating that you did not disclose the Know-How nor permit disclosure of the Know-How to the family member.

(f) Reasonableness of Covenants and Restrictions. You agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **You waive any right to challenge the terms of this Agreement as being overly broad, unreasonable or otherwise unenforceable.** Although you and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic are, we may at any time unilaterally modify the terms of this Article 4 (Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under this Article 4 to ensure that the terms are enforceable under applicable law.

(g) Breach. You agree that failure to comply with these Article 4 Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions will cause irreparable harm to us and/or other Brothers Gutters Business franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined

with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

5. Transfer Restrictions and Non-Competition Covenants and Restrictions.

Notwithstanding anything contained in this Agreement to the contrary, you agree that if you are an Owner, and/or the Spouse of an Owner, that, prior to Transferring an Owner's equity and/or ownership interests in Franchisee that, among other things, Franchisee must notify us and obtain our written consent. Likewise, you agree that under the Franchise Agreement that prior to Franchisee's Transfer of the Franchise Agreement, among other things, Franchisee must notify us and obtain our written consent. For our protection and to prevent the subversion of the non-competition covenants contained in Article 4 of this Agreement and, to induce us to enter into the Franchise Agreement with Franchisee, you agree, that:

(a) if you are an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of your equity and/or ownership interests in Franchisee and/or should Franchisee, fail to obtain our consent to the proposed Transfer of your equity and/or ownership interests in Franchisee (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject and obligated to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement;

(b) if you are a Spouse, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of your Spouse's equity and/or ownership interests in Franchisee and/or should Franchisee, fail to obtain our consent to the proposed Transfer of your Spouse's equity and/or ownership interests in Franchisee (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject and obligated to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement;

(c) if you are an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of the Franchise Agreement to a third party and/or should Franchisee, fail to obtain our consent to the proposed Transfer of the Franchise Agreement to a third party (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject and obligated to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement; and

(d) if you are the Spouse of an Owner, should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of the Franchise Agreement to a third party and/or should Franchisee, fail to obtain our consent to the proposed Transfer of the Franchise Agreement to a third party (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject and obligated to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement.

6. Personal Guaranty of Franchise Agreement and Financial Obligations.

To secure Franchisee's financial obligations under the Franchise Agreement and all ancillary agreements executed by Franchisee in connection with the Franchise Agreement, including, but not limited to, any agreement for the purchase of goods or services from us or an affiliate of ours (collectively the "Ancillary

Agreements") you individually, jointly and severally, and personally and unconditionally:

(a) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Franchise Agreement;

(b) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Ancillary Agreements;

(c) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us pursuant to the terms of the Franchise Agreement (including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the advertising obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement);

(d) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us and/or our affiliates under the Ancillary Agreements;

(e) do, at all times, hereby personally guarantee payment of each and every fee, payment and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Franchise Agreement including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the marketing obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement; and

(f) do, at all times, hereby personally guarantee payment of each and every fee, payment and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Ancillary Agreements.

You waive: (a) acceptance and notice of acceptance by us of the foregoing undertakings; (b) notice of demand for payment of any indebtedness guaranteed; (c) protest and notice of default to any party with respect to the indebtedness guaranteed; (d) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed.

You agree that: (a) your direct and immediate liability under this guaranty shall be joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the Franchise Agreement and the Ancillary Agreements upon demand if Franchisee fails or refuses punctually to do so; (c) your liability shall not be contingent or conditioned upon pursuit by us of any remedies against Franchisee or any other person; and (d) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that we may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guarantee, which shall be continuing and irrevocable during the term of each of the Franchise Agreement and the Ancillary Agreements and following the termination, expiration or Transfer of each of the Franchise Agreement and the Ancillary Agreements to the extent any financial obligations under any such Franchise Agreement and Ancillary Agreements survive such termination, expiration or Transfer. This guaranty will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Franchise Agreement and/or and Ancillary Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in

bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

7. Arbitration, Consent to Jurisdiction and Venue, and Cross-Default.

Any dispute between the parties relating to this Agreement shall be brought in accordance with the dispute resolution procedures set forth in the Franchise Agreement. Notwithstanding the foregoing, if any of the dispute resolution procedures set forth in the Franchise Agreement conflict with any of the terms of this Agreement, the terms of this Agreement shall prevail. Without limitation to the foregoing, you agree that:

(a) Arbitration – Except, at our option, as to any claims or disputes related to or concerning a breach of this Agreement by you that may entitle us to the award of injunctive relief, you agree that any and all disputes, controversies, and claims, arising from and/or related to this Agreement, shall be submitted to the American Arbitration Association ("AAA") for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA's then current rules for commercial disputes, except as may be otherwise required in this Agreement. All arbitration proceedings shall be conducted in a suitable location selected by the arbitrator that is within New York County, New York or the closest suitable location nearest to our corporate headquarters at the time the arbitration proceeding is commenced.

In connection with binding arbitration, you agree that:

(i) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(ii) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(iii) The arbitrator shall render written findings of fact and conclusions of law;

(iv) Except as may be otherwise required and/or prohibited by this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be generic or invalid; and

(v) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

(b) **Consent to Jurisdiction and Venue – You agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within New York County, New York or, as applicable, the state court or Federal District Court located nearest to our corporate headquarters at the time the legal proceeding is commenced. You do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, you agree that we, at our election, may bring any legal action or proceeding (i) seeking a temporary restraining order, preliminary injunction, or any action seeking our enforcement of an arbitration award or any judicial decision; (ii) for monies owed; and/or (iii) involving relief related to real property in the federal or state court located in the county and state where you reside.**

(c) Acknowledgment as to Cross-Default – You agree that a breach of this Agreement by you shall constitute a material event of default under the Franchise Agreement, permitting us, among other things, to terminate the Franchise Agreement in accordance with the terms thereof.

8. Miscellaneous.

(a) If either party hires an attorney or files suit against the other party in relating to and alleging a breach of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorneys' fees and costs incurred in connection with such breach.

(b) This Agreement will be governed by, construed and enforced under the laws of Arizona and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Any claim, defense or cause of action that you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

(d) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(e) You agree that we may deliver to you any notice or other communication contemplated by this Agreement in the same manner and to the same address listed in the notice provisions of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, each undersigned has executed this Agreement as of the date set forth below.

