FRANCHISE DISCLOSURE DOCUMENT

Wallaby Windows Franchisor, LLC
Delaware limited liability company
2426 Old Brick Road
Glen Allen, VA 23060
Tel. 1-888-909-9050
www.WallabyWindows.com

Wallaby Windows Franchisor, LLC offers franchises for window installation, replacement, repair and related services under the name and mark "Wallaby Windows ™" and other related marks.

The total investment necessary to begin operation of a single territory Wallaby Windows franchise ranges from $136,293 to $205,570. This includes $60,500 that must be paid to the franchisor or an affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the sales team at the address and phone number above.

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 advisors, such as a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise", which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 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 14, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Wallaby Windows 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 Wallaby Windows franchisee?	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising Generally

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

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

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

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

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

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

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

Some States Require Registration

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

l. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Virginia. 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 Virginia than in your own state.

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

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.

4. **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.

5. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

6. **Inventory/Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

THE FOLLOWING APPLIES ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any questions regarding the notice should be directed to:

State of Michigan
Consumer Protection Division
Attention: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48909
Telephone: 517-373-7117

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

General

To simplify the language in this Disclosure Document, the words "Company" or "we" or "us" means Wallaby Windows Franchisor, LLC (dba Wallaby Windows). The word "you," "your" or "yourself" means the person who buys the franchise, whether you are a person, a sole proprietorship or entity. Our agents for service of process are listed in Exhibit A.

Franchisor and Predecessors

We are a Delaware limited liability company formed on March 30, 2023. Our principal place of business is 2426 Old Brick Road, Glen Allen, VA 23060. We do business under our corporate name Wallaby Windows Franchisor, LLC and the name "Wallaby Windows ™". We have operated a Wallaby Windows franchise since 2022. We began offering Wallaby Windows franchises in April 2023.

We acquired the franchise assets related to the Wallaby Windows system on April 13, 2023, as the result of a transaction between our parent company, Empower Brands, LLC, a Delaware limited liability company ("Empower Brands"), and our predecessor, Wallaby Franchise, LLC ("Predecessor"). Predecessor was a Florida limited liability company formed on August 30, 2022, and was the franchisor of the Wallaby Windows system from October 1, 2022 to April 2023. Predecessor and had a principal business address of 445 West Drive, Melbourne FL 32904. Predecessor had not conducted a business of the type that you will operate, and had not offered franchises in any other line of business other than described in this Item 1. As of the issuance date of this disclosure document, we have no other predecessors required to be disclosed in this Item 1.

Wallaby Windows franchises are independent businesses that offer windows services under the Wallaby Windows marks, associated logos, commercial symbols and other trade names, service marks and trademarks as now or are later designated (collectively, the "Marks"), in accordance with our System ("Franchise"). The distinguishing characteristics of our system (the "System") include, without limitation, distinctive business formats; procedures; the Manual ("Manual"); the Wallaby Vehicles (as defined below); procedures for operations, accounting, collections, management and inventory control; training and assistance and advertising and promotional programs. We may change the System periodically.

Our franchisees may purchase certain parts, equipment and services from us including without limitation: tools, software, uniforms and marketing materials including vehicle graphics to be applied to approved sales vehicles and/or installer vehicles or trailers any of which when displaying such graphics constitute a ("Wallaby Vehicle"). We

may also sell consumable products, trucks and trailers to our franchisees from time to time.

Except as set forth above, we engage in no activities other than offering, selling and supporting Franchises and we do not operate a business of the type being franchised. We have not offered, and do not offer, franchises in any other line of business.

Parents and Affiliates

We are a wholly-owned subsidiary of Outdoor Living Brands Holdco, LLC ("OLB Holdco"), a Delaware limited liability company with a principal business address of 2426 Old Brick Road, Glen Allen, Virginia 23060. OLB Holdco is a wholly-owned subsidiary of Empower Brands. Empower Brands was formerly known as Lynx Franchising, LLC from April 2019 to January 2023, and before that was known as Premium Franchise Brands, LLC until April 2019. Empower Brands is owned by Lynx-JP Holdings, Inc., a Delaware corporation ("Lynx-JP Holdings"). Lynx-JP Holdings was formerly known as Jan-Pro Holdings, Inc. and is owned by MidOcean BCAT Holdings, Inc. a Delaware corporation ("BCAT"). BCAT is owned by Bobcat Holdings Group, LP, a Delaware limited partnership ("Bobcat"). Bobcat is majority owned by MidOcean Associates V, LP ("MidOcean"). Empower Brands, Lynx-JP Holdings, BCAT and Bobcat each have a principal business address of 2520 Northwinds Parkway, Suite 375, Alpharetta, Georgia 30009. MidOcean has a principal business address of 245 Park Ave 38th Floor, New York, NY 10167. None of these entities has conducted a business of the type that you will operate and have not offered franchises in any line of business except as otherwise described in this Item 1.

Our affiliate, Wallaby Windows of Melbourne, LLC ("Wallaby Melbourne"), operates a corporate-owned Wallaby Windows in Florida. Wallaby Melbourne is a Delaware limited liability company, with a principal business address of 445 West Drive, Melbourne FL 32904, and has not offered franchises in any line of business.

Affiliates That Provide Services to Franchisees

Our affiliate, Lynx Franchising Intellectual Property, LLC ("Lynx IP"), a Delaware limited liability company with a principal business address of 2520 Northwinds Parkway, Suite 375, Alpharetta, Georgia 30009, owns all of our rights, title and interest in and to the Wallaby Windows service mark, and other related trademarks, trade names, service marks and logos (the "IP Assets"), and we entered into a license agreement with Lynx IP granting us a perpetual right to use and sublicense others to use the IP Assets, including the Wallaby Windows service mark.

OLB Supply Chain, LLC ("OLBSC"), a Delaware limited liability company with a principal business address of 2426 Old Brick Road, Glen Allen, Virginia 23060, sources and distributes certain products for sale to our franchisees and certain affiliates' franchisees.

The Intelligent Office, Inc. ("TIO"), a Colorado corporation, is a subsidiary of Empower Brands that provides after-hours phone answering services to certain affiliates' franchisees.

Empower Brands

Empower Brands is the parent company to the following franchisors, including us: Outdoor Lighting Perspectives Franchisor, LLC ("OLP"), Archadeck Franchisor, LLC ("Archadeck"), Conserva Irrigation Franchisor, LLC ("Conserva"), Superior Fence and Rail Franchisor, LLC ("Superior Fence"), Koala Insulation Franchisor, LLC ("Koala"), Jan-Pro Franchising International, Inc. ("JPI"), Jan-Pro Enterprises, LLC ("JPE"), The Intelligent Office System, LLC ("IOS"), Intelligent Office of Canada, Inc. ("IOC"), and FRSTeam, LLC ("FRSTeam"). OLP, Archadeck, Conserva, Superior Fence, and Koala have the same principal business address as us. JPI, JPE, IOS, IOC, and FRSTeam each have a principal address of 2520 Northwinds Parkway, Suite 375, Alpharetta, Georgia 30009.

OLP is the U.S. franchisor of the OUTDOOR LIGHTING PERSPECTIVES® franchise system. OUTDOOR LIGHTING PERSPECTIVES franchises are businesses specializing in providing outdoor lighting design, automated lighting control equipment, holiday lighting design, installation services, and sales to residential and commercial customers. In September 2021, OLP became affiliated with Empower Brands through an acquisition. OLP, through its predecessor Outdoor Lighting Perspectives Franchising, Inc. ("OLPFI"), offered OUTDOOR LIGHTING PERSPECTIVES franchises since March 2005. As of September 30, 2022, there were 110 OUTDOOR LIGHTING PERSPECTIVE franchises, including 108 located throughout the U.S., and 2 franchisees located in Canada. OLP has not conducted a business of the type that you will operate and have not offered franchises in any other line of business other than described above.

Archadeck is the franchisor of the ARCHADECK franchise system. ARCHADECK® franchises are businesses offering certain construction sales and services of outdoor living spaces and environments. In September 2021, Archadeck became affiliated with Empower Brands through an acquisition. Archadeck, through its predecessor, Archadeck Franchising Corporation ("AD Corp.") had offered ARCHADECK businesses since June 1980. As of September 30, 2022, there were 70 ARCHADECK franchises (67 located throughout the United States, and 3 located in Canada). Archadeck has not conducted a business of the type that you will operate and has not offered franchises in any other line of business other than described above.

Conserva is the franchisor of the CONSERVA IRRIGATION® franchise system in the U.S. CONSERVA IRRIGATION® franchises are businesses offering repair, maintenance, service, design and construction of irrigation systems for residential and commercial customers with an emphasis on water conservation. In September 2021, Conserva became affiliated with Empower Brands through an acquisition. Outdoor Living Brands, Inc. began offering royalty-free pilot licenses for CONSERVA IRRIGATION® businesses in April 2014. All pilot licensees were offered the opportunity to enter into franchise agreements with Conserva's predecessor Conserva Irrigation Franchising, LLC ("CI LLC") during 2017. As of September 30, 2022, there were 168 CONSERVA

IRRIGATION® franchises located throughout the United States. Conserva has not conducted a business of the type that you will operate, and has not offered franchises in any other line of business other than described above.

Superior Fence is the franchisor of the SUPERIOR FENCE & RAIL, INC.® franchise system. SUPERIOR FENCE & RAIL, INC.® franchises are businesses that sell, furnish and install wood, steel, aluminum and vinyl fencing and related garden products for residential and commercial customers In December 2021, Superior Fence became affiliated with Empower Brands through an acquisition. Superior Fence, through its predecessor, Superior Fence & Rail Franchising, LLC had offered SUPERIOR FENCE & RAIL, INC.® businesses since January 2017. As of September 30, 2022, there were 76 SUPERIOR FENCE & RAIL, INC.® franchises located throughout the United States. Superior Fence has not conducted a business of the type that you will operate and has not offered franchises in any other line of business other than described above.

Superior Fence and Rail of NOFL, LLC ("Superior NOFL") operates two company owned operations that perform fencing services under the SUPERIOR FENCE & RAIL, INC.® brand. Superior NOFL is a Delaware limited liability company, with a principal business office of 510 Superior Commerce Point, Oviedo, Florida 32765. Superior NOFL has not offered franchises in any line of business.

Koala is the U.S. franchisor of the KOALA INSULATION® franchise system. Koala franchises are businesses currently specializing in providing insulation evaluation, installation, and certain energy efficiency / indoor air improvements to residential and commercial customers. In April 2023, Koala became affiliated with Empower Brands through an acquisition. Koala, through its predecessor Koala Franchise, LLC ("Koala LLC"), offered KOALA INSULATION franchises from January 2, 2020 to April 2023. As of December 31, 2022, there were 322 Koala franchises located throughout the U.S., and 0 franchises located in Canada. Koala has not conducted a business of the type that you will operate and has not offered franchises in any line of business other than described above.

JPI sells "Jan-Pro" regional developer franchises that sell and support unit franchises that operate commercial cleaning businesses. JPI is a Massachusetts corporation incorporated on April 6, 1995. JPI has offered Jan-Pro commercial cleaning regional developer franchises since 1995. As of September 30, 2022, there were 103 operating regional developer franchises in the United States. JPI has not conducted a business of the type that you will operate, and has not offered franchises in any other line of business.

JPE sells and supports JAN-PRO Franchise Development country master franchises and regional franchise development franchises that sell franchises and provide support services under the JAN-PRO Cleaning & Disinfecting™ brand for the operation of janitorial and building maintenance service franchises outside of the United States. JPE, was formed as a Delaware limited liability company on February 15, 2005. JPE has offered Jan-Pro franchises outside of the United States since February 2005. As of September 30, 2022, there were eight country or international regional developer franchises operating outside of

the United States. JPE has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

IOS franchises "Intelligent Office Centers" that operate progressive virtual office and communications solutions businesses, offering a range of vital business services to a mobile and non-mobile client base. In December 2018, the IOS system became affiliated with Empower Brands through an acquisition. IOS is a Colorado limited liability company formed on March 22, 1999. IOS has offered Intelligent Office franchises since April 1999. As of September 30, 2022, there were 45 franchised Intelligent Office outlets in the United States. IOS has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

TIO operates company owned Intelligent Office Centers. In December 2018, TIO became affiliated with Empower Brands through an acquisition. TIO, with a principal business address of 4450 Arapahoe Avenue, Boulder, Colorado 80303, is a Colorado corporation incorporated on April 15, 1996. TIO previously operated three company owned outlets in Colorado, but as of September 20, 2022, TIO no longer operates any company owned outlets. TIO has not conducted a business of the type that you will operate and has not offered franchises in any line of business.

IOC franchises "Intelligent Office Centers" in Canada. In December 2018, IOC became affiliated with Empower Brands through an acquisition. IOC, with a principal business address of 221 W. Esplanade, Suite 500, North Vancouver, BC V7M 3J3, is a Colorado corporation, incorporated on June 8, 2017. IOC has offered Intelligent Office franchises in Canada since September 2017. As of September 30, 2022, there were 12 franchised Intelligent Office outlets in Canada. IOC has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

FRSTeam franchises businesses that provide specialty and emergency dry cleaning and laundry services for clothing and fabrics following a residential or commercial disaster, including damage due to smoke, fire, water and mold. As an option, Franchisees may also provide electronics restoration services following similar disasters. In June 2020, FRSTeam became affiliated with Empower Brands through an acquisition. FRSTeam. FRSTeam was incorporated as a California corporation on September 30, 2005, under the name "FRSTeam Corp." FRSTeam was converted to a California limited liability company under the name "FRSTeam, LLC" on August 20, 2020. FRSTeam has offered FRSTeam franchises since March 2006. As of September 30, 2022, there were 37 franchised FRSTeam outlets in the United States. FRSTeam has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

Custom Commercial Dry Cleaners, LLC ("CCDC") operates company owned CCDC restoration dry cleaning and electronics restoration businesses. In June 2020, CCDC became affiliated with Empower Brands through an acquisition. CCDC, with a principal business address of 3201 A Investment Blvd., Hayward, CA 94545, was incorporated as a California corporation on May 26, 1993, under the name "Custom Commercial Dry Cleaners, Inc." CCDC was converted to a limited liability company under the name "Custom Commercial Dry Cleaners, LLC" on August 20, 2020. As of September 30, 2022, CCDC

operated ten company owned outlets. CCDC has not conducted a business of the type that you will operate and has not offered franchises in any line of business.

Strategic Key Group, Inc. d/b/a The Contents Specialist ("SKG") operates company owned facilities that perform restoration of contents including, but not limited to, artwork, furniture, antique items, documents, firearms and housewares. In July 2021, SKG became affiliated with Empower Brands through an acquisition by CCDC. SKG, with a principal business address of 9755 Distribution Avenue, Suite B, San Diego, California 92121, was incorporated as a California Corporation on August 25, 2014. SKG has not conducted a business of the type that you will operate, and has not offered franchises in any line of business.

Other Affiliates with Franchise Programs

Through control with private equity funds managed by MidOcean Partners, a New York-based private equity firm, we are affiliated with the following franchise programs. None of these affiliates operate a Wallaby Windows franchise.

Grease Monkey Franchising, LLC ("GMF"), which operates under the names Grease Monkey Franchising, LLC, Grease Monkey, and FullSpeed Automotive, is a franchisor of automotive quick lube franchises operating under the Grease Monkey® trade name and business system. GMF is a Colorado limited liability company with a principal business address of 5575 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111. In January 2021, GMF became an affiliate through an acquisition. GMF has been offering Grease Monkey franchises since January 2006, and as of September 30, 2022, there were approximately 187 franchises operating in the United States and 62 international franchises. GMF has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

GMF acquired substantially all of its assets from Grease Monkey International, LLC ("GMI"), which was the franchisor of the Grease Monkey franchise system from approximately September 1978 through March 2006. GMI also offered franchises for Monkey Shine car wash facilities from approximately April 1998 to March 2001. GMI remains the franchisor of all Grease Monkey franchises granted before April 2006. GMI is a Delaware limited liability company with a principal business address of 5575 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111. In January 2021, GMI became an affiliate through an acquisition. As of September 30, 2022, GMI operated company-owned units under the following brand names: Grease Monkey, SpeeDee Oil and Auto, Uncle Ed's Oil, American LubeFast, Super Lube Plus, Economy Oil Change, Mobil 1 Lube Express, Excel Car Wash, Rocky Mountain Oil & Wash, Shop N Lube, Pioneer Oil and Wash, Herbert Automotive locations, Kwik Kar, and LubePro. Some of the units are a non-Grease Monkey brand but are substantially similar to the Grease Monkey franchise. GMI has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

GMI Services S de RL de CV ("GMI Mexico") is a subsidiary of GMI. GMI Mexico provides support services to franchisees operating in Mexico. GMI Mexico's principal

business address is Calzada del Valle 255, Office 233, San Pedro Garza García, N.L., CP 66220, México. GMI Mexico has not conducted a business of the type that you will operate and has not offered franchises in any line of business.

SpeeDee Worldwide, LLC ("SpeeDee") is a franchisor of automotive maintenance and repair services operating under the SpeeDee® trade name and business system. SpeeDee is a subsidiary of GMI. SpeeDee is a Delaware limited liability company with a principal business address of 5575 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111. In January 2021, SpeeDee became an affiliate through an acquisition. SpeeDee has been franchising since 1986, and as of September 30, 2022, there were 69 franchises operating in the United States and 29 franchises operating internationally. Until January 2017, SpeeDee also offered co-branding franchises under a separate Franchise Disclosure Document and different franchise agreement with its former parent, Midas International Corporation ("Midas"), for a Midas/SpeeDee co-branding shop. SpeeDee also operates 20 SpeeDee franchises in the United States which are co-branded with Midas, who is not an affiliate. SpeeDee has not conducted a business of the type that you will operate and has not offered franchises in any other line of business.

Except as described above, there are no other parents, predecessors or affiliates required to be disclosed in this Item 1.

The Franchise Rights Offered

Franchise Agreement

We enter into franchise agreements ("Franchise Agreements") with qualified entities that wish to establish and operate a Franchise under the System using the Marks. The form of Franchise Agreement is attached to this Disclosure Document as **Exhibit B**.

Under a Franchise Agreement, we grant you the right (and you accept the obligation) to operate one Franchise that specializes in providing windows evaluation, removal, installation and related services we specify (the "Services") within the initial geographic area for the Population as described on the Summary Page of the Franchise Agreement (the "Territory").

Each franchisee must appoint an individual owner as its "Operating Principal" who must own at least a 20% interest in the entity-franchisee, must have authority over all business decisions related to the Franchise, and must have the power to bind the franchisee in all dealings with us. Each franchisee must also appoint a manager (the "Manager") and salesperson (the "Salesperson") to manage the day-to-day business of the Franchise. The Operating Principal is required to oversee all business matters related to the Franchise, but is not required to have day-to-day operational involvement. Optionally, your Operating Principal may serve as your Salesperson or Manager (but not both) unless we believe that he or she does not have sufficient experience. You must provide us with written notice of your Operating Principal and Manager at least 60 days' prior to opening the Franchise. You may hire employees or subcontractors to perform the Services, but you are ultimately responsible for their actions and must ensure that you

have an adequate number of employees or subcontractors to meet demand in your Territory and that they follow brand standards specified by Franchisor.

You may purchase additional Territories at the time of the purchase of your initial Territory by signing additional Franchise Agreements and paying us the Initial Franchise Fees referenced in Item 5. The additional Franchise Agreements may contain terms that are materially different than your initial Franchise Agreement.

General Market and Competition

The general market for Franchises consists of any residential or commercial facility in need of windows, doors, and related services. The principal customers of a Franchise will be homeowners and commercial building owners though other users of facilities and industrial clients may also use the services. Franchises compete with other national, regional, and local businesses offering windows, doors and related services, at times, in well-developed markets. Some of these competitors may be in close proximity to your Franchise, and may have greater financial resources, larger advertising budgets, and more national (or local) recognition than the Wallaby Windows brand.

Industry Specific Regulations

The Franchise will be subject to various federal, state, and local laws, and regulations affecting the business, including, among others, federal, state and local laws, rules and regulations governing franchising, licensing, permits, zoning, the EPA, and other federal and state environmental protection statutes, OSHA, and other federal, state and local laws regarding hazardous substances and waste, land use, construction regulations and various health, sanitation, safety and fire standards. Certain jurisdictions may require a specialized license to perform windows services. You are also subject to employment laws such as the EEOC, Fair Labor Standards Act, Americans with Disabilities Act and various state laws governing such matters as minimum wages, overtime and working conditions. Your advertising of the Franchise is regulated by the Federal Trade Commission. There may be federal, state, and local laws which affect your Franchise in addition to those listed here.

Window styles vary widely based on geography, building code requirements and other factors. These differences can dramatically affect the cost of window products and installation. Be sure to check your local building codes and examine commonly used products in your market to determine average pricing in your area.

Understand permit and license requirements in your area: You should carefully investigate whether there are any state or local regulations or requirements that may apply in the geographic area in which you intend to conduct business. We do not offer guidance with regard to which permits or licenses may be required in your area. You should consider both their effect on your business and the cost of compliance. You are responsible for obtaining all licenses and permits which may be required for your business.

ITEM 2
BUSINESS EXPERIENCE

Our Executives

Brand President: Scott Marr

Scott Marr has served as our Brand President since April 2023. Mr. Marr has also been the Brand President of our affiliate Koala Insulation Franchisor, LLC since April 2023, and the Chief Incubation Officer for Empower Brands, LLC since April 2023. He holds these positions from Melbourne, Florida. Prior to his current roles, Mr. Marr was CEO of our predecessor Wallaby Franchise, LLC from October 2022 to April 2023, CEO of Koala Franchise, LLC from January 2020 to April 2023, and CEO of Carbon Ceiling, LLC from January 2019 to April 2023. Prior to that, he was President and CEO of Paxo Ventures, LLC in Melbourne Florida, from April 2014 to November 2018. In addition, Mr. Marr was the President and CEO of Paxo Venture, LLC's franchise affiliate, Fleet Clean Systems, Inc., located in Melbourne Florida, from November 2013 to November 2018. Mr. Marr was the President and CEO of Fleet Clean Systems, Inc.'s successor, FW Fleet Clean, LLC, located in Melbourne Florida, from November 2018 to April 2020.

Executive Director of Operations: Megan Taylor

Megan Taylor has served as our Executive Director of Operations since April 2023. Mrs. Taylor has also been also the Executive Director of Operations for our affiliate Koala Insulation Franchisor, LLC since April 2023. She holds these positions from Melbourne, Florida. Prior to her current roles, she was the Executive Director of Operations for our predecessor Wallaby Franchise, LLC from October 2022 to April 2023, and was employed at Koala Franchise, LLC from June 2020 to April 2023 in various consecutive roles including National Recruiter, Human Resources Manager, and General Manager, and Executive Director of Operations. From January 2020 to May 2020, Mrs. Taylor was in between positions. In addition, Mrs. Taylor was Human Resources Manager at Woodgrain Millwork in Marion, VA from March 2015 to December 2019.

Operations Manager: Kevin W. Robinson

Kevin W. Robinson has served as our Operations Manager since April 2023, a position he holds in Melbourne, Florida. Mr. Robinson has also been the Operations Manager for our affiliate Koala Insulation Franchisor, LLC since April 2023. Prior to these roles, Mr. Robinson was the Operations Manager for our predecessor Wallaby Franchise, LLC from October 2022 to April 2023, and for Koala Franchise, LLC from August 2021 to April 2023. From April 2019 until August 2021, Mr. Robinson served as a Market Manager for Fleet Clean USA, based in N. Aurora, Illinois. Prior to that, from April 2017 until December 2018, Mr. Robinson served as a Construction Superintendent for W.E. Mundy Landscaping, Inc. in Aurora, Illinois.

Sales & Marketing Manager: Kelene A. Johnson

Kelene A. Johnson has served as our Sales & Marketing Manager since April 2023, a position she holds in Melbourne, Florida. Mrs. Johnson has also been the Sales & Marketing Manager for our affiliate Koala Insulation Franchisor, LLC since April 2023. Mrs. Johnson was the Sales & Marketing Manager for our predecessor Wallaby Franchise, LLC from October 2022 to April 2023, and Koala Franchise, LLC from August 2021 to April 2023. From December 2019 until August 2021, Mrs. Johnson served as a Real Estate Agent for Coldwell Banker Paradise, located in Satellite Beach, Florida. Prior to that, from January 2019 until December 2019, Mrs. Johnson served as a Marketing Specialist at Chicago Real Estate Resources, based. in Chicago, Illinois. In addition, from December 2014 until December 2019, Mrs. Johnson served as a Marketing Director and Broker Associate for Be Realty, LLC in Chicago, Illinois.

Our Parent's Executives

Chief Executive Officer: Scott Zide

Mr. Zide has been the Chief Executive Officer of Empower Brands since March 2022. Mr. Zide was also the President, COO and a Director of each of Archadeck, Conserva, and OLP from September 2021 to March 2022, and the COO of their predecessor, Outdoor Lighting Perspectives Holdings Corporation ("OLPHC"), from January 2007 to September 2011 and President of OLPHC from September 2010 to September 2021. Mr. Zide was also the Chief Operating Officer and a Director of Superior Fence from December 2021 to March 2022. From September 2008 to September 2021, Mr. Zide was also the COO of OLPHC's parent, Outdoor Living Brands, Inc., and served as its President from September 2010 to September 2021, in Richmond, Virginia. Mr. Zide also served as the President and Chief Operating Officer of Outdoor Living Brands Supply Corporation from December 2010 to September 2021, and OLP Commercial Services from June 2010 to September 2021, in Richmond, Virginia. Mr. Zide has owned and operated an Outdoor Lighting Perspectives® business in Richmond, Virginia since March 2014. From December 2018 to September 2021, Mr. Zide also served as President, COO, and a Director of CI LLC and as AD Corp.'s COO from September 2009 to September 2021, and as its President and a Director from September 2010 to September 2021. From February 2009 until December 2018, Mr. Zide served as Mosquito Squad Franchising Corporation's COO in Richmond, Virginia and as President and a Director from September 2010 until December 2018. From July 2012 to January 2020, Mr. Zide served as President and Chief Operating Officer of Renew Crew Franchise Corporation in Richmond, Virginia. Mr. Zide is based in Richmond, Virginia.

Vice President and Chief Financial Officer: Michael Borreca

Mr. Borreca has been the Vice President and Chief Financial Officer of Empower Brands since March 2017. Mr. Borreca is based in Alpharetta, Georgia.

Chief Development Officer: R. Scott Sutton

Mr. Sutton has been the Chief Development Officer of Empower Brands since December 2022. From July 2021 to December 2022, Mr. Sutton was the Chief Growth Officer of Threshold Brands, LLC in Boston, Massachusetts. From August 2010 to July 2021, Mr. Sutton was VP of Business Development at Deluxe Corporation (d/b/a Safeguard Franchise Systems) in Dallas, Texas.

Vice President, Information Technology: Andrew Forrest

Mr. Forrest has been the Vice President, Information Technology of Empower Brands since January 2018 and was the Director of Information Technology of Empower Brands from January 2017 to January 2018. Mr. Forrest is based in Alpharetta, Georgia.

Vice President, General Counsel: Sanjay B. Malhotra

Mr. Malhotra has served as Vice President, General Counsel for Empower Brands and its affiliates since August 2022. From September 2021 to July 2022, Mr. Malhotra worked at his law firm, Sanjay B. Malhotra, Esq. providing various legal services, including those to franchisors in the hospitality industry, based in Melville NY. From June 2019 to August 2021, Mr. Malhotra was the Chief Legal Officer of Paris Baguette Bon Doux and its US and Canadian affiliates headquartered in Moonachie, New Jersey. From November 2018 to May 2019, Mr. Malhotra served as the Bureau Chief for the Suffolk County Law Department based in Hauppauge, NY. From December 2014 to October 2018, Mr. Malhotra was the Global General Counsel of Le Pain Quotidien based in New York, NY and Brussels, Belgium. He is based in Richmond, VA.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

As set forth below, the initial franchise fee is $49,500 for a baseline population of 200,000. You may purchase additional population for a cost of $0.25 per person (the "Initial Franchise Fee"). You may purchase additional Territories at the time of the purchase of your initial Territory by signing additional Franchise Agreements and paying us the following discounted Initial Franchise Fees:

FRANCHISE FEE STRUCTURE			
# of Territories	**Population***	**Cumulative Initial Franchise Fees**	**Individual Franchise Fee***
1	200,000	$49,500	$49,500
2	400,000	$91,500	$42,000
3	600,000	$129,500	$38,000
4	800,000	$159,500	$30,000
5	1,000,000	$184,500	$25,000
6	1,200,000	$209,500	$25,000
7	1,400,000	$234,500	$25,000
8	1,600,000	$259,500	$25,000
9	1,800,000	$284,500	$25,000
10	2,000,000	$309,500	$25,000
****Additional Territory may be purchased for $.25/person*** ****Discounted franchise fee is only applicable when territories are purchased at the same time***			

You must pay the Initial Franchise Fee in full at the time you sign the Franchise Agreement. If we conclude that the Operating Principal or Manager is unable to complete any phase of our initial training program to our satisfaction, we may terminate the Franchise Agreement, in which case we will refund the Initial Franchise Fee (subject to your execution of a release), less $5,000. Otherwise, the Initial Franchise Fee is deemed fully earned upon payment and is not refundable under any circumstances.

We offer a veteran's discount to honorably discharged veterans of the United States armed forces and their spouses. We will discount the Initial Franchise Fee for the First Territory by 10% for those veterans and/or their spouses who have been honorably discharged by the military. A copy of your DD-214 is required to receive this discount.

Custom Marketing & Services Activation

Prior to opening, you must pay us a Custom Marketing and Services Activation Fee of $5,000 for the activation of certain items that are required to be used in your business. This Fee is deemed fully earned upon payment and is not refundable under any circumstances.

Software Implementation Assistance Fee

Prior to opening, you must pay us a Software Implementation Assistance Fee of $2,500 to cover Franchisor staff who will assist you with the implementation of certain software systems required for your business. This fee is in addition to any fees charged by the applicable software service providers. This Fee is deemed fully earned upon payment and is not refundable under any circumstances.

Vehicle Graphics and Equipment

Prior to opening, you must purchase from us a vehicle graphics package, a ladder, window samples, and various measuring tools, for a total of $3,500. This is deemed fully earned upon payment and is not refundable under any circumstances.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	5% of Gross Sales during the first 6 months of operations. Beginning at month 7 of operations, the greater of 5% or the required Minimum Royalty; (Note 2)	Reported weekly on Monday (no later than noon eastern time) and payable weekly, following the close of each reporting week and paid via an electronic funds transfer.	Payable to us. Weekly Sales reports must include Gross Sales and other information specified in the Manual. We will debit your account for 150% of your last payment if you fail to submit your sales report on time. This amount will be adjusted upon receipt of the required report. See Note 1 for a chart of Minimum Royalties and Note 2 for the definition of Gross Sales.
Local Marketing (Ongoing)	The greater of $3,500 or 5% of Gross Sales per month, plus advertising agency management fees. (Beginning the month prior to opening.)	As incurred.	Payable to third-party suppliers or to us for payment directly to National Account vendors where required. All advertising must be approved by us prior to publications or use. See Note 3.
Brand Fund Contribution	Currently 1% of Gross Sales. Maximum of 2% of Gross Sales.	If paid to us, same as Royalty Fee.	Payable to us. See Note 4.
Technology Fee	$80 per week. If Franchisee has more than one Territory, the total Technology Fee for up to 4 contiguous Territories shall be equal to the then-current Technology Fee for one Territory.	Paid to us, same as Royalty Fee.	Payable to us.
Contact Center	Currently 1.5% of Gross Sales. Maximum of 3% of Gross Sales.	Paid to us, same as Royalty Fee.	Payable to us. See Note 5
Computer, Software Expenses	Varies	As incurred.	Payable to third party suppliers. See Note 6

Type of Fee	Amount	Due Date	Remarks
Supplier Approval / Testing Costs	Costs and expenses associated with approving an unapproved product or supplier	When incurred.	If you request that we test or consider for approval an unapproved product or service or evaluate an unapproved supplier you must pay to us any out-of-pocket costs we incur in researching, acquiring, testing and considering for approval the product, service or supplier. We may require that you or supplier pay a reasonable fee charge for such testing or evaluation. You will owe these amounts regardless of whether or not we approve the supplier or product.
Interest Charge	1.5% per month from due date, or the maximum allowed by law.	If paid to us, same as Royalty Fee.	If you fail to pay us any amount when due, we may charge you interest on the unpaid amount until the amount is received.
Late Fee	$50 per day or portion thereof for each payment or report not received when due.	If paid to us, same as Royalty Fee.	Payable to us.
Transfer Fee	Greater of 20% of then-current Franchise Fee or $10,000.	50% due at the time the request to transfer is made. This amount is non-refundable. The balance is due at the closing of the transfer.	Payable to us. See Note 7
Renewal Fee	Greater of 25% of the Franchise Fee or $5,000 per Territory	Before renewal	Payable to us.
Insurance Reimbursement	Amount paid by us to secure insurance to fulfil your insurance obligations plus 10% interest on amount paid	As incurred.	You must reimburse us for the cost plus 10% interest for any amounts we pay on your behalf due to your failure to meet the insurance obligations as defined in your Franchise Agreement. This remedy is cumulative to all other remedies.
Costs and Attorneys' Fees	Actual costs	As incurred.	Only if you are in default under the Franchise Agreement, in which case, we will require you to reimburse us for the expenses we incur (including reasonable attorneys' fees) as a result of your default and to enforce and terminate the agreement.

Type of Fee	Amount	Due Date	Remarks
Indemnity	Actual costs	As incurred.	You must indemnify us, and reimburse us for our costs (including our attorneys' fees and costs) and advance these expenses to us upon demand if we are sued or held liable in any action having anything to do with your Franchise.
Audit Costs	Cost of the audit plus related expenses, provided that the costs of the audit are only due if an irregularity of greater than 5% is discovered in any reported amount, or if reports are not submitted as required.	As incurred.	We have the right under the Agreement to examine certain records including without limitation your financials, bank statements and tax returns. If an examination of these records reveals a discrepancy of more than 5% the full amount of the audit's actual costs will be charged in addition to any unpaid amounts discovered and other remedies as permitted under the Agreement.
Failure to Comply with Operational Standards	Not to exceed a $100 charge per violation.	Upon demand.	Payable to us, only due if you fail to comply with certain operational standards and specifications as specified in the Manuals and after a cure period of 10 days.
Inspection Fee	Actual costs.	Upon demand.	We require you to reimburse our actual costs for any inspection including re-inspections that we may undertake to ensure that deficiencies are corrected. Additionally, if you fail to correct the deficiencies within a reasonable time, we may (but need not) correct the deficiencies and will charge you for our actual expenses in taking such actions.
Annual Conference Fee	Currently $200 per person, which may not be increased to more than our actual cost at any time during the initial term of the agreement.	Upon registration for conference, or 60 days before conference, whichever is earlier.	Attendance by at least Operating Principal or Manager and Salesperson is mandatory. This fee, payable to us, is to cover the costs of providing meeting space and food for attendance during the annual conference. It does not cover your cost of travel to and from the conference, room and board, and other out of pocket expenses you may incur. Only one conference fee may be charged a year. If we hold a conference, you are required to attend.

Type of Fee	Amount	Due Date	Remarks
Refresher Training / On-site training	All expenses incurred by your representatives in attending refresher training are your responsibility; for additional on-site training, you must pay us our then-current per diem charges (currently $250 and up to $350) and out-of-pocket expenses.	Upon demand.	We require that your Operating Principal, Manager and other employees attend and successfully complete refresher training programs or seminars to be conducted at such location as we designate.
Initial Training	No fee is charged for initial training.	N/A	We provide initial training for up to three individuals (typically the Operating Principal, Manager and Salesperson) at no charge. You are responsible for travel, lodging, meals, and other costs and expenses incurred by you and your employees.
Additional Initial Training	Additional trainees or replacement trainees may attend any future training courses based on available space and scheduling at no additional cost. If no courses are scheduled, or no space is available, the current Training Fee may be assessed. This fee is currently $5,000 per trainee. For training at your location, our then-current daily fees per trainer will be charged. Currently our fee is $250 per trainer per day plus travel, per diem and lodging expenses as required.	Upon demand.	We provide initial training for up to three individuals (typically the Operating Principal, Manager and Salesperson) at no charge. We require any new Operating Principal or replacement Manager or Salesperson to complete our training program, and we may charge a fee for such training. If no courses are schedule or space in such courses is unavailable, we may also charge a fee for training for any individuals that we train beyond the two individuals that we train at no charge.
Additional Opening Assistance	Our service fee as specified in the Manuals (which is currently $500 per day); plus our expenses and costs	Time of assistance.	If you request assistance or training, in addition to the pre-opening and opening training that we provide, we charge you for this additional assistance.
Additional Advertising and Promotional Materials	$250 - $500	As billed.	If we provide you with advertising and promotional materials to use in your Franchise, we charge a reasonable amount for these materials.

Type of Fee	Amount	Due Date	Remarks
Customer Review Non-Compliance Fee	$90 - $250	As incurred.	Payable to us, only if you do not maintain brand standards and high customer service reviews scores. See Note 8.
Termination Fee	Greater of: Average of monthly Royalties and Brand Fund Contributions for the past 12 months multiplied by 24 months (or remaining months in term), discounted to present value.	Upon demand.	Payable to us, only if the Franchise Agreement is terminated by us due to your default (including failure to open), or if you terminate the Franchise Agreement in violation of its terms.

Notes

1. Minimum Royalties per Territory per week:

Months After Opening	Territory
7-12	$385
13-24	$500
25-36	$600
37+	$650

2. As used in this chart, the term "Gross Sales" means amounts derived from all products or services sold from or through your Franchise (across all Territories), including any sale of products or services made for cash or credit, or partly for cash and partly for credit, less refunds. "Gross Sales" also includes the fair market value of any services or products received by you in barter or in exchange for services and products. Gross Sales are deemed received by the franchisee at the time the services or products are delivered or at the time the sale takes place, whatever occurs first, regardless if final payment has actually been received by the franchisee. There is no rollover credit for weeks in which the royalty amount exceeds the minimum.

3. Ongoing Marketing obligations begin one month prior to opening and must be spent in accordance with our allocation on approved advertising and vendors. These amounts are the minimum you may spend. We do not impose a maximum limit on how much you may spend. These amounts are per Territory.

4. Brand Fund contributions are currently 1% of Gross Sales and may be increased in the future to a maximum of 2%. These funds are spent by the Franchisor on programs and expenses for the benefit of the System as defined in section 10 of the Franchise Agreement.

5. 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 1.5% of your weekly Gross Sales. We may increase the Contact Center Fee upon notice to a maximum of 3% of your weekly Gross Sales.

6. Computer and Software expenses will vary based on the then-current standards for the Technology System. These amounts will be paid primarily to designated vendors.

7. If you sell or otherwise transfer your franchise and engage with a broker or franchise sales organization, or if you request that we assist with the sale or transfer of your franchise and we engage a broker or franchise sales organization, you will be responsible for any commission or fees that the broker or franchise sales organization

charges in connection with locating a buyer for your franchise before we will grant an approval of the transfer. In addition, if the event a proposed transfer is not consummated or closed, for any reason except for our disapproval, you or the proposed transferee shall reimburse us for all of our costs and expenses incurred in connected with the evaluation of the proposed transfer, including, without limitation, attorneys' and accountants' fees, background checks, site evaluation, and training, if applicable, to the extent the portion of the transfer fee paid when the transfer approval request was made does not cover those costs and expenses.

8. 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 stars out of 5 stars and/or a 80% positive satisfaction rating then you must pay to us a customer review non-compliance fee of $90 for each and every week of non-compliance. If, a condition of non-compliance occurs for more than twelve-weeks then we may increase this non-compliance fee to a weekly fee of not more than $250 per week.

9. The fees listed in this Item 6 are uniformly imposed and collected.

10. The fees listed in this Item 6 are non-refundable.

All fees are per Territory unless specified otherwise.

ITEM 7
ESTIMATED INITIAL INVESTMENT
(1 Territory)

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	Payment Payable to
	Low	High			
Initial Franchise Fee[1]	$49,500	$49,500	Lump sum	At time of signing franchise agreement	Us
Training Expenses[2]	$500	$3,000	Transportation, Lodging, etc.	As incurred	Third party suppliers
Equipment and Vehicles[3]	$8,143	$59,920	As required by suppliers	Before launch	Us & Lender
GPS Tracking Systems[3]	$150	$400	As required by suppliers	Before launch	Suppliers
Insurances[4]	$2,000	$5,000	As required by insurers	Before launch	Insurers
Advertising/Marketing (Lead Generation)[5]	$14,000	$14,000	As required by providers	As required by provider	Providers
Professional Fees[6]	$1,000	$5,000	As required by providers	As incurred	Providers
Office Related Expenses[7]	$500	$1,250	As required by suppliers	Before launch	Suppliers
Computer, Phone and Technology Systems[8]	$3,000	$6,000	As required by suppliers	Before launch	Suppliers
Custom Marketing & Services Activation Fee[9]	$5,000	$5,000	Lump sum	Before launch, and within 10 days of Billing	Us

Type of Expenditure	Amount		Method of Payment	When Due	Payment Payable to
	Low	High			
Software Implementation Assistance Fee[10]	$2,500	$2,500	Lump sum	Before launch, and within 10 days of Billing	Us
Business Licenses and permits[11]	$0	$4,000	As required by federal, state and local governments	Before launch	Federal, state and local government agencies
Additional Funds – 3 Months [12]	$50,000	$50,000	As Incurred	Weekly payroll, other expenses and purchases	Employees, suppliers, etc.
TOTAL ESTIMATED INITIAL INVESTMENT[13]	**$136,293**	**$205,570**			

We do not offer financing directly to Franchisees. All fees and payments are uniformly-imposed and non-refundable, unless otherwise stated or permitted by payee. Unless otherwise noted, each amount is per Territory.

Notes:

1 ***Initial Franchise Fee***. The Initial Franchise Fee is for a standard territory with a population of 200,000 individuals. You may purchase additional population for a cost of $0.25 per person.

2 ***Training Program***. The cost of the Initial Training Program for the Operating Principal and Manager is included in the Initial Franchise Fee. The chart estimates the costs for transportation, lodging, and meals for two trainees. These incidental costs are not included in the Initial Franchise Fee.

3 ***Equipment & Vehicles***. The amounts reflected above and herein are for the required initial equipment and vehicles rated to operate a single Franchise in a single territory. The high figure assumes you fund the entire purchase with cash at the highest end of the price range. The low figure assumes you finance with a 10% down payment as described below. As noted in Item 8, Wallaby Vehicles must be purchased only from approved dealers, and other proprietary products, including vehicle wraps and graphics, certain services, equipment or tools required or developed in the future may be supplied solely by us. These estimates are based on a 10% down payment, with the remainder financed over a 60 month term, at an interest rate of 6% plus three months of payments. Your down payment, term and interest may vary. You must obtain the required initial equipment prior to commencing operations. The required initial equipment consists of two approved vehicles (currently Ford Mavericks or if you prefer Ford Escape, or F150, or other vehicles as approved from time to time) plus certain ladders and basic tools. We have based our financial information on the use of Mavericks. If paid in full, your total required equipment cost will range from $53,500 to $59,920. Below, we have shown the total investment to make you aware of the overall costs. These numbers were calculated by using $25,000 for each of the two Ford Mavericks, plus $2,200 for the required graphics package, $300 for a ladder, $500 for window samples and $500 for a kit containing various required measuring tools; the high amount includes an additional 12% buffer to account for extra expenses or inflation.

Equipment/ Vehicle Type	Price Range	Down Payment of 10%	Amount Financed at 6%	Monthly Financed amount	Amount Financed (3 Months)	Down Payment plus 3 Months
	low	low	low	low	low	low
	high	high	high	high	high	high
Two Ford Mavericks with required graphics, tools and equipment	$53,500	$5,350	$48,150	$931	$2,793	$8,143
	$59,920	$5,992	$53,928	$1,043	$3,129	$9,121
Total Initial Required Equipment & Vehicle	$53,500	$5,350	$48,150	$931	$2,793	$8,143
	$59,920	$5,992	$53,928	$1,043	$3,129	$9,121

The Wallaby Vehicles must each have Global Positioning System ("GPS") tracking system. The monthly cost per vehicle is approximately $30.00 to $35.00 per vehicle. This estimate assumes three months of service. GPS allows you to monitor efficiencies in your business.

4 ***Insurances***. Before you open for business, you must purchase and maintain at your sole cost and expense the insurance coverage that we specify. You must comply with all state minimums when obtaining insurance. See Item 8 for more information regarding our insurance requirements.

5 ***Initial Advertising / Marketing***. Beginning at least one month prior to the scheduled opening of your Franchise and continuing for the remainder of the Term, we require you to spend the greater of 5% of Gross Sales or $3,500 per month or on local advertising. We included three months at the minimum required amount. These amounts are per Territory.

6 ***Professional Fees***. Estimated cost for professionals such as bookkeepers, accountants and attorneys. You are required to use a third-party bookkeeping service for your first year of operations. You may incur professional fees depending on the scope of work performed, which may include legal and accounting fees to review franchise documents and costs of forming a separate legal entity. This list is not exhaustive. This amount will vary greatly depending on your specific needs and location.

7 ***Office Expense***. The figures on this chart reflect the estimated range to purchase various furniture and fixtures, and common office supplies based upon your needs and preference to maintain an efficient and organized home office. The cost of furniture and fixtures will vary depending on suppliers. You are not required to purchase such office equipment.

8 ***Computer, Phone and Technology Systems***. We require you to purchase computer systems and software meeting our minimum specifications for use in your Franchise. This estimate includes the cost of the software packages, your office computer, a tablet computer, a telephone, a printer/scanner machine, and a Smartphone. You must also have Internet and other telecommunications equipment and services in accordance with our standards to permit electronic transmission of sales information. We reserve the right to change your requirements for computer hardware and software at any time in the future.

9 ***Custom Marketing & Services Activation Fee***. We require you to pay us a Custom Marketing & Services Activation Fee, in the amount of $5,000, prior to opening and within 10 days of being billed. See Item 5 for additional information regarding the Custom Marketing & Services Activation Fee.

[10] ***Software Implementation Assistance Fee***. We require you to pay us a Software Implementation Assistance Fee, in the amount of $2,500, prior to opening and within 10 days of being billed. See Item 5 for additional information regarding the Custom Marketing & Services Activation Fee.

[11] ***Business Licenses and Permits***. Business license costs vary widely depending on local laws and regulations. Additional permits may be required depending on your local laws and regulations. The low-end estimate would be in circumstances where you already have the business licenses and permits or you are not required to obtain them in your jurisdiction. Consult the appropriate authorities to determine the amount applicable to a Franchise in your Territory.

[12] ***Additional Funds***. The estimate of additional funds for the initial phase of your business includes staff salaries and operating expenses for the first three months. These estimates are for a single territory operation. If you have fewer employees initially, these monthly expenses may be reduced. The estimate does not include an owner's salary or draw. We relied upon the experience of our company-owned/affiliate owned locations to compile these estimates. Each installation requires qualified personnel with applicable experience and knowledge. You will incur labor costs in employing your employees, but those costs are dependent on numerous factors that we cannot predict or estimate, such as the labor rates, labor tax rates, and worker's compensation rates within your Territory, as well as the availability of workers, number of employees you decide to use, number of crews you run, skill and experience levels of your employees, number of hours worked per employee, volume of business, availability and cost of subcontractors, etc. You should investigate the costs of labor and subcontractors in your Territory before making any decision to operate a Franchise, as this will be a significant portion of your ongoing expenses. This estimate assumes you are able to obtain favorable terms and credit lines with key suppliers for windows and other services and materials.

[13] ***Total Estimated Initial Investment***. You should review these figures carefully with a business advisor before making any decision to invest in the franchise. This estimate is based on the experience of our corporate/affiliate-owned locations and those franchisors listed in Item 20.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure that the highest degree of quality and service is maintained, you must operate the Franchise in strict conformity with the methods, standards, and specifications we periodically prescribe in the Manual or otherwise in writing. We may modify the standards and specifications by updating the Manual or providing you other written notices as we deem advisable. You must also ensure that you comply with all federal, state, and local laws and regulations and must obtain our written consent before changing any of our standards or specifications to comply with applicable laws and regulations.