Owner / Spouse:	**Owner / Spouse:**
Signature of Owner / Spouse	Signature of Owner / Spouse
Name (please print individual name)	Name (please print individual name)
Date	Date
Signature of Owner / Spouse	Signature of Owner / Spouse
Name (please print individual name)	Name (please print individual name)
Date	Date

Franchise Agreement
Exhibit 2
Confidentiality Agreement

THIS EXHIBIT IS FOR REFERENCE PURPOSES ONLY AS A SAMPLE FORM CONFIDENTIALITY AGREEMENT THAT FRANCHISOR MAY APPROVE FOR USE BY FRANCHISEE – BEFORE USING WITH AN EMPLOYEE OR CONTRACTOR FRANCHISEE SHOULD HAVE THIS AGREEMENT REVIEWED AND APPROVED BY AN INDEPENDENT LOCAL ATTORNEY HIRED BY FRANCHISEE

CONFIDENTIALITY AGREEMENT (Sample Only)

This Agreement (the "Agreement") is entered into by the undersigned ("you") in favor of:

[Insert On the Line Below Name of Franchisee that Owns and Operates the Brothers Gutters Business]

_____ (hereinafter referred to as "us", "our" or "we")

Recitals and Representations

WHEREAS, we are the owners of a licensed Brothers Gutters Business (hereinafter referred to as the "Brothers Gutters Business") that we independently own and operate as a Franchisee;

WHEREAS, you are or are about to be an employee, independent contractor, officer and/or director of a Brothers Gutters Business that is independently owned and operated by us;

WHEREAS, in the course of your employment, independent contractor relationship and/or association with us, you may gain access to Confidential Information (defined below in this Agreement) and you understand that it is necessary to protect the Confidential Information and for the Confidential Information to remain confidential;

WHEREAS, our Franchisor, Brothers Parsons Franchising LLC, is not a party to this agreement and does not own or manage the Brothers Gutters Business but is an intended third party beneficiary of this Agreement; and

WHEREAS, this Agreement is not an employment agreement and is only a confidentiality agreement in connection with information, materials and access that may be provided to you in connection with the Brothers Gutters Business.

NOW THEREFORE, you acknowledge and agree as follows:

1. Recitals and Representations. You agree that the foregoing Recitals and Representations are true and accurate and shall constitute a part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Business Management System" refers to and means the software and/or internet or cloud based system and/or systems, point of sale system or systems and customer relationship management system or systems as used in connection with the operations of the Brothers Gutters Business.

"Business Management System Data" refers to and means the forms, data, tools, customer information, inventory and sales information, and other information that is entered into and/or maintained on the Business Management System of the Brothers Gutters Business.

"Confidential Information" refers to and means: (a) non-public methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development,

establishment, marketing, promotion and operation of the Brothers Gutters Business; (b) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of the Brothers Gutters Business; (c) customer lists and information related to the Brothers Gutters Business; (d) Business Management System Data; (e) current and future information contained in The Brothers that just do Gutters Operations Manual made available to the Brothers Gutters Business by Brothers Parsons Franchising LLC; and (f) production, supply, and service procedures that are not disclosed to the public but used by the Brothers Gutters Business.

"*Digital Media*" refers to and means any interactive or static electronic document, application or media including, but not limited to, www.brothersgutters.com, social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok, YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to the Brothers Gutters Business or other Brothers Gutters Business.

"Licensed Marks" refers to and means the word marks, trademarks, service marks, and logos now or hereafter utilized in the operation of a Brothers Gutters Business, including, but not limited to, the "The Brothers that just do Gutters" word mark, associated logos, and any other trademarks, service marks or trade names that we designate for use in a Brothers Gutters Business.

"Operations Manual" refers to and means the confidential operations manual made available to the Brothers Gutters Business by our franchisor or as otherwise designated by us. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, video, electronic media files, cloud/internet based list-service, intra-net, internet based and accessed databases, computer media, webinars and other materials as may be modified, added to, replaced or supplemented.

"Trade Dress" refers to and means The Brothers that just do Gutters designs, images, marketing materials, packaging, branding and/or branding images used in connection with the operation of the Brothers Gutters Business.

3. **Your Access to Confidential Information.** In addition to the representations and acknowledgments contained in the Recitals and Representations, above, you acknowledge and represent that in your capacity as an employee, independent contractor, officer and/or director of the Brothers Gutters Business that you will be gaining access to, among other things, the Confidential Information. You acknowledge that the terms of this Agreement are fair and reasonable.

4. Protection of the Confidential Information. You agree that: (i) you will not use the Confidential Information in any business or capacity other than the Brothers Gutters Business; (ii) you will maintain the confidentiality of the Confidential Information at all times; (iii) you will not make unauthorized copies of documents containing the Confidential Information; (iv) you will take such reasonable steps as the we may ask of you from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (v) you will stop using the Confidential Information immediately at our request or demand. You will not use the Confidential Information for any purpose other than for the performance of your duties on behalf of us and in accordance with the scope of your work with us.

5. Reasonableness of Covenants and Restrictions. You agree that the terms of this Agreement are reasonable and fair and that you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **You hereby waive any right to challenge the terms of this Agreement as being overly broad, unreasonable or otherwise unenforceable.**

6. Breach. You agree that failure to comply with the terms of this Agreement will cause irreparable harm to us and to our Franchisor, Brothers Parsons Franchising LLC, and other The Brothers that just do Gutters franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us or our Franchisor, Brothers Parsons Franchising LLC, to injunctive relief. You agree that we and/or our Franchisor, Brothers Parsons Franchising LLC, may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, you agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

7. Miscellaneous.

(a) If we hire an attorney or file suit against you because you have breached this Agreement and if we prevail in such lawsuit, you agree to pay the reasonable attorney fees and costs that we incur.

(b) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(c) YOU ACKNOWLEDGE THAT THIS IS NOT AN EMPLOYMENT AGREEMENT.