At all times during the term of the Franchise Agreement, you must offer for sale only those products and services for which we have given our written approval; sell or offer for sale all of the products and services that we require; offer and sell products and services in accordance with any minimum, maximum, and/or specific prices that we may

determine from time to time (except to the extent that the determination of prices is limited or prohibited by applicable law); not deviate from our standards and specifications, unless you have received our prior written consent; and stop selling and offering for sale any products or services that we have later disapproved.

To the extent you use or intend to use subcontractors to perform installation or other services, you shall ensure that you have adequate numbers of subcontractors and that they are able to comply with the brand standards, quality, and customer service necessary to protect the goodwill and positive reputation of the Marks and System.

We approve suppliers and manufacturers after a careful review of the quality of the products they provide to us and our franchisees. We may take into account, among other factors, whether the supplier can demonstrate to our reasonable satisfaction the ability to meet our then current standards and specifications, whether the supplier has adequate quality controls and capacity to supply and deliver the System's needs promptly and reliably, proximity to Franchises to ensure timely deliveries, and whether the supplier's approval would enable the System in our sole opinion to take advantage of marketplace efficiencies. We may, but are not required to, provide you with our criteria for evaluating proposed items or suppliers. You may not purchase any unapproved item or make purchases from any proposed alternate supplier until we have reviewed and approved in writing the proposed item and/or new supplier. If you would like us to consider another supplier or manufacturer, you must request this review in writing to us and have the supplier or manufacturer give us samples of its product and such other information that we may require. If the supplier or manufacturer meets our specifications and will benefit the System, as determined in our sole discretion, we may approve it as an additional supplier or manufacturer. We will notify you of approval or disapproval within 60 days after we receive all required samples and documentation required for our evaluation. If you do not receive an approval within that time period, your request is deemed disapproved. You pay no fee but must reimburse us for all expenses we incur. We may revoke any approval upon 15 days written notice to you. Upon revocation, you must stop using the supplier or manufacturer. We estimate that approximately 90% to 100% of your expenditures for leases and purchases in establishing your Franchise and approximately 90% to 100% for leases and purchases on an ongoing basis will be for products and services which are subject to sourcing restrictions (that is, for which suppliers must be approved by us, or which meet our standards or specifications).

We do not have any purchasing or distribution cooperatives as of the issuance date of this disclosure document. We may negotiate purchase arrangements, including price and payment terms with designated suppliers on behalf of all franchisees. We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products or services to some or all the Franchises in our System. If we do establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products and services, and we may refuse to approve proposals from franchisees to add new suppliers if we believe that refusal would be in the best interests of the System or the network of Franchisees. We may mark up or receive Allowances (rebates, credits of other forms of income as further defined in section 5.11.2 of the Franchise Agreement) from any

providers or vendors doing business with you, us or the Brand Fund including without limitation, equipment, supplies, advertising, and marketing vendors. If we do receive Allowances or other payments from approved suppliers there is no restriction on our use of this revenue.

We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional businesses) based on whether or not you purchase through the sources we designate or approve. However, purchases of unapproved products or from unapproved vendors in violation of the Franchise Agreement will entitle us, among other things, to terminate your Franchise Agreement.

Computer Hardware and Software

You must purchase the computer hardware and software designated by us for use in connection with your Franchise. See items 6, 7 and 11 for further information regarding these required purchases.

Insurance

You are required to purchase and maintain insurance in the amounts we prescribe. Currently, our insurance requirements are as follows: comprehensive general liability insurance in the amount of at least $1,000,000 per occurrence and $2,000,000 in the aggregate or in the event you have leased office or commercial space, such amount required by your lease or applicable laws; umbrella excess liability coverage of at least $1,000,000 combined single limit coverage; property and casualty insurance to cover the full replacement value of your equipment, furniture, fixtures, inventory, and vehicles; business interruption insurance for a minimum of 12 months equal to 12 months' financial obligations to us, the landlord if applicable and all others; automobile insurance in the amount of at least a combined single limit for bodily and property damage of $100,000 or greater if required by applicable law and statutory worker's compensation insurance in the limits required by applicable law; employer's liability insurance in the amount of $100,000 per accident. Each policy must be written by a responsible carrier acceptable to us and must name us, our respective officers, directors, partners, agents, and employees as additional insured parties except with regards to workers' compensation insurance. You are required to list us as an additional insured and insurance certificate holder, and you agree to provide proof of same to us. You may be required to pay the insurer the full annual premium in advance. Insurance costs may vary widely in different localities. The estimate provided in this document is for three months of insurance coverage. We reserve the right to require higher limits and/or additional types of insurance coverage. All policies listed above shall contain such endorsements as shall, from time to time, be provided in the Manuals.

Trucks, Vehicles, Equipment

Wallaby Vehicles (any vehicle used in the operation of your franchise, including any attached equipment, trailer, or accessories) must be purchased only from approved dealers. Currently at least two Wallaby Vehicles are initially required for operating one,

two, or three Territories. At lease one additional Wallaby Vehicle is initially required for each additional Territory over the first three. The number of Wallaby Vehicles shall be increased as reasonably necessary to meet customer demand. Currently the approved vehicles include Ford Maverick, Ford Ranger, Ford F-150, Ford Escape, and additional options as approved from time to time.

Other proprietary products, including vehicle wraps and graphics, certain services, equipment, or tools required or developed in the future may be supplied solely by us. We may require you to purchase additional Wallaby Vehicles as necessary to meet demand in your Territory. We do not provide financing. You must maintain all Wallaby Vehicles and other vehicles and equipment used in your Franchise in a high degree of repair and condition and make such repairs or replacement of same that we in our sole discretion require. Currently we are the only approved supplier of the required decals, wraps and graphics which must be affixed to each Wallaby Vehicle.

You will make, from time to time, such upgrades and other changes to the equipment, Wallaby Vehicles and electronic equipment utilized in the Franchise, the Technology System and Required Software as we may request in writing (collectively, "Equipment Upgrades"). We shall have the right to require any Equipment Upgrades as we deem necessary for the Franchise.

Advertising

You may only use advertising that has been approved in advance by us. You must participate in all promotional or warranty programs and comply with all requirements that we or our designated third-party service providers necessary to carry out such programs including without limitation the payment of any applicable fees. We are the only supplier for graphic wraps, decals, signage, brochures, and other items which must be maintained or replaced as required by us or when damaged, faded or otherwise fail to maintain the required appearance. See Item 11 for more information about advertising.

Revenue Based on Franchise Purchases

We and/or our affiliates will derive revenue from the required purchases and leases by you and other franchisees. Depending on the vendor, rebates will be based on a percentage or flat amount for each item purchased. We are a newly formed entity, and therefore, we did not receive any rebates or fees in the prior fiscal year.

Suppliers in which an officer owns an interest

Some of our officers own an indirect interest in Empower Brands, LLC or its subsidiaries. None of our officers own an interest in any other supplier from which our franchisees are required to make purchases.

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 the Disclosure Document.

	Obligation	Section in Agreement	Disclosure item
a.	Site Selection and Acquisition/Lease	§ 5.1	Items 6 and 11
b.	Pre-Opening Purchase/Leases	§§ 5.1, 5.2, 5.4,	Items 7 and 8
c.	Site Development & other Pre- Opening Requirements	§§ 5, 5.4 - 5.7	Items 6, 7 and 11
d.	Initial and Ongoing Training	§§ 5.5.4, 5.6, 5.7	Items 6 and 11
e.	Opening	§ 5.5 in Franchise Agreement	Item 11
f.	Fees	§§ 2.2.6, 3.1, 3.2, 3.8, 4.1-4.4, 5.6.1, 5.6.2, 5.11.1 5.13, 5.16, 10.3, 12.4.9, 12.4.12, 13.6, in Franchise Agreement	Items 5, 6, 7, 11 and 17
g.	Compliance with Standards and Policies/Operating Manual	§§ 1.2, 1.5, 2.2, 5, 7, 9 in Franchise Agreement	Items 1, 8, 15, 16
h.	Trademarks and Proprietary Information	§§ 1.1 and 6 in Franchise Agreement	Items 13 and 14
i.	Restrictions on Products/Services Offered	§§ 1.3, 1.5, 5.15, 5.2, 5.3, 5.9, 5.10 and 5.11 in Franchise Agreement	Items 8 and 16
j.	Warranty and Customer Service Requirements	§§ 1.5, 5.15 in Franchise Agreement	Not Applicable
k.	Territorial Development and Sales Quotas	§ 1 in Franchise Agreement	Item 12
l.	Ongoing Product/Service Purchases	§ 5 in Franchise Agreement	Items 8 and 11
m.	Maintenance and Appearance Requirements	§§ 2, 5, 12.4.5 in Franchise Agreement	Items 6 and 17
n.	Insurance	§ 11 in Franchise Agreement	Items 6 and 11
o.	Advertising	§§ 5.15, 10 in Franchise Agreement	Items 6 and 11
p.	Indemnification	§§ 5.18 and 17.4 in Franchise Agreement	Item 6
q.	Owner's Participation, Management, Staffing	§§ 5.6, 5.7, 5.20, and 15.1 in Franchise Agreement	Item 15
r.	Records /Reports	§§ 4, 5.3, 9 in Franchise Agreement	Item 11
s.	Inspections /Audits	§§ 5.12 and 9 in Franchise Agreement	Items 6, 11 and 13
t.	Transfer	§ 12 in Franchise Agreement	Items 6 and 17
u.	Renewal	§ 2.2 in Franchise Agreement	Item 17
v.	Post-Termination Obligations	§ 14 in Franchise Agreement	Item 17
w.	Non-Competition Covenants	§ 15 in Franchise Agreement	Item 17
x.	Dispute Resolution	§ 23 in Franchise Agreement	Item 17
y.	Other: Guarantee of franchisee obligations (Note 1)	§ 5.18 in Franchise Agreement	Item 15
Notes:			

	Obligation	Section in Agreement	Disclosure item
(1)	Each present and future equity owner of a franchisee entity must jointly and severally guarantee your performance of each and every provision of the Franchise Agreement by executing the Guarantee, Indemnification and Acknowledgement in the form attached to the Franchise Agreement as Exhibit C.		

ITEM 10
FINANCING

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

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

We are required by the Franchise Agreement to provide certain assistance and services to you.

Before you open your Franchise:

1. We will provide initial training for up to three individuals (including your Operating Principal, Manager, and your Salesperson) at our headquarters or at a location we designate. (Franchise Agreement, Section 3.1)

2. If you request additional assistance to facilitate the opening of the Franchise, and we deem it necessary, feasible and appropriate, we will provide such additional opening assistance. You must reimburse us for the expenses we incur in providing such assistance, and we have the right to charge a service fee. (Franchise Agreement, Section 3.2)

3. If you choose not to operate from your home office, we will approve your proposed site. (Franchise Agreement, Section 5.1) Other than this, we do not provide site approval or assistance.

4. We will lend you, for the term of the Franchise Agreement, one copy of the Manuals. (Franchise Agreement, Section 3.3) The Table of Contents of the Manuals as of the date of this Disclosure Document is attached to this Disclosure Document as Exhibit E and is 123 pages total.

We are not responsible for conforming the premises to local ordinances and building codes or for obtaining any required permits (Franchise Agreement, Section

5.1.2.3). You must pay the cost of constructing, remodeling, or decorating the premises (Franchise Agreement, Section 5.1.5).

We are not required by the Franchise Agreement to furnish any other service or assistance to you before the opening of your Franchise.

We will sell certain items to you, such as a vehicle graphics package, a ladder, window samples, certain tools and marketing materials (see Item 5 and 8), and we will either ship them to you or if your vehicle is in our possession then we will insert them in your vehicle for you. We will also provide you with names of suppliers for other fixtures, equipment, opening inventory, or supplies. We will approve suppliers and manufacturers after a careful review of the quality of the products they provide to us and our franchisees.

Continuing Obligations

We are required by the Franchise Agreement to provide certain assistance and service to you. During the operation of your Franchise:

1. We will make available additional training programs, as we deem appropriate. (Franchise Agreement, Sections 3.2 and 5.6)

2. We will review and approve or disapprove all promotional materials and advertising that you propose to use. (Franchise Agreement, Section 3.4)

3. We will administer the Brand Fund as stated in the Franchise Agreement and as described below in this Item 11. (Franchise Agreement, Section 3.5)

4. We will provide periodic assistance in the marketing, management, and operation of the Franchise, at the times and in the manner that we determine. (Franchise Agreement, Section 3.7)

5. We may, but are not required to, assist you with establishing prices, such as setting minimum, maximum, and/or specific prices at which you must sell products and services, to the extent permitted by applicable law. (Franchise Agreement, Section 5.9)

6. We, at our option may provide additional services including a call center, recruiting assistance and other services at the then-current fees. We shall have no obligation to offer these services and may discontinue them for any or all franchisees at any time. (Franchise Agreement, Section 3.8)

Other than the information described above, we do not assist you with hiring or training your employees. Neither the Franchise Agreement, nor any other agreement, requires us to provide any other assistance or services for you during the operation of the Franchise.

Typical Length of Time Before Operation

We estimate that the typical length of time between the signing of the Franchise Agreement, or the first payment of any consideration for the Franchise, and the opening of a Franchise is one to four months. Factors affecting this length of time include making financing arrangements, obtaining permits and licenses, scheduling initial training, the delivery and installation of equipment, and hiring staff.

You must open your Franchise not later than four months after signing the Franchise Agreement. (Franchise Agreement, Section 5.5) Failure to open in a timely manner may result in the termination of your Franchise Agreement.

Training

We will provide the initial training (instruction and required materials, only) for up to three individuals. (Franchise Agreement, Section 3.2) We have the right to charge a fee for additional individuals who attend training. Travel, room and board and salaries and other benefits for your attendees are exclusively at your expense.

At any time before your Franchise opens, the Manager, Salesperson, and the Operating Principal must attend and successfully complete, to our satisfaction, the initial training program. We reserve the exclusive right to determine whether the Manager, Salesperson, and Operating Principal have satisfactorily completed the initial training. (Franchise Agreement, Section 5.5.4)

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job-Training	Location of Training
Company overview	1	0	Currently, Melbourne, Florida, or another location we designate
Building Science	1	0	Currently, Melbourne, Florida, or another location we designate
Energy Efficiency	2	0	Currently, Melbourne, Florida, or another location we designate
Windows and doors basics and comparison of types	2	2	Currently, Melbourne, Florida, or another location we designate
Sales Process	5	3	Currently, Melbourne, Florida, or another location we designate
Product Knowledge	2	2	Currently, Melbourne, Florida, or another location we designate
Technical Sales Knowledge	3	0	Currently, Melbourne, Florida, or another location we designate
Reading building plans and estimating	2	2	Currently, Melbourne, Florida, or another location we designate

Subject	Hours of Classroom Training	Hours of On-the-Job-Training	Location of Training
Online resources and post-test review	2	0	Currently, Melbourne, Florida, or another location we designate
Window Removal and Installation	1	1	Currently, Melbourne, Florida, or another location we designate
Closing Techniques & Role Playing	2	4	Currently, Melbourne, Florida, or another location we designate
Subcontractor Sourcing	1	0	Currently, Melbourne, Florida, or another location we designate
Operations and Installation	5	0	Currently, Melbourne, Florida, or another location we designate
KPIs and Systems	2	0	Currently, Melbourne, Florida, or another location we designate
Total	**31**	**14**	

Supplemental Online Training May be Offered in Franchisor's Discretion in accordance with the below:

Subject	Hours of Classroom Training	Hours of On-the-Job-Training	Location of Training
Staff Management	2	0	Virtual
Online Product Training	4	0	Virtual
Recruiting, Interviewing, and Hiring	2	0	Virtual
Marketing	2	0	Virtual
Leadership	2	0	Virtual
Business 101	2	0	Virtual
Industry Training	2	0	Virtual
Total	**16**	**0**	

We conduct the initial training program on an as-needed basis at our headquarters and such other places as we may designate.

The training program will be supervised by Megan Taylor. Ms. Taylor is our Executive Director of Operations. Ms. Taylor has 1 year of experience in the windows industry, and 1 year of experience supervising the training of System franchisees.

The training materials consist of the Manual and related written materials, computer-based materials, and audio-visual presentations.

If the Manager or Salesperson ceases active management of the Franchise or if the Operating Principal is changed or is no longer an equity owner, you must hire a new Manager or Salesperson or appoint a new Operating Principal (as the case may be), who must be approved in writing by us. The new Manager, Salesperson, or Operating Principal must undergo a certification training program that is prescribed by us which may include

training at your Franchise, another Franchise or such other place as we designate. All expenses incurred by us and the new Manager, Salesperson or Operating Principal in attending such program including, without limitation, travel costs, room and board expenses and salaries and other benefits, are your responsibility. In addition, you must pay our then-current certification fees and out of pocket expenses, including without limitation, reasonable travel and room and board expenses. (Franchise Agreement, Section 5.6.1)

We also provide and require that your Operating Principal, Manager, Salesperson and other employees or subcontractors attend and successfully complete refresher training programs or seminars to be conducted at such location as we may designate. All expenses incurred by your representatives in attending such program including, without limitation, travel costs, room and board expenses and salaries and benefits, are your responsibility. (Franchise Agreement, Section 5.6.2)

If you ask that we provide additional on-site training, and we are able to do so, then you will pay us our then-current per diem charges and out-of-pocket expenses. (Franchise Agreement, Section 5.6.3)

Advertising and Marketing

During the term of the Franchise Agreement, you will be required to contribute monies to the Brand Fund. We may periodically change the amounts that you are required to contribute but Brand Fund contributions will not exceed 2% of your Gross Sales. (Franchise Agreement, Section 10.2)

We currently require that you contribute 1% of your Gross Sales to the Brand Fund. We also require that you spend the greater of 5% of your Gross Sales or $3,500 per month on local advertising beginning one month prior to opening. We shall have the right to designate in writing from time to time how, and in what proportions, you are to allocate your local advertising.

We currently do not have any local or regional advertising cooperatives; however, we reserve the right to create one or more in the future. If we do create an advertising cooperative you may be required to participate.

We are not required to spend any amount on advertising in your area.

It is a material breach of the Franchise Agreement to use marketing material without prior written approval. For all proposed advertising, marketing, and promotional plans, you must submit samples of such plans and materials to us for our review and prior written approval. Use of logos, Marks and other name identification materials must be consistent with our approved standards. If you do not receive written approval from us within 30 days of the date we receive the such samples or materials, then we shall have deemed to have disapproved them. (Franchise Agreement, Section 10.5)

We shall establish and maintain, during the term of the Franchise Agreement, a website and/or other such listings as we deem appropriate for the Wallaby brand which shall contain content deemed appropriate in our sole and unlimited discretion. We may also maintain certain location specific or franchise specific sites ("Micro-Sites") in our sole direction. We may establish and assign a phone number to you and if we do so, you must use this number as your only published and/or advertised number for the Franchise. We shall retain full rights to control, suspend, redirect and transfer any web domains and phone numbers and other listings. We shall have the right to suspend or revoke any or all of these services immediately and without further notice upon your default of the Franchise Agreement. (Franchise Agreement, Section 3.4.1)

We shall make available to you from time to time, at your expense, advertising plans and promotional materials, including newspaper mats, coupons, merchandising materials, sales aids, point of purchase materials, special promotions, direct mail materials, community relations programs, and similar advertising and promotional materials for use in advertising and promotion. We may provide periodic marketing assistance to you. (Franchise Agreement, Section 10.4)

Brand Fund

We have established a fund for System-wide advertising (the **"Brand Fund"**). The Brand Fund is maintained and administered by us or by our designee as follows:

1. We or a designee have the right to direct all advertising programs, as well as all aspects of the advertising program, including the concept, materials, and media used in the programs and the placement and allocation of the programs. The Brand Fund is intended to maximize general public recognition, acceptance, and use of the System; and we and our designee are not obligated, in administering the Brand Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures within their trade area, by the Brand Fund.

2. The Brand Fund, and all contributions to and earnings from, the Brand Fund, will be used only (except as otherwise provided below) to meet any and all costs of maintaining, administering, directing, conducting, creating, and/or otherwise preparing advertising, marketing, public relations and promotional programs and materials, and any other activities that we believe will enhance the image of the System. This includes, among other things, the costs of preparing and/or conducting: media advertising campaigns; direct mail advertising; marketing surveys and other public relations activities; employing advertising and/or public relations agencies; purchasing promotional items; developing new or modified trade dress and marks; point-of-purchase (POP) materials; design and photographs; conducting and administering visual merchandising, and other merchandising programs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research and customer satisfaction surveys; developing and implementing customer loyalty and gift card programs; the creative development of, and actual production associated with, premium items, giveaways,

promotions, contests, public relation events, and charitable or non-profit events; developing and maintaining our website; developing, implementing and maintaining an electronic commerce website and/or related strategies; maintaining and developing one or more websites devoted to the System, the Marks and/or the brand; providing promotional and other marketing materials and services to the Franchises operated under the System; and the salaries of our employees to the extent such employees provide services in conjunction with System marketing activities. The Brand Fund may also be used to provide rebates or reimbursements to franchisees for local expenditures on products, services, or improvements, approved in advance by us, which products, services, or improvements we will have the right to determine, that we believe will promote general public awareness and favorably support for the System. We will have the sole right to decide how the Brand Fund creates, places, and pays for marketing. As noted above, we may allocate a reasonable amount of the Brand Fund toward the cost of our website's maintenance and further development. The website may have a section relating to our franchise opportunity, and all advertising and promotional materials may reflect the availability of Franchises. Otherwise, we do not use Brand Fund monies for advertising that is principally a solicitation for the sale of franchises. As used in the Franchise Agreement, the term "website" means an interactive electronic document contained in a network of computers linked by communications software. The term website includes the Internet and World Wide Web home pages. (Franchise Agreement, Section 10.3.2)

3. You must contribute to the Brand Fund in the manner we specify, which is uninform amongst franchisees. All sums you pay to the Brand Fund may be maintained in an account separate from our other monies. (Franchise Agreement, Section 10.3.3) We do not contribute to the Brand Fund.

4. The Brand Fund will not be used to defray our general operating expenses, provided, however, that we will have the right to charge the Brand Fund for the reasonable administrative costs and overhead that we incur in activities reasonably related to the direction and implementation of the Brand Fund and marketing programs for you and the System (for example, costs of personnel for creating and implementing, associated overhead, advertising, merchandising, promotional and marketing programs, and accounting services reasonably related to the operation and functions of the Brand Fund). The Brand Fund and its earnings will not otherwise inure to our direct benefit. We or our designee will maintain separate bookkeeping accounts for the Brand Fund. (Franchise Agreement, Section 10.3.3)

5. The Brand Fund is not a trust. We do not assume any fiduciary obligation to you or any other franchisee for maintaining, directing, or administering the Brand Fund or for any other reason. An unaudited statement of the operations of the Brand Fund as shown on the books of the Brand Fund is prepared annually by us and will be made available to you on an annual basis, upon written request. The Brand Fund is not audited. (Franchise Agreement, Section 10.3.4)

6. Although the Brand Fund is intended to be of perpetual duration, we maintain the right to terminate the Brand Fund. The Brand Fund will not be terminated,

however, until all monies in the Brand Fund have been spent for marketing or promotional purposes. (Franchise Agreement, Section 10.3.5). Any unused funds in any calendar year will be applied to the following year's funds. As of the publication date hereof, we have not collected any Brand Fund contributions, there is no cash on hand and no expenses have been charged to the Brand Fund. We are a newly formed entity, and therefore, we did not collect or spend any Brand Fund contributions in the prior fiscal year.

Franchisee Advisory Council

As of the date of this disclosure document, there is no advertising council for the System. We have the right, in our sole discretion, to require you to become a member of and participate actively in a franchise advisory council ("Advisory Council") in your area. You must participate actively in the Advisory Council as we designate and participate in all Advisory Council meetings approved by us. We have the right to amend the governing documents for the Advisory Council in our sole discretion at any time. We will determine the topic areas to be considered by the Advisory Council. The purposes of the Advisory Council will include exchanging ideas and problem-solving methods, advising us on expenditures for system-wide advertising, and coordinating franchisee efforts. Amounts and expenditures may vary from time to time due to variations in Advisory Council participation and costs, as determined by the Advisory Council, and as approved by us. We will have the right to change or dissolve the Advisory Council at any time in our sole discretion. (Franchise Agreement, Section 5.16.)