(d) YOU ACKNOWLEDGE AND AGREE THAT OUR FRANCHISOR, BROTHERS PARSONS FRANCHISING LLC, IS NOT A PARTY TO THIS AGREEMENT BUT IS AN INTENDED THIRD PARTY BENEFICIARY OF THIS AGREEMENT.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date or dates set forth below.

_____	_____
Individual Signature of Restricted Party	Individual Signature of Restricted Party
_____	_____
Name (please print)	Name (please print)
Date: _____	Date: _____

Franchise Agreement
Exhibit 3
Assignment of Telephone Numbers and Digital Media Accounts

ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS

(for the benefit of Brothers Parsons Franchising LLC and its assigns)

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS (the "Assignment") is entered into between _____ (the "Assignor") and Brothers Parsons Franchising LLC and its successors and assigns (the "Assignee").

WHEREAS, Assignee is the franchisor of the Brothers Gutters Business franchise system (the "Brothers Gutters Business Franchise System");

WHEREAS, Assignor, as franchisee, and Assignee, as franchisor, are parties to a Brothers Gutters Business Franchise Agreement (the "Franchise Agreement");

WHEREAS, the term "Digital Media" shall refer to and mean "any interactive or static digital document, listing, directory, application, advertisement, link, metadata, or media that is transmitted within a closed or private network, or that is connected to, in communication with, and/or networked with computers, applications, or other devices linked by communications systems, data systems, a part of the world wide web including, traditional websites, web based applications, distributed databases, including, blockchain, software applications, smart phone applications, or social media platforms such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, TikTok, and YouTube, that refers, references, identifies, reviews, promotes and/or relates, in any way, to a Brothers Gutters Business, Brothers Gutters Businesses, Assignor's Brothers Gutters Business and/or trademarks associated with the Brothers Gutters Business, the Brothers Gutters Business Franchise System and/or Assignee; and

WHEREAS, in connection with Assignor's establishment and operation of a Brothers Gutters Business, Assignor will be utilizing accounts, information, phone numbers and Digital Media subject to strict requirements set forth in the Franchise Agreement.

NOW THEREFORE, Assignor, in exchange for good and valuable consideration provided and paid by Assignee (receipt of which is hereby acknowledged), agrees:

1. That Assignor does hereby assign to assignee all telephone numbers, facsimile numbers, listings, domain names and Digital Media that is associated with Assignor's Brothers Gutters Business including, the following (all collectively referred to as the "Media"):

(a) All phone numbers, facsimile numbers and listings that are currently, or in the future, associated with Assignor's Brothers Gutters Business;

(b) The following telephone and facsimile numbers:

_____

_____; and

(c) All Digital Media, all Digital Media accounts and all Digital Media log-in information.

The foregoing shall not be construed and/or interpreted as Assignee's acknowledgment and/or agreement that Assignor owns and/or possesses any ownership interests in the foregoing telephone numbers, accounts and/or Digital Media. Any and all rights of Assignor in and to same exist subject to a limited license

pursuant to the Brothers Gutters Business Franchise Agreement which shall take precedence and govern. However, this Assignment is intended by Assignor and Assignee to be an instrument that may be relied upon by all third parties to authorize and permit the assignments and transfers set forth in this Assignment and to facilitate the transfer of accounts and media to within the control of Assignee. Nothing contained in this Assignment shall be used to construe nor imply that Assignor possesses any ownership interests or rights in the Digital Media and in the event of any inconsistency or conflict between this Assignment and the Franchise Agreement, the Franchise Agreement shall take precedence and govern.

2. This Assignment will become effective automatically upon the termination or expiration of the Franchise Agreement for any reason. As to all third parties' proof of the expiration or termination of the Franchise Agreement shall exist exclusively upon the written declaration of Assignee and Assignee's declaration shall be dispositive and not subject to challenge. Assignor acknowledges that all third parties may rely on this Assignment for the purpose of taking any and all actions to ensure that access to and control of the Media is maintained by Assignee and that the Assignor does hereby appoint Assignee as Assignors attorney in fact for the purpose of effectuating, authorizing, initiating, and/or approving any account transfer, account registration, account ownership and/or action related to Digital Media, Digital Media accounts, telephone numbers, and all other rights identified and/or contemplated by this Assignment.

UTILIZATION OF THIS ASSIGNMENT SHALL EXIST AT THE SOLE DISCRETION OF ASSIGNEE AND FOR THE SOLE BENEFIT OF ASSIGNEE.

Assignee: Brothers Parsons Franchising LLC	**Assignor:**
_____ Signature	_____ Signature
_____ Name and Title (please print)	_____ Name (please print)
_____ Dated	_____ Dated

Franchise Agreement
Exhibit 4
ACH Authorization Form

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name	Business No.
Franchisee Mailing Address (street)	Franchisee Phone No.
Franchisee Mailing Address (city, state, zip)	
Contact Name, Address and Phone Number (if different from above)	
Franchisee Fax No.	Franchisee Email Address

Bank Account Information:

Bank Name		
Bank Mailing Address (street, city, state, zip)		
Bank Account No.	[ ] Checking [ ] Savings (check one)	Bank Routing No.
Bank Phone No.		

Authorization:

Franchisee hereby authorizes Brothers Parsons Franchising LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: _____ Date: _____

Name: _____ Federal Tax TD No.: _____

Its: _____

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT

Franchise Agreement
Exhibit 5
General Release

GENERAL RELEASE

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT:

_____, as RELEASOR, in consideration of good and valuable consideration received from:

BROTHERS PARSONS FRANCHISING LLC [also name as additional Releasees successors and assigns of Brothers Parsons Franchising LLC], as RELEASEE,

receipt of which is hereby acknowledged, releases and discharges the RELEASEE, RELEASEE'S heirs, officers, members, agents, executors, administrators, successors and assigns, from all claims, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, contracts, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in law, admiralty or equity which against the RELEASEE, the RELEASOR, RELEASOR'S heirs, executors, administrators, successors and assigns ever had, now have or hereafter can, shall or may, have for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE.

The words "RELEASOR" and "RELEASEE" include all releasors and releasees under this Release. This Release may not be changed orally.

This General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

IN WITNESS WHEREOF, the **RELEASOR** has hereunto set RELEASOR'S hand and seal on the date set forth below.

Releasor:

_____
Signature

_____
Name (please print)

Date _____

NOTARY SIGNATURE, SEAL AND INFORMATION: On _____before me, the undersigned, personally appeared _____ personally known to me or proven to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Signature and Seal

Franchise Disclosure Document
Exhibit F – List of Franchisees

Franchisees in the System as of December 31, 2025			
State	**Territory**	**Franchisee**	**Telephone Number**
Alabama	East Birmingham, AL	Matthew Smith	706-570-9076
	Huntsville, AL	Benjamin Rogers	256-613-6178
Arkansas	Northwest Arkansas, AR	Chalice Suratt	479-4228-171
California	Coastal-North, CA	Richard Tice	610-762-9248
	Irvine, CA	David Hershman	949-289-0200
	San Ramon, CA	Nader Awadalla	214-949-9141
	Sunnyvale, CA	Eric Dodge	408-368-1143
	Los Angeles, CA	Robinson O'Brien-Bours	213-840-0249
	Sacramento, CA	Jonathan Chitambar	619-394-4320
	York Linda, CA	Jose Tafolla Maricella Tafolla	562-745-8825
	Roseville, CA	Karm Saran	530-415-0265
	Anaheim, CA	Sara Baayoun Andrew Arakelian	562-212-8041
	North Coastal San Diego, CA	Gregory Joshua	661-300-2766
	Beach Cities, CA	Cynthia Navarro Fischer	626-422-7140
Colorado	Boulder-Northeast Denver, CO	Christopher Paulson	818-640-0984
	Douglas County, CO	James Estes	913-827-2805
Connecticut	Shoreline, CT	Patrick Mallon	203-257-5353
Delaware	Wilmington, DE-South Philadelphia, PA	Will Johnson Andrew Goff	610-906-5984
Florida	Bradenton/Sarasota, FL	Jason Bartz Catherine Bartz	941-737-6388
	Central Florida East, FL	Doug Malin Sheri Malin	904-400-4873 904-400-4873
	Clermont, FL	Jeremy Hughes	352-223-3646
	Fort Lauderdale Boca Raton, FL	Brendan McGlyn Sarah Soni	732-208-6191 848-218-4703
	Jacksonville, FL	Richard Beyer	904-476-0378
	Jupiter/West Palm Beach, FL	Matthew Dowd Jennifer Dowd	561-676-4415
	North Jacksonville, FL	Thomas J. Hawkins	904-521-9193
	North Tampa Bay, FL	Dean Newell Kristi Newell	727-251-7100 727-488-7100
	Pensacola, FL	Jeremy Hughes	352-223-3646
	Treasure Coast, FL	David Knowles Amanda Knowles	772-773-0366 772-882-5587
	West Broward, FL	Nicolas Roman	305-458-4040
	West Orlando, FL	Matthew Barber	407-777-5726 407-818-3429
	St Petersburg, FL	Philip Ganbarg Rachel Ganbarg	847-337-3337
Georgia	Augusta, GA	Corey Collins	706-799-4607
	Buckhead/West Atlanta, GA	Matthew Prewett	323-217-3422
	Columbus, GA	Luke Smith	706-489-4340
	NE Atlanta, GA	Joshua Bowie	770-366-2717
	Savannah, GA	Daniel Shambayati	912-921-9568
	South Atlanta, GA	Mario Owens	678-215-9947
Idaho	Boise, ID	Trevor Tatko	208-841-5812
	Inland Northwest, WA-ID	Andrew Rolin	208-215-4996
Illinois	Downers Grove, IL	Thomaz London	661-425-2748
	Peoria, IL	Dallas Saferite	815-252-4774

	Tinley Park, IL	David Velasco	708-645-6793
	Arlington Heights, IL	Julia Bellis Tom Bellis	847-767-1667
Indiana	Indianapolis, IN	Robert Treash Jon Utterback	317-409-4901
	Fort Wayne, IN	Scott Lutterbeck Kelli Lutterbeck	928-5809-892
Kansas	Overland Park, KS	Michael Grassinger	913-326-4727
	Wichita, KS	Daniel Back	316-299-1893
Kentucky	Lexington, KY	Kyle Andrew Almy	270-839-4483
	Owensboro, KY	Ron Williams	270-313-2005
Louisiana	Baton Rouge – Northshore, LA	Thomas Campbell	225-802-8458
Maryland	Bethesda/Gaithersburg, MD	Nil Weerasinghe	240-475-5149
	Northeast Maryland, MD	Amy Tantchou Pierre Tantchou	571-723-7155
	Central Maryland, MD	Charles White	850-206-2518
	Hagerstown, MD	Scott Hutchinson	484-679-6570
Massachusetts	South Shore, MA	Erik Almon	508-284-7972
Michigan	Grand Rapids, MI	Kurt Stauffer	616-206-9258
	Metro Detroit, MI	Gregory Bratkovich Elizabeth Marek Bret Borock	734-649-5305 734-395-9835 248-866-0974
Minnesota	Minneapolis, MN	Nigel Dahlvang	612-282-2314
	Rochester/Mankato, MN	Gabriele De Angelis	507-327-8170
	Twin Cities North, MN	Benjamin Gundale	952-451-4128
Missouri	St. Louis, MO	Joshua DSpain	210-421-0032
Nebraska	Omaha, Lincoln, NE	Jason Loberg	402-340-0140
New Hampshire	Manchester, NH	Michael Manni	603-505-6008
New Jersey	Colts Neck, NJ	Jonathan Mellett	845-803-3246
	Morristown, NJ	Sebastian Karwas	973-404-0005
	Princeton, NJ	David Wang	520-561-7954
New York	Capital District, NY	Terry Patrick Neill	203-807-1531
	Huntington, NY	Amos Yi	516-205-4105
	East Rochester, NY	Tsahi Patel	847-903-7815
	Hudson Valley, NY	Joshua Bowie	770-366-2717
North Carolina	Ashville, NC	David Whyatt	828-552-4562
	South Charlotte, NC	Peter Awando Linda Awando	312-533-9031 845-661-8992
Ohio	Akron/Canton, OH	Daniel Smith	330-988-9588
	Cincinnati, OH	Brennan Shelton	513-646-1032
	Cleveland West, OH	Matthew Denomme	440-506-6377
	Columbus, OH	Timothy Williams Francis Cea	614-816-1770
Oklahoma	Oklahoma City Metro, OK	Brian and Eric Denneny	405-205-9398
	Tulsa, OK	Joe Fraley	360-820-9196
Oregon	Portland South, OR	Joe Garland	503-329-1806
Pennsylvania	Central Pennsylvania	Obiora Ifeanyi Akujieze Adanma Chinemerem Okoro	517-881-6988 517-862-8925
	Lehigh Valley, PA	Jimmy Olang	610-442-8105
	North Philadelphia, PA	Robert Shoemaker II	215-687-8120
	Pittsburgh/Tri-State, PA	Joshua Arnold Jeconda Arnold	740-541-3601
	Lancaster, PA	Mike Bojako	610-301-5379