Independent Access to Information

We have a right and you are required to provide us with independent access to the information that will be generated or stored in your computer systems, which includes, but is not limited to, customer, transaction, and operational information. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business.

Websites and other E-Commerce

You may not offer or promote or sell any products or services or make any use of the Marks, through the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce (as defined below) and co-branding arrangements without our prior written approval. (Franchise Agreement, Section 10.8)

We currently require that any franchisee Internet presence be through our website for the System. Each franchisee will have its location listed on our website. You must follow our intranet and Internet usage rules, policies, and requirements. We retain the sole right to use the Marks on the Internet, including on websites, as domain names,

directory addresses, search terms and meta-tags, and in connection with linking, marketing, co-branding, and other arrangements.

Technology Systems

We have the right to require that you purchase and maintain a Technology System, including: (a) back office and point of sale systems, data, audio, video, and phone, voice storage, retrieval, and transmission systems for use at the Franchise, between or among other franchisees, the corporate units and us; (b) physical, electronic, and other security systems; (c) printers and other peripheral devices; (d) archival back-up systems; (e) communication systems (including without limitation email and phone systems); and (f) Internet access mode and speed. You are required to keep your Technology System in good maintenance and repair, at your expense, and you must promptly install such additions, changes, modifications, substitutions and/or replacement to the Technology System and the Required Software as we direct periodically in writing. There are no contractual limitations on the frequency and cost of your obligations to upgrade or update the Technology System. We are not currently required to provide any ongoing maintenance, repairs upgrades or updates to you. (Franchise Agreement, Sections 3.6 and 5.13)

We may also develop, have developed, or license computer programs and other services and systems related to the technology matters. You must comply with our standards and specifications regarding the Technology System, which may require that you enter into licenses or agreements and pay fees to us or approved suppliers. These fees may include expenses and fees for development of programs and services, licensing fees to obtain the rights to use the Technology System, and maintenance and/or support fees. You will be required to license QuickBooks® software and set it up in accordance with our instructions to ensure that we have access to your data for accounting and reporting purposes. You will be required to license and use a customer database software system as we designate and ensure that we have full and unrestricted access to all such data. There are no contractual limitations on our right to access this information and data. We estimate the cost of optional or required maintenance, updates and upgrades will be $0 to $500 per year.

We estimate that these systems will cost between $3,000 and $6,000 to purchase.

ITEM 12
TERRITORY

Franchise Agreement

Your Franchise is for a specific location and will be operated from a home office and your Wallaby Vehicles(s) within a specified Territory. You may opt to have a Franchise Location other than your home office and if you do, it must be in your Territory and must comply with certain design and appearance standards specified in the Operations Manual.

Your Territory will be negotiated by you and us before you sign the Franchise Agreement and specifically described in the Franchise Agreement. In negotiating the Territory, we may examine population, median household income, traffic flow, presence of businesses, location of competitors, demographic, and other market conditions. A Territory will consist of up to 200,000 people.

You may provide the services offered under the System to customers using the Wallaby Vehicles(s) in the Territory. You may not provide these services for customers (or routinely store your Wallaby Vehicles or maintain) outside of your Territory without our prior written consent, and you may not provide these services by any other means other than a Wallaby Vehicle.

Under the Franchise Agreement, you are granted a non-exclusive, protected Territory. Provided that you remain in compliance with the Franchise Agreements, Manual, and all other agreements with us, the Territory will remain protected. We will not sell other Franchises under the System to any other franchisee within your Territory. 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.

Your protected Territory status may be revoked only with cause. If you fail to maintain compliance with all agreements with us (or our Affiliates) or fail to maintain sufficient equipment and staff to serve all customers in your Territory who desire to purchase the services and products we offer, then we may revoke the protected status of your Territory. If we do this, we may allow others to service customers within the Territory, sell additional franchises within the Territory and/or open a company owned location within your Territory. If your protected Territory status is revoked, you could face competition from other franchisees, and company-owned locations we or our parent or affiliates own, or from other channels of distribution or competitive brands that we or our parent or affiliates control. (see Section 1 of the Franchise Agreement).

We and our affiliates have the right to conduct any business activities, under any name, in any geographic area, and at any location, without any liability to you regardless of the proximity to or effect on your Franchise. By way of illustration, and without limiting the foregoing, we and our affiliates have the right:

1. to operate and permit franchisees or others to establish and operate Franchises at any location within or outside the Territory (except as limited by the protections described above) notwithstanding their actual or threatened impact on sales of the Franchise;

2. to operate or permit franchisees or others to establish and operate businesses at any location under other systems or other marks, including businesses that may offer or sell products or services that are the same or similar to the products or services offered from the Franchise, within or outside the Territory and notwithstanding their proximity to the Territory, protected status of Territory, or their threatened or actual impact on sales of the Franchise;

3. to sell and distribute, directly or indirectly, or license others to sell and distribute, directly or indirectly, within or outside of the Territory, products and services bearing the Marks or similar marks through other channels of distribution including, without limitation, the internet, catalogs, or commercial channels other than the on-site installation or removal of windows; and

4. to acquire, be acquired by, or merge with other businesses and to convert them to the Marks or any other name at any location and such acquiring or acquired businesses shall not be bound by any protections applicable to the Territory.

5. If the Territory is not protected, the geographic area of the Territory may be revised by Franchisor from time to time, after the expiration of the initial term, to include only the population listed as the actual population in the initial geographic area increases. If we reduce the Territory's geographic area due to a population increase after the expiration of the initial term, we shall first offer the right to purchase such additional population to you at the then-current rates, provided that you are and have been at all times in compliance with the terms hereunder.

The aforementioned list are only examples, and do not limit the business activities that we and our affiliates may undertake.

You may solicit customers and advertise your Franchise anywhere you choose, in compliance with the other restrictions on advertising. There are no restrictions on you, any of our other franchisees, or us to prevent any soliciting or advertising in someone else's territory. No party is obligated to pay compensation to any other party for soliciting customers from the other franchisee's territory. However, you may not offer or sell any products or services outside the boundaries of your Territory without first obtaining our written consent, and you do not have the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing or other direct marketing, to offer or sell products or services from outside your Territory without our prior written consent.

You will have no guaranteed option or rights of first refusal to purchase additional Territories.

You may not relocate your Franchise Location unless you receive Franchisor's prior written approval, which we may withhold in our sole discretion. Such requests are evaluated on case-by-case basis, including consideration of whether you are currently in compliance with your Franchise Agreement, territory availability, and other fact-specific considerations. Franchisee's relocation will be at its expense and Franchisor has the right to charge Franchisee for all reasonable costs and expenses it incurs to approve and implement the relocation.

Franchisee may at its option enter into a revenue sharing program ("Revenue Sharing Program") with any other franchisee which may permit the out of territory franchisee to operate within Franchisee's Territory for the purposes of servicing existing clients who have previously received services within the out of territory franchisee's own territory. Franchisee may also enter into a revenue sharing agreement with any other

franchisee as Franchisee deems appropriate to complete extraordinarily large jobs or for other purposes subject to Franchisor approval which must be received in writing in advance of any Revenue Sharing Program between franchisees. Franchisor shall not be a party to any Revenue Sharing Program which shall be conducted solely between franchisees.

We do not operate or franchise businesses under a different trademark that will sell goods or services that are the same as or similar to those the franchisee will sell though we have reserved the right to do so in the future.

ITEM 13
TRADEMARKS

We grant you the right to operate a Franchise under the trademark Wallaby Windows and other Marks we may authorize you to use.

Our affiliate, Lynx IP, owns the following service marks registered or applied for on the Principal Register with the United States Patent and Trademark Office ("**USPTO**") and it intends to file all required affidavits and renewals:

Mark	Registration Number / Serial Number	Registration Date/ Filing Date
Delivering Efficiency. Improving Comfort.	6079379	June 16, 2020
	97139823	November 23, 2021
WALLABY WINDOWS	97139182	November 23, 2021

Lynx IP has granted us the perpetual right to use and sublicense others to use the principal Marks, as well as other Marks under a trademark license agreement with an effective date of April 14, 2023. Lynx IP may terminate the trademark agreement if any misuse of these Marks materially impairs the goodwill associated with these Marks, if we violate any provision of the license agreement or we do not comply with Lynx IP's instruction concerning the quality of these Marks. If the trademark agreement is terminated, any then-existing sublicenses (franchises) will continue for the term of the sublicenses, provided that the sublicensees (franchisees) comply with all other terms of their franchise agreements. The trademark license agreement contains no other limitations.

There are no agreements currently in effect which significantly limit our rights to use or license the use of the trademarks, service marks, trade names, logotypes or other commercial in any manner material to the Franchise.

With respect to two of the Marks listed above, as of the date of this disclosure document we do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no currently effective determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, trademark administrator of any state, or any court nor any pending interference, opposition or cancellation proceeding, nor any pending material litigation involving the Marks that is relevant to their use by you.

We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks.

Your usage of the Marks and any goodwill established from their use will benefit us. You will not receive any interest in the Marks. You may not at any time contest the validity or ownership of the Marks, including any Marks we authorize or license to you after you sign the Franchise Agreement.

You must not use any Mark or part of any Mark as part of any corporate or trade name in any modified form, in connection with the sale of any unauthorized product or service or in any other manner we do not authorize in writing. You must give notices of trademark and service mark registrations as we specify and obtain fictitious or assumed name registrations as may be required under applicable law.

You must not use any merchandising, advertising or promotional practice which is unethical or may be injurious to our business, other franchises or the goodwill associated with the Marks.

We and our agents will have the right to enter and inspect your Franchise or observe your operation in the field to make sure you are complying with our standards. You must provide us and our agents with reasonable accommodation to provide for this right to inspect.

You must use the designation ®, ™ trademark registration notice as applicable or otherwise indicate in your advertising that "Wallaby Windows" and all other Marks are our trade names, trademarks, and Service marks.

You must promptly notify us of any unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, and our right to use and to license others to use, or your right to use, the Marks. We have the right to direct and

control any administrative proceeding or litigation involving the Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks.

The Franchise Agreement does not contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Marks. You must promptly notify us of any claim asserted or litigation instituted by any person, entity, or governmental agency involving the Marks.

If we undertake the defense or prosecution of any litigation concerning the Marks, you must sign any documents and agree to do the things as may, in our counsel's opinion be necessary to carry out that defense or prosecution, such as becoming a nominal party to any legal action. Unless the litigation is the result of your use of the Marks in a manner inconsistent with the terms of your Franchise Agreement, we will reimburse you for your out-of-pocket costs in doing these things (although you will still be responsible for the salary costs of your employees) and we will bear the costs of any judgment or settlement. However, if the litigation results from your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement, then you will have to reimburse us for the cost of the litigation, including attorneys' fees, as well as the cost of any judgment or settlement.

If it becomes advisable at any time in our sole judgment for you to modify or discontinue using any Mark or for you and the Franchise to use one or more additional or substitute trade or service marks, you will have to immediately comply with our directions. In such circumstances, you shall implement, at your expense, such substituted proprietary marks in such ways as we may direct, and the use of the substituted proprietary marks shall be governed by the terms of the Franchise Agreement. We have no obligation to reimburse you for any expenditures you make because of any discontinuance or modification.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

No patents are material to the operation of your Franchise.

Copyrights

We claim copyright protection covering various materials used in our business and the development and operation of Franchise, including the trade dress, the Manuals, advertising and promotional materials, and similar materials (discussed below). We have not registered these materials with the United States Registrar of Copyrights, but we are not required to do so. We may register one or more of these items or copyrightable materials in the future.

There are no currently effective determinations of the United States Copyright Office or any court, nor any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow franchisees to use the copyrighted materials. We do not know of any superior prior rights or infringing uses that could materially affect your use of the copyrighted materials. No agreement requires us to protect or defend our copyrights or to indemnify you for any expenses or damages you incur in any judicial or administrative proceedings involving the copyrighted materials. No provision in the Franchise Agreement requires you to notify us of claims by others of rights to, or infringements of, the copyrighted materials. If we require, you must immediately modify or discontinue using the copyrighted materials. We have no obligation to reimburse you for any expenditures you make because of any discontinuance or modification.

Confidential Information

Except for the purpose of operating the Franchise under the Franchise Agreement, you may never (during Franchise Agreement's term or later) communicate, disclose, or use for any person's benefit any of the confidential information, knowledge, or know how concerning the operation of the Franchise that may be communicated to you or that you may learn by virtue of your operation of the Franchise or your operations under the Franchise Agreement. You may divulge confidential information only to those of your employees who must have access to it in order to operate the Franchise. Any and all information, knowledge, know how, and techniques that we designate as confidential will be deemed confidential for purposes of the Franchise Agreement, including any information gathered through the Technology System. However, this will not include information that you can show came to your attention before we disclosed it to you; or that at any time became a part of the public domain, through publication or communication by others having the right to do so.

In addition, we may require you, your Manager, and any employee who may have access to any confidential information to sign non-disclosure and non-competition covenants. Every one of these covenants must provide that the person signing will maintain the confidentiality of information that they receive in their employment or affiliation with you or the Franchise. These agreements must be in a form that we find satisfactory, and must include, among other things, specific identification of us as a third-party beneficiary with the independent right to enforce the covenants.

Confidential Manuals

In order to protect our reputation and goodwill and to maintain high standards of operation under our Marks, you must conduct your business according to the Manuals. We will lend you one set of our Manuals for the term of the Franchise Agreement. The Manuals may be multiple volumes with printed text, video, and/or audiotapes and files, computer disks, and other electronically stored data. We may provide a portion or all the Manuals (including updates and amendments) and other instructional information and materials in, or via, electronic media, including through the Internet.

You must always treat in a confidential manner the Manuals, any other Manual we create (or that we approve) for use with the Franchise, and the information contained in the Manuals. You must use best efforts to maintain this information as secret and confidential, protect it from being viewed by others, and treat the Manuals with the same degree of care as you would treat your most highly confidential documents. You may not copy, duplicate, record, or otherwise reproduce the Manuals and the related materials, or any portion of the Manuals (except for the parts of the Manuals that are meant for you to copy, which we will clearly mark as such), nor may you otherwise let any unauthorized person have access to these materials. The Manuals are our sole property. You must always keep the Manuals in a secure place at the Franchise.

We may periodically revise the contents of the Manuals, and you must make corresponding revisions to your copy of the Manuals and comply with each new or changed standard immediately upon receipt of the revision. If there is ever a dispute as to the contents of the Manuals, our master copy of the Manuals (maintained at our home office) will be controlling.

You must disclose to us all ideas, concepts, methods, techniques, and products that you conceive or develop during the term of the Franchise Agreement relating to the development and/or operation of Franchises. You will grant to us and procure from your affiliates, owners, agents, or employees a perpetual, non-exclusive, and worldwide right for us (and our affiliates, franchisees, and other licensees) to use any such ideas, concepts, methods, techniques and products. You will do so in consideration of the grant of the Franchise, and without the payment by us of additional consideration.

ITEM 15
OBLIGATIONS OF THE FRANCHISEE TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must either directly participate or delegate as defined below. This is not intended to be an absentee or semi-absentee model business; you must plan to devote substantial time and attention to the Franchise. You, or if the franchisee is an entity, the majority shareholder or owner of the franchisee must devote your personal full-time attention and best efforts to the management and operation of the Franchise, or you may delegate the day-to-day operation of the Franchise to a Manager who has completed, and passed to our satisfaction, the required training course at our facility.

You must hire a full-time Salesperson, or if you act as the full-time salesperson, you must hire a full-time Manager. Your Manager and Salesperson must be approved by us but need not have an equity interest in the franchising entity. Your Manager and Salesperson must attend and successfully complete the required training and certification at our facility. Any replacement Manager or Salesperson must attend and successfully complete the required training and certification at our facility.

We require your management staff and any other highly trained personnel and each equity owner of the franchise entity to sign a non-disclosure and non-competition agreement, the current form of which is attached to the Franchise Agreement.

Each present and future equity owner of a franchisee entity must jointly and severally guarantee your performance of each and every provision of the Franchise Agreement by executing the Guarantee, Indemnification and Acknowledgement in the form attached to the Franchise Agreement. We may also require a guarantee from the family of an entity owner, including spouse or domestic partner, and any entities controlled in the aggregate by any of these individuals. Our current policy is that we generally will not require a guarantee from a spouse or domestic partner at the time of signing the Franchise Agreement if the individual franchisee, or the individual owner of the franchisee that is signing the Guarantee, Indemnification and Acknowledgement has a net worth (excluding residences) of at least one million dollars. Currently the spousal guarantee only becomes effective upon a material transfer of assets from the spouse or franchisee entity which own the franchise to the spouse which previously did not have an ownership interest in the franchise. We may revise our policy from time to time.

You must maintain a competent, conscientious, trained staff in numbers sufficient to promptly service customers. You must also take any steps as are necessary to ensure that all Franchise employees and subcontractors preserve good customer relations, adhere to our performance guidelines in the Manuals and comply with all applicable laws, regulations, and guidelines.

You must prominently display, by posting a sign within public view on or in the premises or Wallaby Vehicle, that clearly indicates that the Franchise is independently owned and operated as a Wallaby Windows franchisee and not as our agent.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all products and services which are part of the System and all services and products which we incorporate into the System in the future. You may only offer those products and services which we have previously approved. You may not use our Marks for any other business, and you may not conduct any other business from your location. You cannot engage in any business that competes with your Franchise, with us or our affiliates, or with Franchises owned by other franchisees whether such business is inside or outside of your Territory.

We may change, supplement, improve or modify the System at any time as we deem appropriate. These changes may include, among others, the adoption or use of new or different products, services, equipment and furnishings for Franchise, development of new techniques and methods and the use of new or different marks or copyrights. You must, upon reasonable notice, accept, adopt, implement, use, and display any change to the System that we make, at your expense.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement	Summary
a. Length of the Franchise Term	§ 2.1	10 years
b. Renewal or extension of the Term	§ 2.2	If you have complied with all the provisions in the Franchise Agreement, you may renew the Franchise for two additional terms of 5 years each, subject to certain contractual requirements described in "c" below.
c. Requirements for you to renew or extend	§ 2.2	Notice, update Wallaby Vehicles and Franchise Location (if applicable), satisfaction of monetary obligations, compliance with Franchise Agreement, release us, sign new Franchise Agreement on then current form, pay renewal fee, and comply with then current qualification and training requirements. The new agreement that you must sign at renewal may contain terms and conditions that are materially different than the original contract.
d. Termination by you	Not applicable	Not applicable. Franchisees may terminate under any ground allowed by state law.
e. Termination by us without cause	Not applicable	Not applicable
f. Termination by us with cause	§ 13	We can terminate upon certain violations of the Franchise Agreement by you. Under the U.S. Bankruptcy Code, we may be unable to terminate the agreement merely because you make a bankruptcy filing.
g. "Cause" defined – Curable defaults	§ 13.3	You have 30 days to cure defaults (five days with respect to monetary defaults) including: All other defaults not specified in §§ 13.1 and 13.2 of the Franchise Agreement.
h. "Cause" defined – non-curable defaults	§§ 13.1 and 13.2	Bankruptcy, abandonment, conviction of felony, failure to locate site (if applicable), failure to complete training, violation of covenants, maintaining false books or records, three or more defaults in 12 months, default under other agreements, threat to public health or safety results from the construction, maintenance, or operation of the Franchise, transfer in violation of Franchise Agreement, disclosure of confidential information, commits three or more defaults in any 12-month period, improper use of the marks, breach or default under any other agreement with Franchisor. Under the U.S. Bankruptcy Code, we may be unable to terminate the agreement merely because you make a bankruptcy filing.

Provision	Section in Franchise Agreement	Summary
i. Your obligations on termination / nonrenewal	§ 14	Cease operating Franchise, cease use of Marks, assign lease/modify premises, cancel assumed names, payment of amounts due, return Manual, cease use or transfer telephone numbers, customer lists, any domain names, websites, email addresses, and any other identifiers.
j. Assignment of contract by us	§ 12.1	There are no limits on our right to assign the Franchise Agreement.
k. "Transfer" by you – defined	§§ 12.3.1 - 12.3.4	Includes transfer of any interest. Certain transfers to a spouse, adult child or adult sibling are exempt from some Transfer requirements under § 12.9.
l. Our approval of transfer by you	§ 12.4	We have the right to approve transfers.
m. Conditions for our approval of transfer	§ 12.4	Release us, sign new Franchise Agreement, payment of transfer fee, upgrade Franchise and Wallaby Vehicles, transferee complete training, satisfy monetary obligations, transfer will not adversely impact the continued operations of the Franchise, pay any broker fees and/or commissions.
n. Our right of first refusal to acquire your business	§ 12.5	We have a right of first refusal. If you or any of your owners wants to accept an offer to purchase you, any material asset or any direct or indirect interest in you, you and/or the owner must first offer the assets or interest to us under the same terms and conditions. If we do not wish to acquire the assets or interest, you and/or the owner may then transfer them to the third party pending our approval as listed above.
o. Our option to purchase your business	§ 14.10	Upon the expiration or Termination of your Franchise Agreement Term, we have the option to purchase your furnishings, equipment, material, or inventory at the lesser of fair market value or your book value, free of all liens and encumbrances. To exercise this option, we must notify you of our election within 30 days of expiration or termination, and must complete the purchase within 60 days after our notice to you.
p. Your death or disability	§§ 12.6 – 12.8	Your estate must transfer your interest in the Franchise to a third party we have approved within a year after death or six months after the onset of a disability.
q. Non-competition covenants during the term of the franchise	§ 15.2	Includes prohibition on engaging in any "Competitive Business," which shall mean a business which offers windows or other construction related services.
r. Non-competition covenants after the franchise is terminated or expires	§ 15.3	Includes a two-year prohibition similar to "q" above, (a) at the Approved Location, (b) within the Territory, (c) within a 25-mile radius of the Territory, or (d) within a 25-mile radius of the territory of any other Franchisees then-operating under the System.
s. Modification of the agreement	§ 21	Must be in writing signed by both parties.

Provision	Section in Franchise Agreement	Summary
t. Integration / merger clause	§ 21	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations made in the Disclosure Document.
u. Dispute resolution by arbitration or mediation	§ 23.2	All disputes will be resolved by arbitration at the American Arbitration Association office located nearest our principal place of business (currently, Richmond, Virginia), subject to applicable state law (except for injunctive relief). (see note below).
v. Choice of forum	§§ 23.2 and 23.3	The parties consent to venue in the federal or state courts in the county in which our corporate headquarters is located (currently Richmond, VA), subject to applicable state law (see note below).
w. Choice of law	§ 23.1	The laws of Virginia shall govern, subject to applicable state law. (see Note below).

Please refer to the disclosure addenda and contractual amendments appended to this Disclosure Document for any additional terms that may be required under applicable state law. These additional disclosures, if any appear in an addendum or rider in Exhibit L.

ITEM 18
PUBLIC FIGURES

We do not currently use any public figures to promote our franchise.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not furnish or authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a company or affiliate-owned location of Franchise, except as stated below.

As of December 31, 2022, there was one company-owned outlet and no franchised outlets in operation. The company-owned outlet began operating in 2022 and is substantially similar to the franchised business that we are offering in this disclosure document. The information disclosed in this Item 19 reflects historical information of the company-owned outlet during the 2022 calendar year.

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

TABLE 1

2022 CALENDAR YEAR
REVENUE MINUS DISCLOSED COSTS

This table sets forth historical revenue and certain operating expense information of the one company-owned Wallaby Windows business in 2022.