		Amanda Bojako	717-368-3679
	West Chester, PA	Shawn Brawning Fernanda Onofre	610-235-1494
Rhode Island	Rhode Island	Sarah Moffit Mike Moffit	401-742-8968 401-742-8966
South Carolina	Columbia, SC	Barnes Boyle	803-934-6436
South Dakota	Sioux Falls, SD	Robert and Jenna Harris	503-577-2475
Tennessee	Chattanooga, TN	Atmar Thompson	423-304-6790
	Knoxville, TN	John Nicholas Letterman Tiffany Horst Letterman	865-936-1763 865-255-4757
	Nashville, TN	Michael Abate	615-481-3700
	Tri Cities, TN	Chad Rowland	423-791-0307
Texas	Austin, TX	Kipp Koeppel Brooke Koeppel	704-877-5696
	Central DFW, TX	Drew Naron	469-880-3012
	East Houston, TX	Marcus Britton	713-933-8639
	Little Elm, TX	Neida Sustache-Wright	414-745-8810
	North Dallas, TX	Patrick Sweeney	904-343-1680
	North Houston, TX	David Lucks	713-397-6108
	San Antonio, TX	Nathan Hiebert	203-501-3564 203-501-3585
	SW Houston, TX	Gilles Constant Mepossi Noutcha	301-213-2188
	Tyler, TX	Allye Hernandez	254-246-1248
	West Houston, TX	David Boles	713-306-5178
Utah	Ogden, UT	Tyson Greene	801-819-9936
	Salt Lake City, UT	Stephen Van Dijk	385-223-4218
Virginia	Arlington, VA	Thomas Cooper	614-623-0049
	Fredericksburg-Woodbridge, VA	Timothy Narrow	484-824-4044
	Lynchburg, VA	Jeremiah Boles	434-221-6110
	Richmond, VA	Joseph Kenneth Parsons	804-241-6395
	Virginia Beach, VA	Jeremiah Boles	434-221-6110
Washington	Redmond, WA	Sameer Sawant	862-222-2005
Wisconsin	Green Bay, WI	Ryan Kinjerski	920-680-0939

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Franchise Outlets Not Yet Operating as of December 31, 2025			
State	**Territory**	**Franchisee**	**Telephone Number**
California	South Bay, CA	Anmol Mahal	408-892-9136
Florida	Fort Myers - Naples, FL Hernando and Citrus County, FL	John Fields Garrett Schempp Josephine Marie Ray	307-660-7492 352-430-4545
Iowa	Eastern and Central Iowa, IA	John Naeve	319-621-1744
Illinois	Glenview, IL	Jignesh Patel	847-903-7815
Kentucky	Louisville, KY	JOHN DAVID SCHLEGEL, REAGANSCHLEGEL & BRITTANY WALKER	859-494-3190
Louisiana	Greater Nola Area, LA Shreveport-Bossier, LA	Lam Tran Aaron Smith	972-898-6869
New Jersey	Paramus, NJ	Koyes Ahmed	973-666-7900
Ohio	South Dayton, OH Southeast Central Ohio, OH	Josh Tate Kevin Wright	937-545-6467
South Carolina	Charleston, SC Spartanburg SC	Gabriel Gomez Tawny Suzanne Hanks Savarese Anthony Otto Hanks II	843-302-4302 803-807-7672 803-730-2614
Tennessee	Central Mid-South, TN	William Tashie	901-351-7468
Wisconsin	Central Southeast Wisconsin, WI	VieAnna Lucas	414-881-1323

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Franchise Disclosure Document
Exhibit G – List of Franchisees that Have Left the System

Franchisees that Have Left the System During the Fiscal Year Ending December 31, 2025			
State	**Territory**	**Franchisee**	**Telephone Number**
Kentucky	Louisville	Amanda Sweet	651-280-7439
South Carolina	Charleston	Christopher Briccio Richard Briccio	845-309-4239
Florida	Fort Myers	Raul Hernandez Edna C. Hernandez	305-972-0697 305-401-4127
North Carolina	Raleigh	Lindsay Lowe	336-302-9296
New Jersey	South Jersey	Tommy Brogden	609-742-9786
Missouri	South East Kansas	Andrew Hilliard	816-260-9667
New York	Merrick	Joseph Rosenberg Ben Van Nest	412-401-2610 830-431-0704
Utah	Utah County	Jake Drzayich Kyle Angelos	801-707-8917 614-266-9436
Virginia	Fairfax	Kurt Schlieter	571-867-1559
Texas	Northwest Houston	Joseph Capasso Wendy Capasso	832-799-9801

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Franchise Disclosure Document
Exhibit H – State Specific Addenda

California FDD Amendment
Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. Item 17 "Renewal, Termination, Transfer and Dispute Resolution: The Franchise Relationship," is supplemented by the addition of the following:

A. 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.

B. The franchisor, any person or franchise broker in Item 2 of the FDD is not 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 such association or exchange.

C. California Business and Professions Code Sections 20000 through 20043 establish the rights of 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.

D. 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.).

E. 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.

F. The Franchise Agreement requires binding arbitration. The arbitration will occur in New York with the costs being borne by the franchisee and franchisor.

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.

G. The Franchise Agreement requires application of the laws of the State of Arizona. This provision may not be enforceable under California law.

2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

3. You must sign a general release of claims 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).

4. 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).

5. Item 6 "Other Fees," is supplemented by the addition of the following statement: "The highest interest rate allowed by law in the State of California is 10%."

6. The following URL address is for the franchisor's website: www.brothersgutters.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

7. California's Franchise Investment Law (Corporations Code Sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees or its agents make to you, (ii) our ability to rely on any representations it makes to you, or (iii) any violation of the law.

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

Connecticut FDD Amendment

Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

1. Item 3 "Litigation," is supplemented by the addition of the following:

A. Neither the Franchisor nor any person identified in Items 1 or 2 above has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations.

B. Neither the Franchisor nor any other person identified in Items 1 or 2 above has during the 10 year period immediately preceding the date of this Disclosure Document, been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable in any civil action by final judgment, or been the subject of any material complaint or other legal proceeding where a felony, civil action, complaint or other legal proceeding involved violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations or which was brought by a present or former purchaser-investor or which involves or involved the business opportunity relationship.

C. Neither the Franchisor nor any person identified in Items 1 or 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal,

state or Canadian franchise, securities, business opportunity, antitrust, trade regulation or trade practice law as a result of concluded or pending action or proceeding brought by a public agency, or is a party to a proceeding currently pending in which an order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.

D. Neither Company nor any person identified in Item 2 above 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) suspending or expelling these persons from membership in the association or exchange.

2. Item 4 "Bankruptcy," is supplemented by the addition of the following:

No entity or person listed in Items 1 and 2 of this Disclosure Document has at any time during the previous 10 fiscal years (a) filed for bankruptcy protection, (b) been adjudged bankrupt, (c) been reorganized due to insolvency, or (d) been a principal, director, executive officer or partner of any other person that has so filed or was adjudged or reorganized, during or within one year after the period that the person held a position with the other person.

If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract be cancelled.

DISCLOSURES REQUIRED BY CONNECTICUT LAW

The State of Connecticut does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

BUSINESS OPPORTUNITY DISCLOSURE

The following business opportunity disclosure is provided by Brothers Parsons Franchising LLC, a registered business in the State of Connecticut.

Disclosure Document is dated: April 24, 2026

Hawaii FDD Amendment

Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

Exhibit J "FDD Receipts," is supplemented with the addition of the following:

The Receipt for this Disclosure Document (Exhibit "J") is supplemented to add the following:

1. THIS FRANCHISE WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

3. THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT AND THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

4. NO STATEMENT, QUESTIONNAIRE OR ACKNOWLEDGEMENT SIGNED OR AGREED TO BY A FRANCHISEE IN CONNECTION WITH THE COMMENCEMENT OF THE FRANCHISE RELATIONSHIP SHALL HAVE THE EFFECT OF: (I) WAIVING ANY CLAIMS UNDER ANY APPLICABLE STATE FRANCHISE LAW, INCLUDING FRAUD IN THE INDUCEMENT, OR (II) DISCLAIMING RELIANCE ON ANY STATEMENT MADE BY ANY FRANCHISOR, FRANCHISE SELLER, OR OTHER PERSON ACTING ON BEHALF OF THE FRANCHISOR. THIS PROVISION SUPERSEDES ANY OTHER TERM OF ANY DOCUMENT EXECUTED IN CONNECTION WITH THE FRANCHISE.

Illinois FDD Amendment

Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

DISCLOSURE REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

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

Item 5, Franchisor has posted a surety bond which is on file with the Illinois Attorney General for the purpose of ensuring that Franchisor's pre-opening obligations to the Franchisee have been satisfied.

Indiana FDD Amendment

Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

1. Item 8, "Restrictions on Sources of Products and Services," is supplemented by the addition of the following:

> Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. Item 6, "Other Fees" and Item 9, "Franchisee's Obligations", are supplemented, by the addition of the following:

> The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is supplemented, by the addition of the following:

> A. Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> B. Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.
>
> C. ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.
>
> D. ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.

E. ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

Maryland FDD Amendment
Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

Item 5, "Initial Fees", Franchisor has posted a surety bond which is on file with the Maryland Securities Commissioner for the purpose of ensuring that Franchisor's pre-opening obligations to the Franchisee have been satisfied.

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is supplemented, by the addition of the following:

A. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

B. A Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

C. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

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

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

Michigan FDD Amendment
Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

1. 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 of your right to join an association of Franchisees.

B. A requirement that you assent to a release, assignment, novation, waiver or estoppel that deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

C. A provision that permits us to terminate a franchise before the expiration of this term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Franchise

Agreement and to cure the failure after being given written notice of the failure and a reasonable opportunity, which in no event need be more than 30 days, to cure the failure.

D. A provision that permits us to refuse to renew a franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures and furnishings. Personalized materials that have no value to us and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (a) the term of the franchise is less than five years, and (b) you are prohibited by the Franchise Agreement 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 you do not receive at least six months advance notice of our intent not to renew the franchise.

E. A provision that permits us 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 litigation be conducted outside this state. This shall not preclude you from entering into an agreement, at the time of litigation, to conduct litigation at a location outside this state.

G. A provision that permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.
(ii) The fact that the proposed transferee is our or Sub-franchisor's competitor.
(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
(iv) Your or proposed transferee's failure to pay us any sums or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

H. A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants us 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 us the right to acquire the assets of a franchise for the market or appraised value and has failed to cure the breach in the manner provided in Item 17(g).

I. A provision that permits us to directly or indirectly convey, assign or otherwise transfer our obligations to fulfill contractual obligations to you unless a provision has been made for providing the required contractual services.

2. If our most recent financial statements are unaudited and show a net worth of less than $100,000.00, you may request that we arrange for the escrow of initial investment and other funds you paid until our obligations, if any, to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At our option, a surety bond may be provided in place of escrow.

3. 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.

4. Any questions regarding this notice should be directed to: State of Michigan, Consumer Protection Division, Attention: Franchise Bureau, 670 Law Building, Lansing, MI 48913; telephone number (517) 373-3800.

Minnesota FDD Amendment
Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

ADDITIONAL RISK FACTORS:

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

AMENDMENT OF FDD DISCLOSURES:

A. Item 6, "Other Fees", Not sufficient funds are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

B. Item 13, "Trademarks", Item 13 is supplemented by the addition of the following: As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the marks, so long as you were using the marks in the manner authorized by us, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

C. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following: With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days- notice of termination (with 60 days to cure) and 180 days-notice of non-renewal of the Agreement.