Revenues and Costs	Amount	% of Net Sales
Gross Sales	**$ 2,177,444.88**	
Net Sales[1]	**$2,002,319.12**	
Cost of Goods Sold[2]		
Finance Charge[3]	$5,239.12	0.3%
Subcontractor / Installation	$296,391.61	14.8%
Materials	$892,929.41	44.6%
Sales Commission	$71,163.81	3.6%
Credit Card Processing Fees	$6,791.91	0.3%
Permit Fees	$27,748.39	1.4%
Royalties	$100,115.96	5.0%
Brand Fund Contributions	$20,023.19	1.0%
Contact Center Fees	$30,034.79	1.5%
TOTAL COGS[4]	$1,450,438.18	72.4%
Gross Margin[5]	**$551,880.94**	**27.6%**
SG&A / Disclosed Expenses[6]		
Advertising	$170,970.18	8.5%
Auto Insurance	$8,904.81	0.4%
General Liability Insurance	$3,388.37	0.2%
Workman's Comp. Insurance	$3,988.50	0.2%
Technology Fee	$4,160.04	0.2%
Fuel / Gas	$6,231.17	0.3%
Sales Labor	$53,132.53	2.7%
Admin & Management Labor	$108,207.31	5.4%
TOTAL SG&A / DISCLOSED EXPENSES	$358,982.91	17.9%
Revenue Less Disclosed Costs[7]	**$192,898.03**	**9.6%**

Notes:

1.Net Sales are Gross Sales (total sales made within the calendar year of 2022 by the reporting location) minus any discounts, credits or refunds applied. The figures contained in this Item 19 are based on Accrual Accounting methods. "Accrual Accounting" is an accounting method where revenue or expenses are recorded when a transaction

occurs versus when payment is received or made. The reporting location has three Territories (approx. 600k population)

2.Cost of Goods Sold (COGS) are the direct expenses associated with the income reported.

3. Finance Charge: In some instances, you may work with lenders that require you to pay a fee to "buy down" the interest rate. This can affect your performance, particularly in the current rising-rate environment.

4. Total COGS (Costs of Goods Sold) are calculated by adding the items listed in the section as defined above and are not intended as a representation that no other potential costs exist. These are the expenses experienced by the location on which this Item 19 was based. How and where you operate your business may affect how much you spend on COGS.

5. Gross Margin: This amount is calculated by subtracting Total COGS from Net Sales.

6. SG&A / Disclosed Expenses: These expenses are the amounts experienced by the reporting location and are provided as a reference. How and where you operate your business will affect some of these expense categories. (Worker's compensation insurance rates are often set by your state and may vary, Sales Labor Admin and Management may be more or less in your market, etc.)

7. Revenue Less Disclosed Costs: This amount is calculated by subtracting the Total SG&A / Disclosed Expenses and Total COGS from Net Sales then adding Other Income. This figure is not a substitution for a net profit because that will vary based on your specific situation, debt service, entity structure, etc. Some installations for jobs sold at the end portion of the reported year may not be complete and are included here based on the available data pursuant to the Accrual Accounting method.

TABLE 2

QUARTER 1 2022
REVENUE AND DISCLOSED COSTS

Revenues and Costs	Amount	% of Net Sales
Gross Sales	**$439,067.76**	
Net Sales[1]	**$415,822.10**	
Cost of Goods Sold[2]		
Finance Charge	$0	0.0%
Subcontractor / Installation	$57,722.46	13.9%
Materials	$205,844.01	49.5%
Sales Commission	$14,599.40	3.5%
Credit Card Processing Fees	$1,608.54	0.4%
Permit Fees	$6,235.92	1.5%
Royalties	$20,791.11	5.0%
Brand Fund Contributions	$4,158.22	1.0%
Contact Center Fees	$6,237.33	1.5%
TOTAL COGS[3]	$317,196.99	76.3%
Gross Margin[4]	**$98,625.11**	**23.7%**
SG&A / Disclosed Expenses[5]		
Advertising	$63,000.23	15.2%
Auto Insurance	$843.25	0.2%
General Liability Insurance	$929.55	0.2%
Workman's Comp. Insurance	$286.50	0.1%
Technology Fee	$1,040.01	0.3%
Fuel / Gas	$1,127.40	0.3%
Sales Labor	$14,230.71	3.4%
Admin & Management Labor	$18,405.22	4.4%
TOTAL SG&A / DISCLOSED EXPENSES	$99,862.87	24.0%
Revenue Less Disclosed Costs[7]	**$(1,237.76)**	**-0.3%**

See Table 1 for Notes

TABLE 3

QUARTER 2 2022
REVENUE AND DISCLOSED COSTS

Revenues and Costs	Amount	% of Net Sales
Gross Sales	**$535,630.78**	
Net Sales[1]	**$488,126.23**	
Cost of Goods Sold[2]		
Finance Charge	$239.70	0.0%
Subcontractor / Installation	$74,923.68	15.3%
Materials	$214,765.15	44.0%
Sales Commission	$14,015.69	2.9%
Credit Card Processing Fees	$1,340.15	0.3%
Permit Fees	$6,185.03	1.3%
Royalties	$24,406.31	5.0%
Brand Fund Contributions	$4,881.26	1.0%
Contact Center Fees	$7,321.89	1.5%
TOTAL COGS[3]	$348,079.55	71.3%
Gross Margin[4]	**$140,047.58**	**28.7%**
SG&A / Disclosed Expenses[5]		
Advertising	$38,811.57	8.0%
Auto Insurance	$2,315.38	0.5%
General Liability Insurance	$929.55	0.2%
Workman's Comp. Insurance	$286.50	0.1%
Technology Fee	$1,040.01	0.2%
Fuel / Gas	$2,562.76	0.5%
Sales Labor	$17,749.93	3.6%
Admin & Management Labor	$24,571.40	5.0%
TOTAL SG&A / DISCLOSED EXPENSES	$88,267.10	18.1%
Revenue Less Disclosed Costs[7]	**$51,780.26**	**10.6%**

See Table 1 for Notes

TABLE 4

QUARTER 3 2022
REVENUE AND DISCLOSED COSTS

Revenues and Costs	Amount	% of Net Sales
Gross Sales	**$454,139.03**	
Net Sales[1]	**$420,839.32**	
Cost of Goods Sold[2]		
Finance Charge	$3,227.95	0.8%
Subcontractor / Installation	$59,819.56	14.2%
Materials	$174,367.75	41.4%
Sales Commission	$10,748.15	2.6%
Credit Card Processing Fees	$1,133.09	0.3%
Permit Fees	$5,164.47	1.2%
Royalties	$21,041.97	5.0%
Brand Fund Contributions	$4,208.39	1.0%
Contact Center Fees	$6,312.59	1.5%
TOTAL COGS[3]	$286,023.92	68.0%
Gross Margin[4]	**$134,815.40**	**32.0%**
SG&A / Disclosed Expenses[5]		
Advertising	$34,607.36	8.2%
Auto Insurance	$3,217.61	0.8%
General Liability Insurance	$619.70	0.1%
Workman's Comp. Insurance	$2,644.50	0.6%
Technology Fee	$1,040.01	0.2%
Fuel / Gas	$1,138.45	0.3%
Sales Labor	$11,192.25	2.7%
Admin & Management Labor	$32,379.48	7.7%
TOTAL SG&A / DISCLOSED EXPENSES	$86,839.36	20.6%
Revenue Less Disclosed Costs[7]	**$47,976.04**	**11.4%**

See Table 1 for Notes

TABLE 5

QUARTER 4 2022
REVENUE AND DISCLOSED COSTS

Revenues and Costs	Amount	% of Net Sales
Gross Sales	**$748,607.31**	
Net Sales[1]	**$677,531.47**	
Cost of Goods Sold[2]		
Finance Charge	$1,771.47	0.3%
Subcontractor / Installation	$103,925.91	15.3%
Materials	$297,952.50	44.0%
Sales Commission	$31,800.57	4.7%
Credit Card Processing Fees	$2,710.13	0.4%
Permit Fees	$10,162.97	1.5%
Royalties	$33,876.57	5.0%
Brand Fund Contributions	$6,775.31	1.0%
Contact Center Fees	$10,162.97	1.5%
TOTAL COGS[3]	$499,138.41	73.7%
Gross Margin[4]	**$178,393.06**	**26.3%**
SG&A / Disclosed Expenses[5]		
Advertising	$34,551.02	5.1%
Auto Insurance	$2,528.57	0.4%
General Liability Insurance	$909.57	0.1%
Workman's Comp. Insurance	$771.00	0.1%
Technology Fee	$1,040.01	0.2%
Fuel / Gas	$1,402.56	0.2%
Sales Labor	$9,959.64	1.5%
Admin & Management Labor	$32,851.21	4.8%
TOTAL SG&A / DISCLOSED EXPENSES	$84,013.58	12.4%
Revenue Less Disclosed Costs[7]	**$94,379.48**	**13.9%**

See Table 1 for Notes

TABLE 6

QUARTERLY COST OF ACQUISITION

QUARTER	Number of Jobs	Advertising Cost	Cost of Acquisition
Q1	29	$63,000.23	$2,172.42
Q2	38	$38,811.57	$1,021.36
Q3	32	$34,607.36	$1,081.48
Q4	39	$34,551.02	$885.92

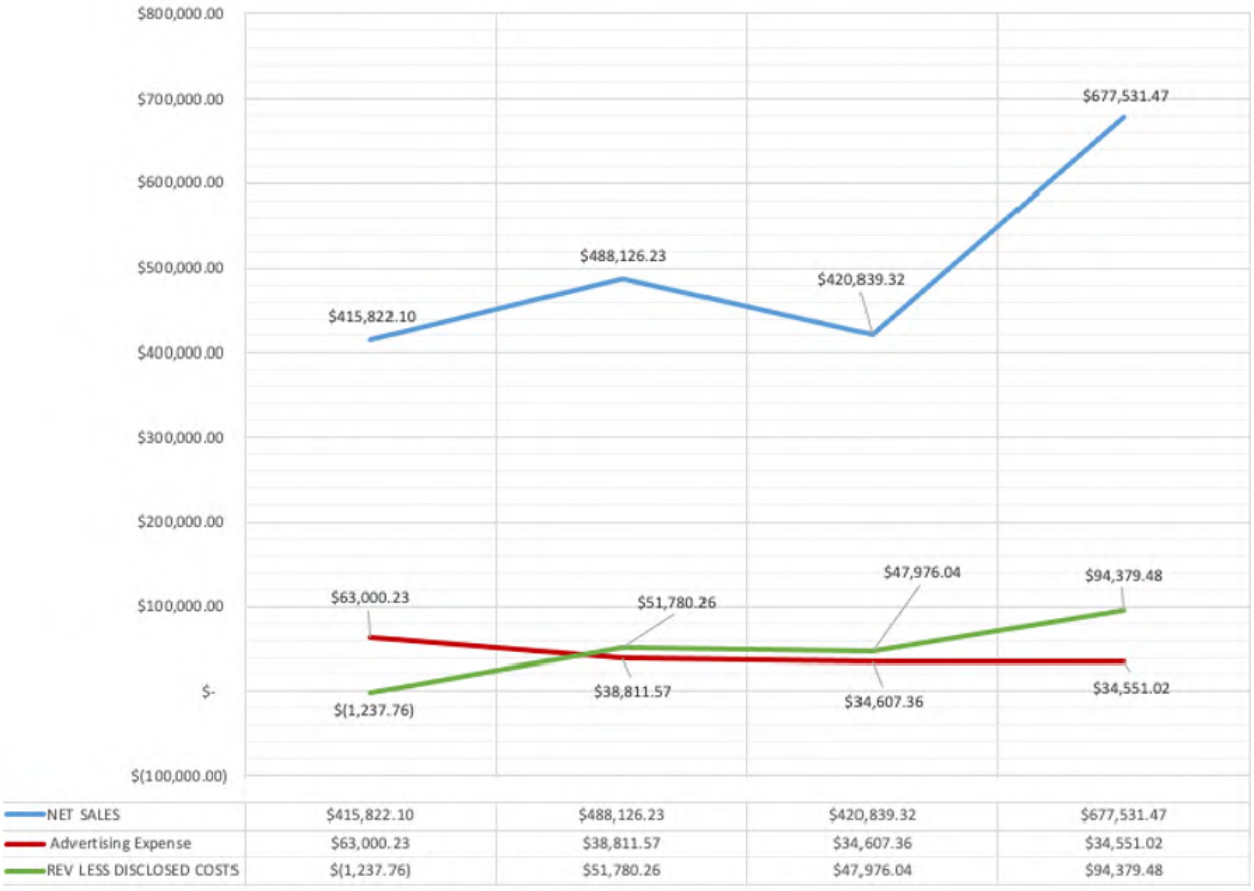
This chart calculates the advertising cost per job by taking the total advertising expenses accrued for each quarter and dividing that amount by the number of jobs in that same quarter.

TABLE 7

TICKET PRICE BY QUARTER

1ST QUARTER	Ticket Value
High	$50,715.57
Average	$14,338.69
Low	$1,268.42
2ND QUARTER	Ticket Value
High	$40,625.00
Average	$12,845.43
Low	$912.98
3RD QUARTER	Ticket Value
High	$76,714.44
Average	$13,151.23
Low	$1,017.00
4TH QUARTER	Ticket Value
High	$177,916.50
Average	$17,372.60
Low	$1,611.73

GRAPH OF SALES / COST OF ACQUISITION / REVENUE LESS DISCLOSED COSTS BY QUARTER



NET SALES	$415,822.10	$488,126.23	$420,839.32	$677,531.47
Advertising Expense	$63,000.23	$38,811.57	$34,607.36	$34,551.02
REV LESS DISCLOSED COSTS	$(1,237.76)	$51,780.26	$47,976.04	$94,379.48

We recommend that you make your own independent investigation to determine whether or not the Franchise may be profitable and that you consult with an attorney and other advisors prior to executing the Franchise Agreement.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing unit, 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 Scott Zide at 2426 Old Brick Road, Glen Allen, VA 23060, the Federal Trade Commission and the appropriate state agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
for years 2020, 2021, 2022

Outlet Type	Year	Outlets at Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Company Owned Outlets[1]	2020	0	0	0
	2021	0	0	0
	2022	0	1	+1
Total Outlets	**2020**	**0**	**0**	**0**
	2021	**0**	**0**	**0**
	2022	**0**	**1**	**+ 1**

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
for years 2020, 2021, 2022

State	Year	Number of Transfers
None	2020	0
	2021	0
	2022	0
Total	**2020-2022**	0

Table No. 3
Status of Franchised Outlets
for years 2020, 2021, 2022

State	Year	Outlets at Start of the Year	Outlets Opened	Termina -tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Florida	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Total	**2020**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2021	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Table No. 4 – Status of Company Owned Outlets for years 2020, 2021, 2022

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Florida	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	1	0	0	0	1
Total	**2020**	**0**	**0**	**0**	**0**	**0**	**0**
	2021	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**1**	**0**	**0**	**0**	**1**

Table No. 5 – Projected Openings as of December 31, 2022

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Total	**0**	**0**	**0**

Notes:

1. The company location listed above is owned by our affiliate.

2. Our predecessor's fiscal year ended December 31, and therefore the numbers for the years 2020-2022 reflect amounts based upon a fiscal year ended December 31. The numbers will reflect a fiscal year ended September 30 on a going forward basis.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. The names, addresses, and telephone numbers of our franchisees as of December 31, 2021 and franchisees who signed a franchise agreement, but have not opened as of December 31, 2021 appear in Exhibit H.

As of the end of the last fiscal year, we had no Franchises that have ceased doing business under the franchise agreement or had an outlet terminated, canceled, or not renewed within the last fiscal year. There is no Franchisee that has not communicated with the franchisor within ten (10) weeks of the issuance date.

During the last three (3) fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

As of the date of the issuance of this FDD, there are no trademark specific franchisee organizations associated with the franchise system being offered in this FDD.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit C are the audited consolidated financial statements and supplementary information of Outdoor Living Brands Holdco LLC ("OLB Holdco") for the fiscal year ended September 30, 2022, and for the period of September 10, 2021 to September 30, 2021, as well as the unaudited financial statements for the period ended August 30, 2023. The franchisor has not been in business for three years and cannot include the requisite financial statements. Our fiscal year end is September 30. OLB Holdco has absolutely and unconditionally guarantees our obligations under your Franchise Agreement. See Exhibit C for a copy of the written guarantee.

ITEM 22
CONTRACTS

Copies of the following contracts are attached to this Disclosure Document:

1. Franchise Agreement and Exhibits – **Exhibit B**
2. Franchisee Disclosure Questionnaire – **Exhibit E**
3. Release – **Exhibit F**
4. State Specific Addenda and Riders **– Exhibit G**

There are no other contracts or agreements that we provide to be signed by you.

ITEM 23
RECEIPTS

The Receipt pages are attached as the last two pages of this disclosure document.

EXHIBIT A
LIST OF STATE FRANCHISE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS.

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible or the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Financial Protection and Innovation California Department of Financial Protection and Innovation	320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	NYS Department of Law Investor Protection Bureau	28 Liberty Street, 21st Floor New York, NY 10005 212-416-8236
New York (Agent)	New York Department of State	One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 518-473-2492
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, 14th Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 68-2 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance – Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia (State Administrator)	State Corporation Commission Division of Securities and Retail Franchising	1300 East Main Street, 9th Floor Richmond, VA 23219 804-371-9051
Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	Mailing Address: P.O. Box 9033 Olympia, WA 98507-9033 **Service of Process:** 150 Israel Road SW Tumwater, WA 98501 360-902-8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705

EXHIBIT B
FRANCHISE AGREEMENT AND EXHIBITS

MULTISTATE FORM

WALLABY WINDOWS FRANCHISOR, LLC

FRANCHISE AGREEMENT

_____
Franchisee Name

_____
Date of Agreement

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Exhibits:

A Trademarks
B Lease Rider
C Guarantee, Indemnification and Acknowledgment
D Non-Disclosure and Non-Competition Agreement
E General Release

SUMMARY PAGE

1. Effective Date: _____

2. Franchisee's Name: _____

3. Franchisee's State of Organization (if applicable): _____

4. Ownership of Franchisee:

If the Franchisee is an entity, the following persons constitute all of the owners of a legal and/or beneficial interest in the franchisee:

Name	Percentage Ownership
_____	100%

5. Territory (Section 1.1):

Initial Geographic Area: _____[list of zip codes] _____.

Population: _____.

6. Initial Franchise Fee (Section 4.1): $_____

7. Operating Principal (Section 5.6): _____

8. Franchisee's Address for Notices (Section 20): _____

Franchisee Email Address for Notices: _____

9. Additional Terms (if any): _____

Initials: _____(Wallaby Windows Franchisor, LLC) _____(Franchisee)

FRANCHISE AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into as of the date (the "Effective Date") set forth on the Summary Page, which appears after the cover page of this Agreement (the "Summary Page") (the Summary Page and all appendices and schedules attached to this Agreement are hereby incorporated by this reference), by and between Wallaby Windows Franchisor, LLC, a Delaware limited liability company with its principal place of business at 2426 Old Brick Road, Glen Allen, VA 23060 ("Franchisor" or "we" or "us"), and the entity identified on the Summary Page as the franchisee ("Franchisee" or "you") with its principal place of business as set forth on the Summary Page.

BACKGROUND:

A. Franchisor owns a format and system (the "System") relating to the establishment, development and operation of franchises under the Marks, as defined below, (each a "Franchise") that offer and provide windows evaluation, removal, installation and related services that operate under the Marks (as defined below) using certain approved Wallaby service vehicles and equipment (collectively "Wallaby Vehicles").

B. The distinguishing characteristics of the System include, without limitation, distinctive business formats; procedures; the Manual (as defined in Section 3.5); the Wallaby Vehicles; procedures for operations, accounting, collections, management and inventory control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by Franchisor from time to time;

C. Franchisor identifies the System by mark Wallaby Windows and associated logos, commercial symbols and such other trade names, mascots, service marks and trademarks as are now, or in the future, designated by Franchisor as an integral part of the System ("Marks") including but not limited to the currently registered Marks identified on Exhibit A some of which may be incorporated into other brands or other systems developed by Franchisor or its affiliates in the future;

D. Franchisor continues to develop, use, and control the use of such Marks to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance, and service; and

E. Franchisee desires to operate a Franchise under the System and using the Marks, and wishes to obtain a license from Franchisor for that purpose, as well as to receive the training and other assistance provided by Franchisor in connection therewith;

NOW, THEREFORE, the parties agree as follows:

1. GRANT

1.1. Grant of Rights; Protected Territory. Upon the terms and conditions set forth in this Agreement, Franchisor hereby grants to Franchisee a non-exclusive license (the **"License"**) to operate a Franchise that specializes in providing window removal, installation and related services (the **"Services"**) within the initial geographic area described on the Summary Page (the **"Territory"**). Franchisee hereby accepts such License and undertakes the obligation to operate a Franchise in accordance with this Agreement during the entire initial term of the License (as specified in **Section 2.1**). Franchisee acknowledges and agrees that this Territory is non-exclusive but subject to certain limited protections as defined below.

1.2. Protected Territory. The Territory, as listed on the Summary Page, shall be designated as "Protected" from the Effective Date of this agreement and shall remain Protected for the duration of the entire initial term plus any extensions thereof provided that the Territory may lose its Protected status through any default of this Agreement or any other agreement with Franchisor or its Affiliates, or by Franchisee's failure to maintain sufficient equipment and staff as required in Franchisor's discretion to provide, without substantial delay, all Services offered under the System to customers within the Territory. Any of these events, without limitation, constitute cause for revocation of Protected status of the Territory without regard to whether written notice of such default was issued or whether such default was cured. Protected status may be revoked only with cause and upon notice. Once the Territory loses its Protected status it may not be regained.

1.2.1 While the Territory is Protected Franchisor shall not provide the Services or grant other franchisees or others the right to provide the Services using the Wallaby Windows System and Wallaby Windows Marks to customers at any location within the Territory other than through the Revenue Sharing Program as hereafter defined.

1.2.2 Franchisor and other franchisees may advertise (subject to Franchisor approval) online or through any other medium without geographical limitations, including within the Protected Territory, but only Franchisee shall be permitted to provide the Services under the Wallaby Windows System within the Protected Territory.

1.3. Reservation of Rights. Franchisor and its affiliates have the right to conduct any business activities, under any name, in any geographic area, and at any location, without any liability to Franchisee regardless of the proximity to or effect on the Franchise. By way of illustration, and without limiting the foregoing, Franchisor and its affiliates have the right:

1.3.1. to operate and permit franchisees or others to establish and operate Franchises at any location within or outside the Territory (except as limited by the

Protections defined in section 1.2.1 above) notwithstanding their actual or threatened impact on sales of the Franchise;

1.3.2. to operate or permit franchisees or others to establish and operate businesses at any location under other systems or other marks, including businesses that may offer or sell products or services that are the same or similar to the products or services offered from the Franchise, within or outside the Territory and notwithstanding their proximity to the Territory, Protected status of Territory, or their threatened or actual impact on sales of the Franchise;

1.3.3. to sell and distribute, directly or indirectly, or license others to sell and distribute, directly or indirectly, within or outside of the Territory, products and services bearing the Marks or similar marks through other channels of distribution including, without limitation, the internet, catalogs, or commercial channels other than the on-site installation or removal of windows; and

1.3.4. to acquire, be acquired by, or merge with other businesses and to convert them to the Marks or any other name at any location and such acquiring or acquired businesses shall not be bound by any Protections applicable to the Territory.

1.3.5. If the Territory is not Protected, the geographic area of the Territory may be revised by Franchisor from time to time, after the expiration of the initial term, to include only the Population listed as the actual population in the initial geographic area increases. If Franchisor reduces the Territory's geographic area due to a population increase after the expiration of the initial term, Franchisor shall first offer the right to purchase such additional population to Franchisee at the then-current rates, provided that Franchisee is and has been at all times in compliance with the terms hereunder.

Franchisee acknowledges that the activities described in Section 1.3. through 1.3.5 are only examples, and do not limit the business activities that Franchisor and its affiliates may undertake. Franchisee also acknowledges that, other than those rights expressly conveyed through this agreement and narrowly limited to same, Franchisor has made no other representations concerning Franchisee's rights in any geographic territory.

1.4. Advertising and Promotional Materials. Franchisor and Franchisee acknowledge that advertising and promotional materials created, placed, and/or distributed by Franchisor, other franchisees operating under the System, or other entities authorized by Franchisor, may appear in media distributed in, or may be directed to prospective customers located within, trade areas or market areas nearby or encompassing the Territory, including on Franchisor's website or any related website. Neither Franchisee, nor any other franchisee, is restricted from advertising or promoting products or services to any customers regardless of where they reside; provided, however, Franchisee may not perform Services outside of the Territory, except as expressly provided herein.