D. Item 17 "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following: Item 17 shall not provide for a prospective general release of claims against us that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

E. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

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

New York FDD Amendment

Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

> However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. 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 the franchisee by Article 33 of the General Business Law of the State of New York

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

7. Receipts - Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, 10 business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

North Dakota FDD Amendment
Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

1. Item 5, "Initial fees", Item 5 is supplemented by the addition of the following:

Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

2. Item 6, "Other Fees", Item 6 is supplemented by the addition of the following:

No consent to termination or liquidated damages shall be required from franchisees in the State of North Dakota.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

A. Any provision requiring a franchisee to sign a general release upon renewal of the Franchise Agreement has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

B. Any provision requiring a franchisee to consent to termination or liquidation damages has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

C. Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust and inequitable. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

D. Any provision in the Franchise Agreement requiring a franchisee to agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee's place of business.

E. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

F. Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.

G. Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

H. Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

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

Rhode Island FDD Amendment
Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

A. The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 provides that a provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

B. Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

Virginia FDD Amendment
Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17(h) is supplemented by the addition of the following:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in Brothers that just do Gutters Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

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

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement**. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. **Use of Franchise Brokers.** The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

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

Wisconsin FDD Amendment

Amendments to The Brothers that just do Gutters
Franchise Disclosure Document

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," Item 17 is supplemented by the addition of the following:

> The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Section 135.01-135.07 may affect the termination provision of the Franchise Agreement.

STATE SPECIFIC AMENDMENTS TO FRANCHISE AGREEMENT

CALIFORNIA FRANCHISE AGREEMENT AMENDMENT

Amendments to The Brothers that just do Gutters Franchise Agreement

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

IN WITNESS WHEREOF, the parties have duly executed and delivered this California State amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

HAWAII FRANCHISE AGREEMENT AMENDMENT

Amendments to The Brothers that just do Gutters Franchise Agreement

In recognition of the requirements of the Hawaii Franchise Investment Law, the undersigned agree to the following modifications to Brothers Parsons Franchising LLC Franchise Agreement (the "Franchise Agreement"), as follows:

1. Sub-Article 14.C.(6). Sub-article 14.C.(6), under the Article section titled "Conditions for Approval of Transfer," is supplemented by the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and
>
> The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If this Sub-article contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

2. Sub-Article 15.B.(8). Sub-article 15.B.(8), under the Article section titled "Conditions for Renewal," is supplemented by the addition of the following:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and
>
> The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If this subarticle contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

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

4. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this amendment.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this Hawaii State amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

ILLINOIS FRANCHISE AGREEMENT AMENDMENT

Amendments to The Brothers that just do Gutters Franchise Agreement

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705/1 to 705/45, and Ill. Admin. Code tit. 15, §200.100 et seq., the undersigned agree to the following modifications to Brothers Parsons Franchising LLC Franchise Agreement (the "Franchise Agreement") and, if Franchisor and Franchisee both sign Brothers Parsons Franchising LLC, as follows:

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

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

Item 5, Franchisor has posted a surety bond which is on file with the Illinois Attorney General for the purpose of ensuring that Franchisor's pre-opening obligations to the Franchisee have been satisfied.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this Illinois amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

MARYLAND FRANCHISE AGREEMENT AMENDMENT

Amendments to The Brothers that just do Gutters Franchise Agreement

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Brothers Parsons Franchising LLC Franchise Agreement (the "Franchise Agreement"), as follows:

1. The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

2. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Article 18.G. of the Franchise Agreement, under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction," shall be amended by the addition of the following statement added to Article 18.G. of the Franchise Agreement:

> A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Article 18.I. of the Franchise Agreement, under the heading "Limitations of Claims," shall be amended by the addition of the following statement added to Article 18.I. of the Franchise Agreement:

> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3three years after the grant of the franchise.
>
> A general release required as a condition of renewal, sale and/or assignment or transfer of a Franchise Agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

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

7. Item 5, Franchisor has posted a surety bond which is on file with the Maryland Securities Commissioner for the purpose of ensuring that Franchisor's pre-opening obligations to the Franchisee have been satisfied. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

8. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this amendment.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this Maryland amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

MINNESOTA FRANCHISE AGREEMENT AMENDMENT

Amendments to The Brothers that just do Gutters Franchise Agreement

In recognition of the requirements of the Minnesota Statutes, Chapter 80C. and Minnesota Franchise Rules, Chapter 2860, the parties to the attached Brothers Parsons Franchising LLC Franchise Agreement (the "Franchise Agreement"), as follows:

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

3. Article 14.C. of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," subarticle 14.C.(6) is supplemented with the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and
>
> Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

4. Article 15.B. of the Franchise Agreement, under the heading "Conditions for Renewal," the subarticle 15.B.(8) is supplemented with the addition of the following language:

> ; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and
>
> Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

5. Under Article 11 of the Franchise Agreement, under the heading "Notification of Infringement and Claims," the subarticle 11.C. shall be supplemented by the addition of the following:

> Franchisor agrees to protect Franchisee, to the extent required by the Minnesota Franchise Act, against claims of infringement or unfair competition with respect to Franchisee's use of the Marks when, in the opinion of Franchisor's counsel, Franchisee's rights warrant protection pursuant to Article 11.E. of this Agreement.

6. Under Article 14 of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," the subarticle 14.C. shall be supplemented by the addition of the following:

> Franchisor shall not unreasonably withhold consent to transfer the Franchise Agreement.

7. Under Article 16 of the Franchise Agreement, under the heading "Defaults and Automatic Termination Upon Written Notice Without Cure Period," the subarticle 16.A.(2) shall be supplemented by the addition of the following:

> Article 16.A.(2) will not be enforced to the extent prohibited by applicable law.

8. Under Article 16 of the Franchise Agreement, under the heading "Defaults and Automatic Termination After 30 Day Cure Period," the subarticle 16.A.(4)(f), shall be supplemented by the addition of the following:

> Subarticle 16.A.(4)(f) will not be enforced to the extent prohibited by applicable law.

9. Under both subarticles 16.A.(2) and 16.A.(4) of the Franchise Agreement, the following is added:

> Minnesota law provides a franchisee with certain termination rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 90 days-notice of termination (with 60 days to cure) of this Agreement.

10. Article 18.F. of the Franchise Agreement, under the heading "Governing Law", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.F.:

> ; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

11. Article 18.G. of the Franchise Agreement, under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.G. of the Franchise Agreement:

> ; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

12. Article 18.K. of the Franchise Agreement, under the heading "Waiver of Jury Trial", shall be supplemented by the addition of the following statement at the end of the sentence contained in Article 18.K. of the Franchise Agreement:

> ; except that nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by the Minnesota Franchise Act.

13. Article 18.I. of the Franchise Agreement, under the heading "Limitations of Claims," shall be supplemented by the addition of the following statement:

Under the Minnesota Franchise Act, any claims between the parties must be commenced within three years of the occurrence of the facts giving rise to such claim, or such claim shall be barred.

14. Article 18 of the Franchise Agreement, under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Y. to the Franchise Agreement:

Any foregoing acknowledgments are not intended to nor shall they act as a release, estoppel or waiver or any liability under the Minnesota Franchise Act.

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

16. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to this amendment.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Minnesota State amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

NEW YORK FRANCHISE AGREEMENT AMENDMENT

Amendments to The Brothers that just do Gutters Franchise Agreement

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N.Y. Comp. Code R. & Regs., tit. 13, §§ 200.1 through 201.16), the parties to the attached Brothers Parsons Franchising LLC Franchise Agreement (the "Franchise Agreement"):

1. Under Article 14.C. of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," the subarticle 14.C.(6) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

2. Under Article 15.B. of the Franchise Agreement, under the heading "Conditions for Renewal," the subarticle 15.B.(8) is supplemented with the addition of the following language:

> ; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

3. Article 18 of the Franchise Agreement and, under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Y. to the Franchise Agreement:

> Nothing in this Agreement should be considered a waiver of any right conferred upon franchisee by New York General Business Law, Sections 680-695.

4. There are circumstances in which an offering made by Brothers Parsons Franchising LLC would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York. However, an offer or sale is deemed made in New York if you are domiciled in New York or the Outlet will be opening in New York. Brothers Parsons Franchising LLC is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

5. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, are met independently without reference to this amendment.

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

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this New York amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

NORTH DAKOTA FRANCHISE AGREEMENT AMENDMENT

Amendments to The Brothers that just do Gutters Franchise Agreement

In recognition of the North Dakota Franchise Investment Law, Section 51-19, the parties to the attached Brothers Parsons Franchising LLC Franchise Agreement (the "Franchise Agreement") agree as follows:

The North Dakota Addendum is only applicable if you are a resident of North Dakota or if your Brothers Gutters Business will be located within the State of North Dakota.

1. Article 15 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring North Dakota franchisees to sign a general release upon renewal of the Franchise Agreement are not enforceable in North Dakota."

2. Article 16 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring North Dakota Franchisees to consent to termination or liquidated damages are not enforceable in North Dakota."

3. Article 6 of the Franchise Agreement are hereby amended by the addition of the following language: "Covenants not to compete such as those mentioned above are generally considered unenforceable in the state of North Dakota."

4. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Covenants requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota may not be enforceable in North Dakota."

5. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "for North Dakota Franchisees, North Dakota law shall apply."

6. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring a franchisee to consent to a waiver of trial by jury are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law."

7. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring the franchisee to consent to a waiver of exemplary and punitive damages are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law."

8. Article 18 of the Franchise Agreement is hereby amended by the addition of the following language: "Provisions requiring a franchisee to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota franchisees, the statute of limitations under North Dakota Law will apply."

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

10. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of North Dakota Law are met independently without reference to this amendment.

IN WITNESS WHEREOF, the parties have duly executed and delivered this North Dakota amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

WASHINGTON ADDENDUM TO THE FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement**. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regula**tors. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. A surety bond in the amount of $100,000 has been obtained by the Franchisor. The Washington Securities Division has made the issuance of the franchisor's permit contingent upon the Franchisor maintain surety bond coverage acceptable to the Administrator until (a) all Washington Franchisees have (i) received all initial training that they are entitled to under the franchise agreement or offering circular, and (ii) are open for business; or (b) the Administrator issues written authorization to the contrary.

20. Section 18.Q of the Franchise Agreement does not apply to Washington franchisees.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Washington State amendment to Brothers Parsons Franchising LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

Franchisor:
Brothers Parsons Franchising LLC

By: _____
Signature

_____
Name and Title (please print)

_____
Dated

Franchisee:

_____
Signature

_____
Name (please print)

_____
Dated

_____
Signature

_____
Name (please print)

_____
Dated

Franchise Disclosure Document
Exhibit I - State Effective Dates

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

Effective Dates	
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Franchise Disclosure Document
Exhibit J – Receipts

Brothers Parsons Franchising LLC

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If Brothers Parsons Franchising LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If Brothers Parsons Franchising LLC does not deliver this Disclosure Document on time of 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 applicable state administrator identified in Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

The Issuance Date of this Disclosure Document is: April 24, 2026.
The franchise sellers for this offering are:

Name	Principal Business Address	Telephone Number
Ryan Parsons	8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251	(845) 223-6111
Ken Parsons	8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251	(845) 223-6111
Jason Wiedder	8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251	(855) 393-2372
Amie Hawk	14301 FNB Parkway, Suite 312, Omaha, NE 68154	(531) 333-3278

I received a Disclosure Document issued on April 24, 2026, that included the following exhibits:

A. List of State Administrators	F. List of Franchisees
B. List of Agents for Service of Process	G. List of Franchisees Who Have Left the System
C. Operations Manual Table of Contents	H. State Specific Addenda
D. Financial Statements	I. State Effective Dates
E. Franchise Agreement	J. Receipts

Date	**Print Name**	**Signature**

Please sign this copy of the receipt, date your signature, and return it to Brothers Parsons Franchising LLC, 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251.

Brothers Parsons Franchising LLC

RECEIPT

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