1.5. Sale of Products and Services. Unless otherwise permitted by Franchisor, Franchisee shall offer and sell only then-current products and services previously authorized by Franchisor, using Wallaby Vehicles, and only within the Territory, only in accordance with the requirements of this Agreement and the then-current procedures set forth in the Manuals as they may be developed and/or modified from time to time. Franchisee may not perform Services using equipment other than a Wallaby Vehicle that meets Franchisor's then-current specifications and standards. Franchisee understands and acknowledges that certain other Wallaby Franchisees were granted protected territories, and shall not perform Services in the protected territory of another Wallaby Franchisee.

1.5.1. Franchisee may perform Services for customers that are located outside of the Territory provided (a) Franchisee has submitted to Franchisor a written request to provide Services for such customer giving the name of the customer and its location; and (b) Franchisor has approved such request in writing. Franchisor may at any time revoke its approval effective upon giving written notice of the same to Franchisee. Franchisor may require Franchisee to purchase any territory, at then-current rates, in which Franchisee requests permission to provide Services if (a) Franchisee requests permission to service customers in the area more than twice per 90-day period, or (b) if Franchisee has operated for at least 12 months and Gross Sales for Services performed outside the Territory constitute more than 10% of the prior 12 months' Gross Sales. Any permission granted to operate outside of the Territory shall not constitute an ongoing grant of rights to the area and Franchisor retains all rights thereto.

1.5.2. Revenue Sharing Program. Franchisee may at its option enter into a revenue sharing program ("Revenue Sharing Program") with any other franchisee which may permit the out of territory franchisee to operate within Franchisee's Territory for the purposes of servicing existing clients who have previously received services within the out of territory franchisee's own territory. Franchisee may also enter into a revenue sharing agreement with any other franchisee as Franchisee deems appropriate to complete extraordinarily large jobs or for other purposes subject to Franchisor approval which must be received in writing in advance of any Revenue Sharing Program between franchisees. Franchisor shall not be a party to any Revenue Sharing Program which shall be conducted solely between franchisees.

2. TERM AND RENEWAL

2.1. Term. Except as otherwise provided herein and unless sooner terminated in accordance with the provisions hereof, the initial term of the License commences on the Effective Date and continues until that date which is 10 years after the Effective Date.

2.2. Renewal. Franchisee may, at its option, request to renew Franchisee's right to operate the Franchise for two additional terms of five years each. Franchisee's option of renewal is subject to the following conditions, each of which must be met prior to the renewal:

2.2.1. Franchisee shall give Franchisor written notice of Franchisee's election to renew no fewer than six months, nor more than 12 months, prior to the end of the initial term;

2.2.2. Franchisee shall update, refurbish, or replace the Franchise Location (if applicable) and its Wallaby Vehicle(s) to comply, as determined solely by Franchisor, with Franchisor's then-current standards;

2.2.3. From the time of Franchisee's election to renew through the expiration of the original term, Franchisee and its affiliates shall not have been in default of any provision of this Agreement, any amendment to this Agreement, any successor to this Agreement, or any other agreement between Franchisee (and its affiliates) and Franchisor (and its affiliates); and, as determined in the sole discretion of Franchisor, Franchisee and its affiliates shall have complied with all the terms and conditions of this Agreement, such other agreements, as well as the Operating Standards (as defined in **Section 5.9**) prescribed by Franchisor during the term of this Agreement;

2.2.4. Franchisee shall have satisfied all monetary, reporting and other obligations owed by Franchisee to Franchisor and its affiliates, and shall have timely met those obligations throughout the term of this Agreement;

2.2.5. Franchisee shall execute Franchisor's then current form of franchise agreement; which agreement shall supersede this Agreement in all respects (except the renewal franchise agreement shall not require payment of an initial franchise fee or include the ability to renew for any years beyond the aggregate of those contained in the original term and extensions herein). Franchisee acknowledges that the terms, conditions, and provisions of the renewal franchise agreement, and the obligations of the parties thereto, may differ substantially from the terms, conditions, provisions and obligations in this Agreement, including, without limitation, a higher percentage royalty fee and advertising contribution;

2.2.6. Franchisee shall pay, in lieu of an initial franchise fee, a renewal fee equal to 25% of the Initial Franchise Fee or $5,000, whichever is greater;

2.2.7. Franchisee shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliates, and their respective officers, directors, agents, and employees; and

2.2.8. Franchisee and its personnel shall comply with Franchisor's then current qualification and training requirements, prior to commencement of operations under the renewal form of franchise agreement.

3. FRANCHISOR'S DUTIES

3.1. Initial and On-Going Training. Franchisor shall provide for Franchisee's Operating Principal (as defined in **Section 5.6**) Salesperson, and Manager (as defined in **Section 5.6**), such initial training programs as Franchisor may

designate, to be conducted at such time(s) and location(s) designated by Franchisor. Franchisor may charge a reasonable fee for additional individuals who attend training. Franchisor shall also provide such ongoing training as it may, from time to time, deem appropriate. Franchisor shall be responsible for the cost of instruction and materials, subject to **Section 5.6** for the training of the initial Operating Principal, Manager, and Salesperson. Franchisee shall be responsible for the cost of training any subsequently hired or replacement staff including without limitation Operating Principal, Manager and Salesperson.

3.2. Opening Assistance and Training. In addition to the initial training described in Section 3.1, should Franchisee request additional assistance from Franchisor to facilitate the opening of the Franchise and should Franchisor, in its discretion, deem it necessary, feasible and appropriate to comply with the request, Franchisee shall reimburse Franchisor for the expenses of Franchisor providing such additional assistance, which may include Franchisor's then-current service fee, as set forth in the Manuals or otherwise communicated to Franchisee in writing from time to time. Franchisor will provide such additional on-site assistance as Franchisor deems advisable.

3.3. Manuals. Franchisor shall provide Franchisee access to the confidential operations manuals (which may include technical bulletins, and other written, video or audio materials (collectively the "**Manuals**"), as more fully described in **Section 7**.

3.4. Advertising and Promotion. Franchisor shall review, and shall have the right to approve or disapprove, all advertising and promotional materials that Franchisee proposes to use pursuant to **Section 10.6**. In addition, during the term of this Agreement, Franchisor shall provide Franchisee with such other advertising assistance, sales advice, or related materials as Franchisor deems advisable.

> **3.4.1** Electronic Advertising and Support Services. Franchisor shall establish and maintain, during the Term of this agreement, a website and/or other such listings as Franchisor deems appropriate for the Wallaby brand which shall contain content deemed appropriate in its sole and unlimited discretion. Franchisor may also maintain certain location specific or franchise specific sites ("Micro-Sites") in its sole discretion. Franchisor may establish and assign a phone number to the Franchise and if it does so, Franchisee must use this number as its only published and/or advertised phone number for the Franchise. Franchisor shall retain full rights to control, suspend, redirect and transfer any web domains and phone numbers and other listings. Franchisor shall have the right to suspend or revoke any or all of these services immediately and without further notice upon Franchisee's Default of any term of this Agreement, specifically but not limited to financial or reporting obligations.

3.5. Brand Fund. Franchisor may establish and administer a System-wide advertising, marketing, promotional, and creative fund, which is referred to as the

"**Brand Fund**", or such other name as Franchisor may designate, in the manner set forth in **Section 10.3.**

3.6. Technology System. Franchisor shall specify or require that certain brands, types, makes, and/or models of communications, computer systems, software and hardware be used by, between, or among the Franchises, including without limitation: (a) back office and point of sale systems, data, audio, video, and phone, voice storage, retrieval, and transmission systems for use at the Franchise, between or among Wallaby Franchisees, the corporate units and Franchisor; (b) physical, electronic, and other security systems including without limitation vehicle and/or Wallaby Vehicle tracking devices; (c) printers and other peripheral devices; (d) archival back-up systems; (e) communication systems (including without limitation email and phone systems); and (f) Internet access mode and speed (collectively, the "**Technology System**"). Franchisor may also designate: (i) software programs that Franchisee must use in connection with the Technology System ("**Required Software**"), which Franchisee shall install; (ii) updates, supplements, modifications, or enhancements to the Required Software, which Franchisee shall install; (iii) the tangible media upon which such Franchisee shall record data; (iv) the database file structure of the Technology System; and (v) additional Technology Systems that must be used.

3.7. On-Going Assistance. Franchisor shall provide periodic assistance to Franchisee in the marketing, management, and operation of the Franchise as Franchisor determines at the time(s) and in the manner determined by Franchisor.

3.8. Additional Services. Franchisor, at its option may provide Additional Services including a call center, recruiting assistance and other services at the then-current fees. Franchisor shall have no ongoing obligation to offer these services and may discontinue them for any or all franchisees at any time.

4. ROYALTY FEES; SALES REPORTING

4.1. Initial Franchise Fee. Franchisee shall pay Franchisor an initial franchise fee that is specified on the Summary Page (the "**Initial Franchise Fee**"), which must be paid in full prior to or upon execution of this Agreement. The Initial Franchise Fee is not refundable under any circumstances and shall be deemed earned in full upon receipt, except if Franchisee's Operating Principal or Manager fails to successfully complete initial training in accordance with the requirements of **Section 5.6**. If Franchisor terminates this Agreement due to any failure to successfully complete initial training pursuant to **Section 5.6**, Franchisor will refund the Initial Franchise Fee, less an amount equal to $5,000, subject to Franchisee' and its owners' execution of a General Release.

4.2. Royalty Fees. Franchisee shall pay Franchisor continuing royalty fees ("**Royalty Fees**") at such time, for such periods, and in such manner as specified herein, or as otherwise specified in writing by Franchisor. The term "**Gross Sales**" means amounts, less refunds, sales tax and chargebacks, derived from all products or services sold from or through the Franchise, including any sale of

products or services made for cash or credit, or partly for cash and partly for credit. **"Gross Sales"** also includes the fair market value of any services or products received by the Franchisee in barter or in exchange for Franchisee's services and products. Gross Sales are deemed received by the Franchisee at the time the services or products are delivered or at the time the sale takes place, whatever occurs first, regardless if final payment has actually been received by Franchisee.

Royalty Fees shall be paid weekly in an amount equal to 5% of Gross Sales during the first 6 calendar months of operations (which for clarity shall begin and include any portion of any month during which Franchisee first receives any Gross Sales). Beginning on the 7th month of operations, Royalty Fees shall be paid weekly in an amount that is the greater of the required Minimum Royalty, or 5% of Gross Sales. In the event that Franchisee has not received and reported Gross Sales 4 calendar months after executing this Agreement (as required by Section 5.5), the Minimum Royalty shall be calculated as though Franchisee achieved Gross Sales beginning on the first day of the fifth month after the Effective Date.

Table 1: Minimum Royalty Per Territory, Per week.

Months After Opening	1 Territory
7-12	$385
13-24	$500
25-36	$600
37+	$650

Franchisee expressly acknowledges and agrees that Franchisee's obligations for the full and timely payment of Royalty Fees, Brand Fund Contributions (as defined in Section 10.2), if any, and all other amounts provided for in this Agreement, shall be absolute and unconditional. Franchisee shall not for any reason delay or withhold the payment of all or any part of those or any other payments due hereunder, put the same in escrow or setoff the same against any claims or alleged claims Franchisee may allege against Franchisor, the Brand Fund or others. Franchisee shall not, on grounds of any alleged nonperformance by Franchisor or others, withhold payment of any fee, including without limitation Royalty Fees, Brand Fund Contributions, nor withhold or delay submission of any reports due hereunder. Royalty Fees shall be deemed earned in full upon receipt. Franchisee and Franchisor expressly acknowledge that all services provided by Franchisor to Franchisee shall not exceed in cost the amount of the Royalty Fees received from Franchisee.

4.2.1 Sales Reports. Franchisee shall deliver to Franchisor any and all reports, statements and/or other information regarding its Gross Sales and other metrics or data specified by Franchisor at the time(s) and in the format(s) reasonably requested by Franchisor from time to time ("Sales Reports").

Upon notice by Franchisor Franchisee must use, and pay the fees required to use, the Wallaby proprietary software or other software as specified by Franchisor, when made available, or other systems or methods as specified by Franchisor for the purposes of providing Sales Reports in compliance with this Section. All payments required by this Agreement to Franchisor, its affiliates, and/or the Brand Fund must be made by the method or methods that Franchisor specifies from time to time, which may include, without limitation, payment by deduction as specified in Section 3.8.2, payment via wire transfer or electronic debit to Franchisee's bank account. Franchisee must furnish Franchisor and Franchisee's bank with all authorizations necessary to effect payment by the methods Franchisor specifies.

4.3. Overdue Payments or Reports. Any payment, Sales Report or other required report not actually received by Franchisor on or before the date such payment or report is due (currently, no later than noon Eastern Time on Monday of each week) shall be deemed overdue. If an attempt to electronically debit Franchisee's bank account fails or any other payment method is declined or returned, the payment shall be deemed not received. Franchisor may at its option from time to time specify or change the date such reports are due upon 7 days' Notice to Franchisee. If any payment or required report is overdue, Franchisor shall collect from Franchisee the greater of the Minimum Royalty amount, or 1.5 times the Royalty Fees and other fees or amounts due based on the prior report received ("Presumptive Fees"). The Presumptive Fees shall be credited towards the actual Royalty Fees due once the Sales Report is received. Additionally, Franchisee shall pay Franchisor, a late payment/late report charge of $50 for each day (or portion thereof) that the payment or report is late (collectively "Late Fee"). Entitlement to such Late Fee shall be in addition to any other remedies Franchisor may have including without limitation the suspension of services as defined in §3.4.1 and elsewhere in this Agreement.

4.4. Payments on Behalf of Franchisee. Franchisee shall pay to Franchisor, within 15 days after any written request by Franchisor which is accompanied by reasonable substantiating material, any monies (plus a fee equal to 10% of the amount paid by Franchisor on Franchisee's behalf) which Franchisor has paid, or has become obligated to pay, on behalf of Franchisee, by consent or otherwise under this Agreement.

5. FRANCHISEE'S DUTIES

5.1.1. Franchisee may operate from their home office, provided doing so would be in compliance with applicable laws and regulations. If Franchisee choses to rent or lease a site, storage location or other physical site other than Franchisee's home, at which it will base or park Wallaby Vehicles or from which it will operate the Franchise, Franchisee must provide notice to Franchisor at least 30 days in advance. Before Franchisee makes a binding commitment to lease, sublease or purchase a site, Franchisor must approve the location in writing and approve in

writing the proposed lease for the location (the "**Lease**") or purchase agreement or any letter of intent between Franchisee and the third-party seller or lessor. FRANCHISEE ACKNOWLEDGES AND AGREES THAT FRANCHISOR'S APPROVAL OF A PROPOSED SITE IS NOT A WARRANTY OR REPRESENTATION OF ANY KIND AS TO THE POTENTIAL SUCCESS OR PROFITABILITY OF THE FRANCHISE. If Franchisee leases the approved Franchise Location, unless Franchisor waives the requirement in writing, Franchisee must arrange for the execution of the Lease Rider in the form of **Exhibit B** by Franchisee and its landlord in connection with any Lease for the approved Franchise Location and any other provisions that Franchisor may reasonably require. Franchisee must deliver to Franchisor the completely executed purchase agreement or Lease and Lease Rider within 10 days after execution of the Lease or purchase agreement. Franchisee must comply with the terms and conditions of the Lease for the approved Franchise Location. Franchisor is not obligated to execute Franchisee's Lease or guarantee a Lease for Franchisee.

5.1.2. Before commencing construction of the Franchise Location, Franchisee, at its expense, shall comply, to Franchisor's satisfaction, with all of the following requirements:

5.1.2.1. Franchisee shall comply, at Franchisee's expense, with all federal, state and local laws, codes and regulations, including, without limitation, the applicable provisions of the American with Disabilities Act (as amended, the "ADA") regarding the construction and design of the Franchise Location.

5.1.2.2. If so requested by Franchisor, Franchisee shall submit to Franchisor, for Franchisor's approval, final plans for construction based upon the preliminary plans and specifications. Franchisor shall not review, nor shall any approval be deemed to include, approval or acceptance of Franchisee's compliance with federal, state, or local laws and regulations, including the ADA. Once approved by Franchisor, such final plans shall not thereafter be changed or modified without the prior written permission of Franchisor.

5.1.2.3. Franchisee shall obtain all permits and certifications required for the lawful construction of the Franchise Location. Franchisee shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances, or regulations or which may be necessary or advisable owing to any restrictive covenants relating to the Franchise Location.

5.1.2.4. Franchisee shall employ a qualified licensed general contractor who is acceptable to Franchisor to construct the Franchise Location and to complete all improvements. Franchisee shall obtain and maintain in force during the entire period of construction the insurance required under Article 11. Franchisee shall deliver to Franchisor such proof of such insurance as Franchisor shall require.

5.1.2.5. During the construction of the Franchise Location, Franchisee will permit Franchisor to make such on-site inspections of the Franchise Location as Franchisor determines appropriate to evaluate the construction or remodeling of the Franchise Location for compliance with Franchisor's requirements. Prior to opening for business, Franchisee shall comply with all preopening requirements set forth in this Agreement, the Manuals, and/or elsewhere in writing by Franchisor.

5.1.2.6. Within 30 days after the opening of the Franchise Location, Franchisee shall provide to Franchisor a full breakdown of all costs associated with the development and construction of the Franchise Location if so requested by Franchisor.

5.1.3. Franchisee shall use the Franchise Location solely for the operation of the Franchise; shall keep the Franchise open and in normal operation for such hours and days as Franchisor may from time to time specify in the Manuals or as Franchisor may otherwise approve in writing; and shall refrain from using or permitting the use of the Franchise Location for any other purpose or activity at any time. As used in this Section, the term Franchise Location shall include the grounds surrounding the Franchise.

5.1.4. Franchisee shall at all times maintain the Franchise Location in a high degree of sanitation, repair, and condition, and in connection therewith shall make such additions, alterations, repairs, and replacements thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment, and decor as Franchisor may reasonably direct. If at any time in Franchisor's judgment the general state of repair or the appearance of the Franchise Location or its equipment, fixtures, signs or decor does not meet Franchisor's quality control and standards therefor, Franchisor shall so notify Franchisee, specifying the action to be taken by Franchisee to correct such deficiency. If Franchisee fails or refuses to initiate, within 30 days after receipt of such notice, and thereafter diligently continue a bona fide program to complete any required maintenance, Franchisor shall have the right, in addition to all other remedies, to enter upon the Franchise Location and effect such repairs, painting, maintenance or replacements of equipment, fixtures or signs on behalf of Franchisee, and Franchisee shall pay the entire costs thereof on demand.

5.1.5. In addition to the maintenance obligations set forth in above, Franchisee shall, at its expense, undertake such periodic and ongoing remodeling and upgrading of the Franchise Location, and the furniture, fixtures, equipment, décor, signage and trade dress of the Franchise Location, as required by Franchisor to cause the Franchise Location building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, and presentation of the Marks to be consistent with the then-current standards. Such remodeling and refurbishment may include structural changes, installation of new equipment and signs, remodeling, redecoration, and modifications to existing improvements,

and, shall be completed to Franchisor's satisfaction pursuant to such standards, specifications, and deadlines as Franchisor may specify.

5.1.6. Franchisee may not relocate its Franchise Location unless it receives Franchisee's prior written approval. Franchisee's relocation will be at its expense and Franchisor has the right to charge Franchisee for all reasonable costs and expenses it incurs to approve and implement the relocation.

5.2. Wallaby Vehicles.

5.2.1. Franchisee shall obtain that number of Wallaby Vehicles prescribed by Franchisor from time to time, and ensure that its Wallaby Vehicles are in proper working order. Currently at least two Wallaby Vehicles are initially required for a Franchisee operating one, two or three Territories. At least one additional Wallaby Vehicle is initially required for each additional Territory over the first three. The number of Wallaby Vehicles shall be increased as reasonably necessary to meet customer demand.

5.2.2. Each Wallaby Vehicle shall consist of any vehicle used in the operation of your Franchise, including any attached equipment, trailers or accessories (the **"Wallaby Vehicle"**). Each Wallaby Vehicle must be maintained and operated in accordance with Franchisor's standards and requirements including conformance to certain appearance standards which may be updated from time to time. Currently Wallaby Vehicles include two approved vehicles with approved graphics and tools but may include other vehicles and/or equipment packages or otherwise be modified or substituted as specified from time to time by Franchisor. Franchisee acknowledges and agrees that it shall only purchase Wallaby Vehicles and equipment from approved vendors and suppliers. Currently the approved vehicles include Ford Maverick, Ford Ranger, Ford F-150, Ford Escape, and additional options as approved from time to time.

5.2.3. Franchisee may not purchase any Wallaby Vehicle unless and until it has received Franchisor's prior approval or ensures that the Wallaby Vehicle complies with brand appearance standards in Franchisor's discretion. Franchisor may establish relationships with truck dealers and if it does so, Franchisee agrees to purchase solely from these approved dealers.

To the extent that other vehicles or equipment are used in the Franchise, including without limitation Manager or Salesperson vehicles, they must comply with the then current Brand Standards and Manual and must be purchased only from dealers approved by Franchisor.

5.2.4. If the Franchise is not operated from a Franchise Location, Franchisee will make arrangements to store the Wallaby Vehicles used in the operation of the Franchise in compliance with all applicable state and local laws and other restrictions.

5.2.5. Franchisee shall at all times maintain the Wallaby Vehicles in a high degree of repair and condition, and in connection therewith shall make such repairs, replacements and refurbishment thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting, replacement of wraps or decals, replacement of equipment and parts or installation or refurbishment of signage as Franchisor may reasonably direct and pursuant to such standards, specifications and deadlines as Franchisor may specify. Currently Franchisor is the only approved supplier of the required decals, wraps and graphics which must be affixed to each Wallaby Vehicle.

5.3. System Standards. Franchisee understands and acknowledges that every detail of the Franchise is important to Franchisee, Franchisor, and other franchisees to develop and maintain high operating standards, to increase the demand for the Services sold by all franchisees, and to protect Franchisor's reputation and goodwill.

5.4. Pre-Opening Obligations. Before commencing operations, Franchisee, at its expense, shall comply, to Franchisor's satisfaction, with all of the following requirements:

5.4.1. Franchisee shall comply, at Franchisee's expense, with all federal, state and local laws, codes and regulations.

5.4.2. Franchisee shall obtain all licenses, permits, and certifications required for the operation of the Franchise within the Territory and the parking and/or storage of Wallaby Vehicles in the Territory.

5.5. Opening. Franchisee shall open the Franchise within four months after the Effective Date. Prior to opening for business, Franchisee shall comply with all preopening requirements set forth in this Agreement, the Manuals, and/or elsewhere in writing by Franchisor. In addition, in connection with the opening of the Franchise:

5.5.1. Franchisee shall provide at least 14 days' prior notice to Franchisor of the date on which Franchisee proposes to first open the Franchise for business.

5.5.2. If the Franchise will operate from a Franchise Location, such location must be in the Territory and must comply with certain design and appearance standards as specified from time to time by Franchisor. Franchisee shall not open the Franchise until Franchisor has determined that all construction has been substantially completed, and that such construction conforms to Franchisor's standards, and Franchisor has given Franchisee written approval to open, which approval shall not be unreasonably withheld.

5.5.3. Franchisee shall not open the Franchise until Franchisor has determined that Franchisee has obtained a sufficient number of Wallaby Vehicles to Franchisor's standards in compliance with **Section 5.2**.

5.5.4. Franchisee shall not open the Franchise until the Operating Principal, Salesperson and Manager have successfully completed all initial training required by Franchisor, and Franchisee has hired and trained, to Franchisor's standards, a sufficient number of employees and engaged adequate subcontractors to service the anticipated level of the Franchise's customers.

5.5.5. Franchisee shall provide Franchisor with copies of the certificate of insurance, insurance policy endorsements and other evidence of compliance with the requirements described in Section 11 of this Agreement at least 30 days prior to opening the Franchise for business.

5.6. Management and Training. Franchisee must appoint an individual owner as its **"Operating Principal"** who has at least a 20% equity interest in Franchisee, must have authority over all business decisions related to the Franchise, and must have the power to bind Franchisee in all dealings with Franchisor. The Operating Principal is specified on the Summary Page. Franchisee must also appoint a manager to manage the day-to-day business of the Franchise (the **"Manager"**). Franchisee must appoint a salesperson to manage the day-to-day customer service and sales functions in accordance with Franchisor's specifications (the "**Salesperson**"). Franchisee's Operating Principal may serve as either its Manager, or Salesperson unless Franchisor believes that he or she does not have sufficient experience. The Operating Principal shall not serve as both the Manager and Salesperson. Franchisee must provide Franchisor with written notice of its Manager and Salesperson at least 14 days prior to initial training. Prior to the opening of the Franchise, the Manager, Salesperson and the Operating Principal must attend and successfully complete, to Franchisor's satisfaction, the initial training program offered by Franchisor, pursuant to **Section 3.2**. If Franchisor determines, in its sole discretion, that the Operating Principal, Salesperson or Manager is unable to satisfactorily complete any phase of the training program, Franchisor shall have the right to: (i) require the Salesperson, Operating Principal or Manager, as the case may be, to attend such additional training as Franchisor may require, at Franchisee's expense; or (ii) terminate this Agreement, in which event neither Franchisor nor Franchisee shall have any further rights or obligations hereunder. If Franchisor terminates this Agreement pursuant to the prior sentence, Franchisor shall refund a portion of the Initial Franchise Fee as provided in Section 4.1. The daily operations of the Franchise are at all times required to be supervised under the active full-time management of the Manager and Salesperson who have each successfully completed Franchisor's initial training program.

5.6.1. If the Manager or Salesperson ceases active management of the Franchise or in the event the Operating Principal is changed or is no longer a 20% equity owner of the Franchisee, Franchisee must hire a new Manager or Salesperson or appoint a new Operating Principal (as the case may be), who must be approved in writing by Franchisor. The new Manager, Salesperson or Operating Principal must undergo a certification training program that is prescribed by Franchisor, which may include training at the Franchise, another Franchise or

such other place as Franchisor shall designate. All expenses incurred by the new Manager, Salesperson or Operating Principal in attending such program including, without limitation, travel costs, room and board expenses and salaries and other benefits, shall be the sole responsibility of Franchisee. In addition, Franchisee shall: (a) pay Franchisor's then-current certification program fees; and (b) reimburse Franchisor for its out of pocket expenses, including without limitation, reasonable travel and room and board expenses. If Franchisor determines, in its sole discretion, that the new Manager, Salesperson or Operating Principal is unable to satisfactorily complete the certification program, Franchisor shall have the right to: (i) require the new Manager, Salesperson or Operating Principal, as applicable, to attend such additional training, at Franchisee's expense, so as to demonstrate his or her ability to operate the Franchise to Franchisor's satisfaction; or (ii) require Franchisee to promptly hire a replacement New Manager, Salesperson or appoint a new Operating Principal among its equity owners (who must have at least 20% equity ownership) who shall be required to undergo the training and certification programs contemplated by this Section.

5.6.2. Franchisor from time to time may provide and, if it does, may require that the Operating Principal, Manager, Salesperson and/or other employee attend and successfully complete refresher training programs or seminars including without limitation an annual conference ("Annual Conference"), to be conducted at such location as may be designated by Franchisor. Franchisee shall pay to Franchisor the then current Annual Conference Fee for each person required to attend. All expenses incurred by Franchisee and its employees in attending such program including, without limitation, travel costs, room and board expenses and salaries and benefits, shall be the sole responsibility of Franchisee.

5.6.3. If Franchisee requests that Franchisor provide on-site training in addition to the opening assistance described in **Section 3.4**, and Franchisor chooses to do so, then Franchisee agrees that it shall pay Franchisor's then-current per diem charges and out-of-pocket expenses, which shall be as set forth in the Manuals or otherwise in writing.

5.7. Personnel. Franchisee agrees to maintain a competent, conscientious and trained staff in numbers sufficient to promptly provide the Services and to take such steps as are necessary to ensure that its employees preserve good customer relations and comply with such dress code as Franchisor may prescribe. Franchisee will be solely responsible to locate, interview, hire, schedule, supervise, compensate and discipline all employees of the Business and be exclusively responsible for all terms of their employment, compensation and other personnel-related matters without influence from Franchisor. All employees hired by or working for Franchisee shall be the employees of Franchisee and shall not, for any purpose, be deemed employees of Franchisor or subject to Franchisor's supervision or control.

5.8. Equipment Upgrades. Franchisee shall make, from time to time, such upgrades and other changes to the equipment, Wallaby Vehicles and electronic

equipment utilized in the Franchise, the Technology System and Required Software as Franchisor may request in writing (collectively, "**Equipment Upgrades**"). Franchisor shall have the right to require any Equipment Upgrades it deems necessary for the Franchise.

5.9. Standards and Specifications. To insure that the highest degree of quality and service is maintained, Franchisee shall operate the Franchise in strict conformity with such methods, standards, and specifications as Franchisor may from time to time prescribe in the Manuals or otherwise in writing (as used in this Agreement, Franchisor's **"standards"**, **"requirements"**, **"specifications"** or **"Operating Standards"**). At a minimum, the Operating Standards shall include:

5.9.1. offering and selling at all times such goods and/or services that conform to Franchisor's written standards and specifications, and refraining from deviating therefrom by the use or offer of any nonconforming services without Franchisor's specific prior written consent

5.9.2. maintaining in sufficient supply, using, offering and selling at all times only such products, equipment, supplies, materials, and goods that conform to Franchisor's written standards and specifications, and refraining from deviating therefrom by the use or offer of any nonconforming products without Franchisor's specific prior written consent. To the extent Franchisee uses or intends to use subcontractors to perform installation or other services, Franchisee shall ensure that it has adequate numbers of subcontractors and that they are able to comply with the brand standards, quality and customer service standards necessary to protect the goodwill and positive reputation of the Marks and System.

5.9.3. offering and selling only such products as have been expressly approved for sale in writing by Franchisor; offering all products and services as Franchisor may specify from time to time as required offerings at the Franchise; offering all products authorized for sale as specified by Franchisor; refraining from any deviation from Franchisor's standards, without Franchisor's prior written consent; and discontinuing the sale of any products which Franchisor has disapproved, in writing, at any time. If Franchisee deviates or proposes to deviate from Franchisor's standards, whether or not such deviation is approved by Franchisor, such deviation shall become the property of Franchisor.

5.9.4. operating the Franchise to fully comply with all applicable laws and regulations.

5.9.5. offering and selling the services and products in accordance with any minimum, maximum, and/or specific prices that Franchisor may determine from time to time (except to the extent determination of prices by Franchisor is limited or prohibited by applicable law).

5.10. Non-Compliance. If Franchisee violates an Operating Standard, and fails to bring the Franchise into compliance with such Operating Standard within 10 days,

Franchisee shall pay to Franchisor upon demand $100 for each day that Franchisee is not in compliance with the relevant Operating Standard. Franchisor's right to charge these amounts is in addition to any other remedy provided under this Agreement, including under **Section 13**. Franchisor's damages from Franchisee's failure to comply with this Section may include loss of good will and other damages, and are difficult to measure and quantify; such amount is, therefore, a reasonable approximation of damages, and not a penalty.

5.11. Suppliers and Sourcing Requirements. Franchisor has the right to require that services and products offered by Franchisee, and services, products and equipment used by Franchisee in the establishment and operation of the Franchise: (a) meet specifications that Franchisor establishes from time to time; and/or (b) be purchased only from manufacturers, vendors, distributors, and other suppliers that Franchisor has expressly approved; and/or (c) be purchased only from a single source (which may include Franchisor or its affiliates or other suppliers which provide a financial benefit to Franchisor and may not be the least expensive supplier). To the extent that Franchisor establishes specifications, requires approval of suppliers, or designates specific suppliers for particular items, Franchisor will notify Franchisee via the Manuals or otherwise in writing. In determining whether Franchisor will approve any particular supplier, Franchisor shall consider various factors, including a supplier who can demonstrate, to Franchisor's continuing reasonable satisfaction, the ability to meet Franchisor's then current standards and specifications for such items; who possesses adequate quality controls and capacity to supply Franchisee's needs promptly and reliably; who would enable the System, in Franchisor's sole opinion, to take advantage of marketplace efficiencies; and who has been approved in writing by Franchisor prior to any purchases by Franchisee from any such supplier, and have not thereafter been disapproved. For the purpose of this Agreement, the term **"supplier"** shall include, but not be limited to, manufacturers, distributors, resellers, and other vendors. Franchisee recognizes that Franchisor shall have the right to appoint only one supplier for any particular item, and that Franchisor may so designate itself or its affiliate.

5.11.1. If Franchisee wishes to purchase any services, products, equipment or any items that Franchisor has not approved or to purchase from an unapproved supplier, Franchisee shall first submit to Franchisor a written request for such approval. Franchisee shall not purchase any products or services or make purchases from any supplier until, and unless, such item or supplier has been approved in writing by Franchisor. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to Franchisor or to an independent laboratory designated by Franchisor for testing or evaluation. Franchisor may require that Franchisee or supplier pay a reasonable fee charge for such testing or evaluation. Franchisor may also require that the supplier comply with such other requirements as Franchisor may deem appropriate, including payment of reasonable continuing inspection/evaluation fees and administrative costs. Franchisor reserves the right, at its option, to reinspect from time to time the

facilities and products or equipment of any such approved supplier and to revoke its approval of any item or supplier upon the item's or supplier's failure to continue to meet any of Franchisor's then current criteria. Franchisee may not own any portion of any supplier or subcontractor without Franchisor's written approval.

5.11.2. Franchisee acknowledges and agrees that Franchisor shall have the right to collect and retain all manufacturing allowances, markups, marketing allowances, rebates, credits, monies, payments or benefits (collectively, "**Allowances**") offered by suppliers to Franchisee or to Franchisor or its affiliates based upon purchases of products, equipment and other goods and services made by the Brand Fund or Franchisees. These Allowances are based on System-wide purchases of products, services, merchandise and other items and shall be unrestricted income to Franchisor. Franchisee assigns to Franchisor or its designee all of Franchisee's right, title and interest in and to any and all such Allowances and authorizes Franchisor or its designee to collect and retain any or all such Allowances without restriction (unless otherwise instructed by the supplier). Franchisor may mark up or receive Allowances from any providers or vendors doing business with Franchisees, Franchisor or the Brand Fund including without limitation, equipment, supplies, advertising and marketing vendors. Franchisor may in its sole discretion retain as income with no further obligations, or utilize some or all of the Allowances for System-wide marketing, other brand enhancement activities or specific required or local area marketing, or such Allowance monies may be deposited into the Brand Fund for future use and expenditures by the Brand Fund.

5.11.3. Compliance with laws regarding the chemicals, products, equipment and other supplies that Franchisee uses in its Franchise is Franchisee's sole responsibility. Franchisor makes no warranty or representation that chemicals, products and other supplies that it recommends, approves or requires comply with applicable laws in Franchisee's jurisdiction. Franchisee must notify Franchisor in writing immediately if any recommended, approved or required chemical, product or supply is subject to regulation or laws in Franchisee's jurisdiction. Franchisor will cooperate with Franchisee in identifying substitute equipment, products or supplies as appropriate.

5.12. Inspections. Franchisee grants Franchisor and its agents the right to enter upon the Franchise premises (if applicable) or attend and monitor Franchisee while performing services for customers at any time for the purpose of conducting inspections, for among other purposes, preserving the validity of the Marks, and verifying Franchisee's compliance with this Agreement and the Operating Standards and policies and procedures outlined in the Manuals. Franchisee shall cooperate with Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from Franchisor or its agents and without limiting Franchisor's other rights under this Agreement, Franchisee shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Franchisee shall reimburse Franchisor for the travel expenses and room and board of Franchisor's

representatives for all inspections including subsequent inspections to ensure all deficiencies have been corrected. Should Franchisee, for any reason, fail to correct such deficiencies within a reasonable time as determined by Franchisor, Franchisor shall have the right, but not the obligation, to correct any deficiencies which may be susceptible to correction by Franchisor and to charge Franchisee for Franchisor's actual expenses in taking such actions, payable by Franchisee upon demand. The foregoing shall be in addition to such other remedies Franchisor may have.

5.13. Technology System. At Franchisor's request, Franchisee shall purchase or lease, and thereafter maintain, the Technology System and Required Software, and Franchisee shall enter into all licenses or agreements and pay such licensing fees as necessary for Franchisee to obtain the rights to use the Technology System and Required Software. Franchisee shall also pay to Franchisor the then-current amount of the Technology Fee ("Technology Fee"), currently $80 per Territory per week. If Franchisee has more than one Territory, the total Technology Fee for up to 3 contiguous Territories shall be equal to the then-current Technology Fee for one Territory. Franchisor shall have the right at any time to retrieve and use such data and information from Franchisee's Technology System that Franchisor deems necessary or desirable, including, without limitation, the uses identified in **Section 9.5**, and Franchisee agrees to do all things necessary to provide such access. Franchisee expressly agrees that it shall strictly comply with Franchisor's standards and specifications for all item(s) associated with Franchisee's Technology System, and will otherwise operate its Technology System in accordance with Franchisor's standards and specifications. Franchisee agrees it shall keep its Technology System in good maintenance and repair, at its expense, and shall promptly install such additions, changes, modifications, substitutions and/or replacement to the Technology System and the Required Software as Franchisor directs periodically in writing. Franchisee shall provide to Franchisor, upon Franchisor's request, all email lists and customer lists used or maintained by Franchisee on the Technology System, the Required Software or elsewhere. Franchisee must execute and pay any fees associated with any software license agreements or any related software maintenance agreements that Franchisor or the licensor of the Required Software require. Franchisee must comply with all laws and payment card provider standards relating to the security of the Technology System, including, without limitation, the Payment Card Industry Data Security Standards. Franchisee may not use any other cash registers or computer systems in the Franchise.

5.14. Uniform Attire. To promote a uniform System image, Franchisee shall require all of its personnel to dress during business hours in the attire specified in the Manuals.

5.15. Participation in Promotions and Incentive Programs. Franchisee shall participate in promotional programs developed by Franchisor for the System, in the manner directed by Franchisor in the Manuals or otherwise in writing.

5.16. Franchisee Advisory Council. Franchisor may establish an advisory council comprised of Franchisees for the purpose of fostering communication among and between franchisees and Franchisor, as well as to establish, modify or discuss various policies applicable to Franchise businesses operating under the System (the **"Franchisee Advisory Council"**). If Franchisor establishes the Franchisee Advisory Council, Franchisee may be required to become a member of the Franchisee Advisory Council and participate in Franchisee Advisory Council meetings and programs as Franchisor shall designate. Franchisor will not assess fees or dues for participation in or on the Franchisee Advisory Council, but Franchisee may be required to pay dues (which may be expended in any allocation in accordance with the vote of the Franchisee Advisory Council subject to the approval of Franchisor) to the Franchisee Advisory Council if the Franchisee Advisory Council, which is controlled by franchisees, determines that fees shall be assessed. Franchisee may be required to pay all costs and expenses incurred in connection with participation in the Franchisee Advisory Council including, without limitation, the costs of transportation, lodging, and meals.

5.17. Franchisee Structure.

5.17.1. Except as otherwise approved in writing by Franchisor, if Franchisee is a corporation, it shall: (i) confine its activities, and its governing documents shall at all times provide that its activities are confined, exclusively to operating the Franchise; (ii) furnish Franchisor with a copy of its articles or certificates of incorporation and bylaws, as well as such other documents as Franchisor may reasonably request, and any amendment thereto; (iii) maintain stop transfer instructions on its records against the transfer of any equity securities and shall only issue securities upon the face of which a legend, in a form satisfactory to Franchisor, appears which references the transfer restrictions imposed by this Agreement; (iv) not issue any voting securities or securities convertible into voting securities; and (v) maintain a current list of all owners of record and all beneficial owners of any class of voting stock of Franchisee and furnish the list to Franchisor upon request, which list shall be amended to reflect changes in ownership, as permitted under this Agreement.

5.17.2. If Franchisee is a partnership or limited liability partnership it shall: (i) confine its activities, and its governing documents shall at all times provide that its activities are confined, exclusively to operating the Franchise; (ii) furnish Franchisor with its partnership agreement as well as such other documents as Franchisor may reasonably request, and any amendments thereto; (iii) prepare and furnish to Franchisor, upon request, a current list of all general and limited partners in Franchisee, which list shall be amended to reflect changes in ownership, as permitted under this Agreement; and (iv) maintain stop transfer instructions on its records and in its partnership agreement against the transfer of partnership interests and equity securities, and shall only issue securities or partnership interests with documentation which bears a notice or legend, in a form satisfactory to Franchisor, which references the transfer restrictions imposed by this Agreement.

5.17.3. If a Franchisee is a limited liability company, Franchisee shall: (i) confine its activities, and its governing documents shall at all times provide that its activities are confined, exclusively to operating the Franchise; (ii) furnish Franchisor with a copy of its articles of organization and operating agreement, as well as such other documents as Franchisor may reasonably request, and any amendments thereto; (iii) prepare and furnish to Franchisor, upon request, a current list of all members and managers in Franchisee, which list shall be amended to reflect changes in ownership, as permitted under this Agreement; and (iv) maintain stop transfer instructions on its records against the transfer of equity securities and shall only issue securities upon the face of which bear a legend, in a form satisfactory to Franchisor, which references the transfer restrictions imposed by this Agreement.

5.18. Guarantee of Performance. Each present and future: (i) shareholder of a corporate Franchisee; (ii) member of a limited liability company Franchisee; (iii) partner of a partnership Franchisee; or (iv) partner of a limited liability partnership Franchisee; shall jointly and severally guarantee Franchisee's performance of each and every provision of this Agreement by executing the Guarantee, Indemnification and Acknowledgment in the form attached to this Agreement as **Exhibit C**. In addition, Franchisor may require that the spouse (or domestic partner or other immediate family member) of an owner of Franchisee sign the Guarantee, Indemnification and Acknowledgment however such Guarantee by a spouse shall only be pursued by Franchisor if there is a material transfer of assets from the spouse having an ownership interest in the Franchisee to the non-owning spouse.

5.19. System Modifications. Franchisee acknowledges and agrees that from time to time hereafter Franchisor may change or modify the System as Franchisor deems appropriate, including, without limitation, to reflect the changing market and/or to meet new and changing consumer demands, and that variations and additions to the System may be required from time to time to preserve and enhance the public image of the System and operations of Franchises. Franchisor's changes to the System may include, without limitation, the adoption and use of new or modified products, services, equipment and furnishings and new techniques and methodologies relating to the sale, promotion and marketing of products and services, and new trademarks, service marks and copyrighted materials. Franchisee shall, upon reasonable notice, accept, implement, use and display in the operation of the Franchise any such changes in the System, as if they were part of this Agreement at the time of execution hereof, at Franchisee's sole expense. Additionally, Franchisor reserves the right, in its sole discretion, to vary the standards throughout the System, as well as the services and assistance that Franchisor may provide to some franchisees based upon the peculiarities of a particular site or circumstance, existing business practices, or other factors that Franchisor deems to be important to the operation of any Franchise or the System.

5.20. Third-Party Management. The Franchise shall be operated under the control and supervision of Franchisee (or if an entity, the Operating Principal) or

its Manager. Franchisee shall not, without the prior written approval of Franchisor, which may be denied for any reason or no reason at all, hire or retain a management company, manager (other than an employee manager trained and approved by Franchisor), or third party to undertake any of the management or operational functions of the Franchise.

6. PROPRIETARY MARKS

6.1. Ownership of the Marks. Franchisor represents that it is the owner of all right, title and interest in and to the Marks or otherwise maintains the right to use, license and sub-license such Marks.

6.2. Use of the Marks. With respect to Franchisee's use of the Marks, Franchisee agrees that:

6.2.1. Franchisee shall use only the Marks designated by Franchisor, and shall use them only in the manner authorized and permitted by Franchisor; all items bearing the Marks shall bear the then-current logo.

6.2.2. Franchisee shall use the Marks only for the operation of the business franchised hereunder and only at the location authorized hereunder, or in Franchisor approved advertising for the business conducted at or from that location.

6.2.3. Unless Franchisor otherwise directs Franchisee, in writing to do so, Franchisee shall operate and advertise the Franchise only under the name "Wallaby Windows" or the name listed on the Summary Page to this Agreement.

6.2.4. During the term of this Agreement and any renewal of this Agreement, Franchisee shall identify itself to the public (in a manner reasonably acceptable to Franchisor) as an independent contractor operating the Franchise under a license from Franchisor, and to post a notice to that effect, and as Franchisor directs, in Franchisee's advertising, contracts, forms, stationery and promotional materials.

6.2.5. Franchisee's right to use the Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Franchisor's rights.

6.2.6. Franchisee shall not use the Marks to incur any obligation or indebtedness on behalf of Franchisor.

6.2.7. Franchisee shall not use the Marks or the word Wallaby or any variant thereof as part of its corporate or other legal name, or as part of any e-mail address, domain name, or other identification of Franchisee in any electronic medium.

6.2.8. Franchisee shall execute any documents deemed necessary by Franchisor to obtain protection for the Marks or to maintain their continued validity and enforceability.

6.2.9. With respect to litigation involving the Marks, the parties agree that:

6.2.9.1. Franchisee shall promptly notify Franchisor of any suspected infringement of the Marks, any known challenge to the validity of the Marks, or any known challenge to Franchisor's ownership of, or Franchisee's right to use, the Marks licensed hereunder. Franchisee acknowledges that Franchisor shall have the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement thereof. Franchisor shall also have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks.

6.2.9.2. If Franchisor undertakes the defense or prosecution of any litigation relating to the Marks, Franchisee shall execute any and all documents and do such acts and things as may, in the opinion of counsel for Franchisor, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action.

6.3. Franchisee Acknowledgments. Franchisee expressly understands and acknowledges that:

6.3.1. The Marks are valid, owned by Franchisor, and serve to identify the System and those who are authorized to operate under the System.

6.3.2. Neither Franchisee nor any owner of Franchisee shall directly or indirectly contest the validity of Franchisor's ownership of the Marks, nor shall Franchisee, directly or indirectly, seek to register the Marks with any government agency, except with Franchisor's express prior written consent.

6.3.3. Franchisee's use of the Marks does not give Franchisee any ownership interest or other interest in or to the Marks, beyond the limited non-exclusive License granted by this Agreement.

6.3.4. Any and all goodwill arising from Franchisee's use of the Marks shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement and the License herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Marks.

6.3.5. The License of the Marks is nonexclusive, and Franchisor thus has and retains the rights, among others:

6.3.5.1. To use the Marks itself in connection with selling products and services;

6.3.5.2. To grant other licenses for the Marks, in addition to those licenses already granted to existing franchisees or other licensees authorized to operate using the Marks;

6.3.5.3. To develop and establish (or acquire or be acquired by) other systems using the same or similar Marks, or any other proprietary marks, and to grant licenses or franchises thereto without providing any rights therein to Franchisee.

6.3.6. Franchisor reserves the right to substitute different proprietary marks for use in identifying the System and the businesses operating thereunder if the Marks no longer can be used, or if Franchisor, exercising its right to do so, determines that substitution of different proprietary marks will be beneficial to the System. In such circumstances, Franchisee shall implement, at Franchisee's expense, such substituted proprietary marks in such ways as Franchisor may direct, and the use of the substituted proprietary marks shall be governed by the terms of this Agreement.

7. CONFIDENTIAL OPERATING MANUALS

7.1. Manuals. In order to protect the reputation and goodwill of Franchisor and to maintain high standards of operation under Franchisor's Marks, Franchisee shall conduct its business in accordance with the Manuals, one or more copies of which, or access to, Franchisee acknowledges having received on loan from Franchisor for the term of this Agreement. The Manuals may consist of multiple volumes of printed text, video and/or audio tapes and files, computer disks, and other electronically stored data, and Franchisee acknowledges and agrees that Franchisor may provide a portion or all of the Manuals (including updates and amendments), and other instructional information and materials in, or via, electronic media, including without limitation, through the Internet.

7.2. Confidentiality of the Manuals. Franchisee shall at all times treat the Manuals, any other manuals created for or approved for use in the operation of the Franchise, and the information contained therein, as confidential, and shall use best efforts to maintain such information as secret and confidential, protect it from viewing by others, and treat the Manuals with the same degree of care as it would treat its most highly confidential documents. Franchisee shall not at any time download, print, copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

7.3. Protection of the Manuals. The Manuals shall at all times remain the sole property of Franchisor and shall at all times be kept in a secure manner at the Franchise premises. Franchisee shall ensure that the Manuals are kept current and up to date; and, in the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by Franchisor at Franchisor's home office shall be controlling.

7.4. Revisions to the Manuals. Franchisor may from time to time revise the contents of the Manuals, and Franchisee expressly agrees to make corresponding revisions to its copy (to the extent Franchisor permits Franchisee to maintain a written copy) of the Manuals and to comply with each new or changed standard immediately upon receipt of such revision.

8. CONFIDENTIAL INFORMATION

8.1. Confidential Information. Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person or entity any confidential information, knowledge, or knowhow concerning the methods of operation of the business franchised hereunder which may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation under the terms of this Agreement. Franchisee shall divulge such confidential information only to such of its employees as must have access to it in order to operate the Franchise. Any and all information, knowledge, knowhow, and techniques which Franchisor designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention prior to disclosure thereof by Franchisor; or which, at or after the time of disclosure by Franchisor to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others. Any employee who may have access to any confidential information regarding the Franchise shall execute a covenant that s/he will maintain the confidentiality of information they receive in connection with their association with Franchisee. Such covenants or non-disclosure/non-competition agreements shall be on a form provided by Franchisor, which form shall, among other things, designate Franchisor as a third party beneficiary of such covenants with the independent right to enforce them.

8.2. Irreparable Injury. Franchisee acknowledges that any failure to comply with the requirements of this **Section 8** will cause Franchisor irreparable injury, and Franchisee agrees to pay all court costs and reasonable attorney's fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this **Section 8**.

8.3. Information Exchange. Franchisee agrees to disclose to Franchisor all ideas, concepts, methods, techniques, services, and products conceived or developed by Franchisee, its affiliates, owners, agents, or employees during the term of this Agreement relating to the development and/or operation of the Franchise. Franchisee hereby grants to Franchisor and agrees to procure from its affiliates, owners, agents, or employees a perpetual, nonexclusive, and worldwide right to use any such ideas, concepts, methods, techniques, services and products. Franchisor shall have no obligation to make any payments to Franchisee with respect to any such ideas, concepts, methods, techniques or products. Franchisee agrees that Franchisee will 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.

9. ACCOUNTING AND RECORDS

9.1. Records. With respect to the operation and financial condition of Franchisee and the Franchise, Franchisee shall adopt, until otherwise specified by Franchisor, a fiscal year and fiscal accounting periods which coincide with Franchisor's then-current fiscal year, as specified by Franchisor. Franchisee shall maintain for a period of not less than three years during the term of this Agreement, and, for not less than three years following the termination, expiration, or non-renewal of this Agreement, full, complete, and accurate books, records, and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manuals or otherwise in writing.

9.2. Periodic Reports. In addition to the record keeping requirements of **Section 9.1**:

9.2.1. If requested by Franchisor, Franchisee shall, at its expense, provide to Franchisor, in a format specified by Franchisor, a complete annual financial statement (prepared according to generally accepted accounting principles, that includes a fiscal year-end balance sheet, an income statement of the Franchise for such fiscal year reflecting all year-end adjustments, and a statement of changes in cash flow of Franchisee), on a review basis, prepared by an independent certified public accountant satisfactory to Franchisor, no later than April 15 of each year for the preceding fiscal year of the Franchise, showing the results of operations of the Franchise during the most recently completed fiscal year. Franchisee shall also provide Franchisor with a copy of Franchisee's federal and state tax returns, not more than 30 days following Franchisee's submission of the same to governmental authorities. If Franchisee files any extension request with any taxation authority, Franchisee shall within 30 days of filing such extension request provide a copy of the request and any confirmation or approval received by the taxing authority.

9.2.2. Within 45 days following the end of each calendar quarter during the term of this Agreement, after the opening of the Franchise, Franchisee shall submit to Franchisor, in a format acceptable to (or, at Franchisor's election, specified by) Franchisor, as amended from time to time: (i) a fiscal quarter and fiscal year to date profit and loss statement and a quarterly balance sheet (which may be unaudited) for the Franchise; (ii) reports of those income and expense items of the Franchise which Franchisor specifies from time to time for use in any revenue, earnings, and/or cost summary it chooses to furnish to prospective franchisees and/or developers; and (iii) copies of all state sales tax returns for the Franchise. If required by Franchisor, Franchisee shall use on-line or other electronic accounting and reporting systems as Franchisor may specify periodically.

9.3. Reporting Requirements. Franchisee shall also submit to Franchisor in addition to the Sales Reports required pursuant to **Section 4.2**, for review or auditing, such other forms, reports, records, information, and data as and when Franchisor may reasonably designate, in the form and format, and at the times and places reasonably required by Franchisor, upon request and as specified from time

to time in the Manuals or otherwise in writing, including, without limitation, via computer diskette, or otherwise in electronic format, and/or restated in accordance with Franchisor's financial reporting periods, consistent with Franchisor's then current financial reporting periods and accounting practices and standards. Franchisee shall, without limitation, provide Franchisor with login, API and other access information as required from time to time to permit Franchisor to remotely access Franchisee's bookkeeping software (i.e. QuickBooks or other software designated by Franchisor) to pull reports, download data and perform any other action permitted under this Agreement. Franchisee shall immediately, without further request from Franchisor, provide updated access information to Franchisor when the previously provided information is changed. The reporting requirements of this **Section 9.3** shall be in addition to, and not in lieu of, the electronic reporting that may be required in connection with the use of the required Technology System under **Section 5.13**.

9.4. Audit. Franchisor or its designated agents shall have the right at all reasonable times to examine, copy, and/or personally review or audit, at Franchisor's expense, all books, records, and sales and income tax returns of Franchisee. Franchisor shall also have the right, at any time, to have an independent audit made of the books of Franchisee and Franchisee agrees that it shall pay Franchisor the costs of one audit each calendar quarter during the term of this Agreement, if an audit is necessitated because Franchisee fails to timely provide Sales Reports or if an audit discloses an understatement in any report by Franchisee of 5% or more, Franchisee shall, reimburse Franchisor for all costs and expenses connected with the audit (including, without limitation, travel, room and board and salaries and other benefits, and reasonable accounting and legal costs). If an inspection should reveal that any payments have been understated in any report to Franchisor, then Franchisee shall immediately pay Franchisor the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of 1.5% per month, or the maximum rate permitted by law, whichever is less. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

9.5. Data. Franchisor may, from time-to-time, specify in the Manuals or otherwise in writing the information that Franchisee shall collect and maintain on the Technology System installed at the Franchise, and Franchisee shall provide to Franchisor such reports as Franchisor may reasonably request from the data so collected and maintained. All data provided by Franchisee in any form, and whether required by this **Section 9.5** or any other requirement under the System or in the Manuals, including data uploaded to Franchisor's computer system from the Franchisee's Technology System, and/or downloaded from the Franchisee's Technology System to Franchisor's computer system, is and will be owned exclusively by Franchisor, including without limitation, customer lists and email lists, and Franchisor will have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee. In addition, all other data created or collected by Franchisee in connection with the System, or in connection with Franchisee's operation of the business (including but not

limited to consumer and transaction data), is and will be owned exclusively by Franchisor during the term of, and following termination or expiration of, this Agreement. Copies and/or originals of such data must be provided to Franchisor upon Franchisor's request. Franchisor hereby licenses use of such data back to Franchisee, at no additional cost, solely for the term of this Agreement and solely for Franchisee's use in connection with the business franchised under this Agreement. Franchisor may use all such information, data, and reports in any manner, including, without limitation, providing financial and operating reports to franchisees and developers operating under the System.

10. ADVERTISING; CONTACT CENTER

Recognizing the value of advertising, and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

10.1. Brand Funds. Franchisor shall have the right to establish, at any time, the Brand Fund as described in this **Section 10**.

10.2. Brand Fund Contributions and Local Marketing Expenditures. Franchisee shall, during each calendar month beginning one month prior to opening and continuing through the end of Term, spend on advertising and promotion the greater of $3,500 per Territory or 5% of Franchisee's Gross Sales to advertise and to promote the Franchise through methods, media and advertising approved by Franchisor (together, "Local Marketing"). This is the minimum amount and additional amounts may be beneficial or necessary. Franchisor shall have the right to designate in writing from time to time how, and in what proportions, Franchisee is to allocate its Local Marketing. Additionally, Franchisee shall contribute (i) 1% of Gross Sales to the Brand Fund ("Brand Fund") as may be established pursuant to Section 10.3. The Brand Fund contribution may be increased to 2% upon notice to Franchisee. If a franchisee-led marketing cooperative is formed you may be required to participate.

10.2.1. Franchisor shall provide Franchisee with not less than 60 days prior written notice of any change in the required Local Marketing (which will not exceed 5% of Gross Sales). Franchisor shall not increase required Brand Fund contributions to an amount exceeding 2% of Gross Sales.

10.2.2. Franchisee shall pay required Brand Fund Contributions in the manner required under **Section 4** (or as otherwise provided in this **Section 10**).

10.2.3. For all company-owned Franchises, Franchisor shall contribute to the Brand Fund on the same basis as franchisees.

10.3. Brand Fund. Although it is under no obligation to do so, Franchisor may at any time establish a Brand Fund, as follows:

10.3.1. Franchisor or its designee shall have the right to direct all advertising programs, as well as all aspects thereof, including without limitation, the concepts, materials, and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Brand Fund is intended to maximize general public recognition, acceptance, perception of, and use of the System; and that Franchisor and its designee are not obligated, in administering the Brand Fund, to make expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Brand Fund. Franchisor may engage the services of a franchise sales organization for development of the franchise system, and Franchisee specifically acknowledges and agrees that such franchise sales organization may be compensated out of the Brand Fund in exchange for services and products that, while not intended solely to market the sale of franchises, benefit the franchise system through franchise development and brand marketing."

10.3.2. The Brand Fund, all contributions thereto, and any earnings thereon, shall be used exclusively (except as otherwise provided in this **Section 10.3**) to meet any and all costs of maintaining, administering, directing, conducting, creating and/or otherwise preparing advertising, marketing, public relations and/or promotional programs and materials, research and design relating to branding and implementation of re-branding programs and strategies, and any other activities which Franchisor believes will enhance the image of the System, including, without limitation, the costs of: preparing and/or conducting media advertising campaigns; marketing surveys and other public relations activities; employing advertising and/or public relations agencies; purchasing promotional items; developing new or modified trade dress and marks; point-of-purchase (POP) materials; design and photographs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research; developing and implementing customer loyalty programs; the creative development of, and actual production associated with, premium items, giveaways, promotions, contests, public relation events, and charitable or non-profit events; developing, implementing and maintaining an electronic commerce website and/or related strategies; maintaining and developing one or more websites devoted to the System, the Marks and/or the "Wallaby" brand; providing promotional and other marketing materials and services to the Franchises operated under the System; and the salaries of Franchisor's employees to the extent such employees provide services in conjunction with System marketing activities. The Brand Fund may also be used to provide rebates or reimbursements to franchisees for local expenditures on products, services, or improvements, approved in advance by Franchisor, which products, services, or improvements Franchisor shall have the right to determine what will promote general public awareness and favorable support for the System.

10.3.3. Franchisee shall contribute to the Brand Fund in the manner specified by Franchisor. All sums paid by Franchisee to the Brand Fund may, but

are not required to be, maintained in an account separate from Franchisor's other monies. The Brand Fund will not be used to defray the general operating expenses of Franchisor except that Franchisor shall have the right to charge the Brand Fund for such reasonable administrative costs and overhead as Franchisor may incur in activities reasonably related to the direction and implementation of the Brand Fund and advertising programs for franchisees and the System. The Brand Fund and its earnings shall not otherwise inure to the benefit of Franchisor.

10.3.4. The Brand Fund is not intended to be, nor will it be deemed to be a trust, and Franchisor does not assume any fiduciary obligation to Franchisee for maintaining, directing or administering the Brand Fund or for any other reason. A statement of the operations of the Brand Fund as shown on the books of Franchisor shall be prepared annually by Franchisor, and shall be made available to Franchisee on an annual basis upon Franchisee's written request.

10.3.5. Although the Brand Fund is intended to be of perpetual duration, Franchisor maintains the right to terminate the Brand Fund. The Brand Fund shall not be terminated, however, until all monies in the Brand Fund have been expended for advertising and/or promotional purposes. If Franchisor terminates the Brand Fund, Franchisor shall have the right to require Franchisee to spend an amount equal to previous Brand Fund contribution amount on Local Marketing and allocate such spending as directed by Franchisor.

10.4. Promotional Materials and Marketing Assistance. Franchisor shall make available to Franchisee from time to time, at Franchisee's expense, advertising plans and promotional materials, including newspaper mats, coupons, merchandising materials, sales aids, point of purchase materials, special promotions, direct mail materials, community relations programs, and similar advertising and promotional materials for use in advertising and promotion. Franchisor may provide periodic marketing assistance to Franchisee.

10.5. Approvals. For all proposed advertising, marketing, and promotional plans, Franchisee shall submit samples of such plans and materials to Franchisor (by means described in **Section 20**), for Franchisor's review and prior written approval (except with respect to prices to be charged by Franchisee). If written approval is not received by Franchisee from Franchisor within 30 days of the date of receipt by Franchisor of such samples or materials, Franchisor shall be deemed to have disapproved them. Franchisee acknowledges and agrees that any and all copyright in and to advertising and promotional materials developed by or on behalf of Franchisee shall be the sole property of Franchisor, and Franchisee agrees to execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed reasonably necessary by Franchisor to give effect to this provision.

10.6. Minimum Requirements Only. Franchisee understands and acknowledges that the required Local Marketing and Brand Fund contributions are minimum requirements only, and that Franchisee may, and is encouraged by Franchisor to

expend additional funds for local advertising and promotion of a local nature which will focus on disseminating advertising directly related to the Franchise.

10.7. Websites; Internet Use. Franchisee shall not, without Franchisor's prior written approval, offer, promote, or sell any products or services, or make any use of the Marks, through the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce (as defined below) and co-branding arrangements. Any website shall be deemed "advertising" under this Agreement, and will be subject to (among other things) Franchisor's approval under **Section 10.6**. Franchisor has the right to control or designate the manner of Franchisee's use of all URLs, domain names, website addresses, metatags, links, key words, e-mail addresses and any other means of electronic identification or origin ("**e-names**"). Franchisor also has the right to designate, approve, control or limit all aspects of Franchisee's use of the Internet, Intranet, World Wide Web, wireless technology, digital cable, use of e-names, e-mail, home pages, bulletin boards, chat rooms, social networking sites, linking, framing, online purchasing cooperatives, marketplaces, barter exchanges, and related technologies, methods, techniques, registrations, networking, and any electronic communication, commerce, computations, or any means of interactive electronic documents contained in a network of computers or similar devices linked by communications software or hardware (collectively, "**e-commerce**"). Franchisee agrees to follow all of Franchisor's policies and procedures related to the use and regulation of e-commerce. Franchisee agrees to be bound by any terms of use, privacy policy and copyright notice and takedown policies and the like that Franchisor establishes from time to time. Franchisor may require Franchisee, at Franchisee's expense, to coordinate its e-commerce activities with Franchisor, other Franchises, suppliers and/or affiliates. Other than any e-mail or any similar account provided to Franchisee by Franchisor, if any, Franchisee shall not establish any e-mail account using the Marks or similar names or marks. Franchisee agrees to use any e-mail or any similar account provided to Franchisee by Franchisor solely for business purposes. Franchisee shall be required to follow Franchisor's intranet and Internet usage rules, policies and requirements. Franchisor retains the sole right to approve any linking to, or other use of, the Wallaby Website. Franchisee may not establish or participate in any Wallaby related blog or other discussion forum. Franchisee recognizes and agrees that Franchisor and its affiliates own all rights, title and interest in and to any and all websites and e-names that Franchisor commissions or utilizes, or requires or permits Franchisee to utilize, in connection with the System, which bear the Marks or any derivative of the Marks. Franchisee also recognizes and agrees that Franchisor and/or its affiliates own all rights, title and interest in and to any and all data or other information collected via e-commerce related to the System or the Marks, including any customer data, click-stream data, cookies, user data, hits and the like. Such data or other information also constitutes Franchisor's confidential information subject to **Article 8.**

10.8. Limitations on Associations with the Marks. Franchisee acknowledges and agrees that certain associations between Franchisee and/or the Franchise, and/or the Marks and/or the System, and/or businesses operating under or products sold under the Marks or the Wallaby brand names on the one hand, and certain political, religious, cultural or other types of groups, organizations, causes, or activities, on the other, however well-intentioned and/or legal, may create an unwelcome, unfair, or unpopular association with, and/or an adverse effect on, the reputation of Franchisor, the System, the Wallaby brand, or the good will associated with the Marks. Accordingly, Franchisee shall not, without the prior written approval of Franchisor, engage in any activities with, or donate any money, products, services, goods, or other items to, any charitable, political or religious organization, group, or activity, if such action is taken, or may be perceived by the public to be taken, in the name of, in connection with, or in association with Franchisee, the Marks, the Franchise, the Franchisor, or the System.

10.9 Contact Center. Throughout the Term of this Agreement and any applicable renewal term, Franchisee shall pay to Franchisor a continuing weekly non-refundable contact center fee (the "Contact Center Fee") in an amount equal to 1.5% of Gross Sales generated by Franchisee in the corresponding week. Franchisee agrees that Franchisor shall determine the Contact Center Fee in Franchisor's Reasonable Business Judgment and that Franchisor may modify the Contact Center Fee from time to time provided that the Contact Center Fee shall not exceed 3% of Franchisee's Gross Sales during each respective weekly reporting period. Contact Center Fees shall be calculated on a weekly basis for each respective reporting period and shall be payable in the same manner and at the same time as Royalty Fees. Franchisor may at any time elect not to operate a Contact Center or to reduce the services provided by the Contact Center and reduce the Contact Center Fee in its discretion.

10.10 Customer Reviews and Non-Compliance. 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 stars out of 5 stars and/or a 80% positive satisfaction rating then you must pay to us a customer review non-compliance fee of $90 for each and every week of non-compliance. If, a condition of non-compliance occurs for more than twelve-weeks then we may increase this non-compliance fee to a weekly fee of not more than $250 per week.

10.11 Local or Regional Advertising Cooperative. If two or more Wallaby Windows franchisees 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 a local or regional advertising cooperative is established within a designated market that includes your Territory 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 Wallaby Windows franchisee will have one vote for each Territory 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.

11. INSURANCE

11.1. Insurance Requirements. Prior to the commencement of any activities or operations pursuant to this Agreement, Franchisee shall procure and maintain in full force and effect during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the term of this Agreement), at Franchisee's expense, the following insurance policy or policies in connection with the Franchise or other facilities on the premises, or by reason of the construction, operation, or occupancy of the Franchise or other facilities on premises. Such policy or policies shall be written by an insurance company or companies acceptable to Franchisor, having a rating of at least "A-7" in the most recent Key Rating Guide published by the A.M. Best Company (or another rating that Franchisor reasonably designates if A.M. Best Company no longer publishes the Key Rating Guide) and licensed to do business in the state in which the Franchise is located. Such policy or policies shall be in accordance with standards and specifications set forth in the Manuals or otherwise in writing and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified for all franchisees from time to time by Franchisor in the Manuals or otherwise in writing to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances), the following:

11.1.1. 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 not less than $1,000,000 per occurrence.

11.1.2. If any vehicles are used for business purposes, business automobile liability insurance, including a combined single bodily injury and property damage coverage for all owned, non owned, and hired vehicles, with limits of liability not less than $1,000,000 per occurrence for both bodily injury and property damage.

11.1.3. Statutory workers' compensation insurance and employer's liability insurance for a minimum limit of at least $500,000, as well as such other disability benefits type insurance as may be required by statute or rule of the state in which the Franchise is located.

11.1.4. Commercial umbrella liability insurance with limits which bring the total of all primary underlying coverages to not less than $2,000,000 total limit of liability.

11.1.5. Property insurance providing coverage for direct physical loss or damage to real and personal property for all-risk perils, including the perils of flood and earthquake.

11.1.6. Any other insurance coverage that is required by federal, state, or municipal law.

11.2. Referenced in Manuals. All policies listed in **Section 11.1** (unless otherwise noted below) shall contain such endorsements as shall, from time to time, be provided in the Manuals.

11.3. Policy Cancellation. In the event of cancellation, material change, or nonrenewal of any policy, 60 days' advance written notice must be provided to Franchisor in the manner provided in **Article 20**. Franchisee shall arrange for a copy of such notification to be sent to Franchisor by the insurance company.

11.4. Construction and Remodeling Insurance. In connection with all significant construction, reconstruction, or remodeling of the Franchise during the term of this Agreement, Franchisee will cause the general contractor, its subcontractors, and any other contractor, to effect and maintain at general contractor's and all other contractor's own expense, such insurance policies and bonds with such endorsements as are set forth in the Manuals, all written by insurance or bonding companies approved by Franchisor, having a rating as set forth in **Section 11.1**.

11.5. No Waiver of Obligations. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in **Section 17.4.**

11.6. Franchisor to be Additional Insured. All insurance policies shall list Franchisor and its affiliates, officers, directors, employees, and agents as additional insureds.

11.7. Certificates of Insurance. At least 30 days prior to the time any insurance is first required to be carried by Franchisee, and thereafter at least 30 days prior to the expiration of any such policy, Franchisee shall deliver to Franchisor, certificates of insurance evidencing the proper coverage with limits not less than those required hereunder. All certificates shall expressly provide that no less than 30 days' prior written notice shall be given Franchisor in the event of material alteration to, cancellation, or nonrenewal of the coverages evidenced by such certificates. Further certificates evidencing the insurance required by **Section 11.1** shall name Franchisor, and each of its affiliates, directors, agents, and employees as additional insureds, and shall expressly provide that any interest

of same therein shall not be affected by any breach by Franchisee of any policy provisions for which such certificates evidence coverage. In the event that Franchisee fails to provide evidence reasonably satisfactory to Franchisor of the insurance policies required by this **Article 11**, Franchisor may, but is not required to, obtain such required policies on Franchisee's behalf, and Franchisee agrees that it will promptly reimburse Franchisor for all costs related to obtaining such policies upon notice from Franchisor.

11.8. Proof of Insurance. In addition to its obligations under **Section 11.7**, on the first anniversary of the Effective Date, and on each subsequent anniversary thereof during the term of this Agreement and any renewal hereof, Franchisee shall provide Franchisor with proof of insurance evidencing the proper coverage with limits not less than those required hereunder, in such form as Franchisor may reasonably require.

11.9. Policy Limit Changes. Franchisor shall have the right, from time to time, to make such changes in minimum policy limits and endorsements as it may determine; provided, however, all changes shall apply, generally, to all franchisees of Franchisor who are similarly situated.

12. TRANSFER OF INTEREST

12.1. Franchisor Transfers. Franchisor shall have the right to transfer or assign this Agreement and all or any part of its rights or obligations under this Agreement, or any interests in the assets of Franchisor, or any ownership or equity interests in Franchisor, to any person or entity, and any assignee of Franchisor shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment.

12.2. Principals. If Franchisee is an entity, each person or entity that is an owner of, or has an ownership interest in, Franchisee (each, a "**Principal**"), and the interest of each Principal in Franchisee, is identified on the Summary Page. Franchisee represents and warrants that its owners are as set forth on the Summary Page attached to this Agreement, and covenants that it will not permit the identity of such owners, or their respective interests in Franchisee, to change without complying with this Agreement. Franchisor shall have the right to designate any person or entity which owns a direct or indirect interest in Franchisee as a Principal, and the Summary Page shall be so amended automatically upon notice thereof to Franchisee.

12.3. Franchisee Transfers. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and its Principals, and that Franchisor has granted this License in reliance on Franchisee's or Franchisee's Principals' business skill, financial capacity, and personal character. Accordingly:

12.3.1. Franchisee shall not, without the prior written consent of Franchisor, transfer, pledge or otherwise encumber: (a) this Agreement or any of

the rights and obligations of Franchisee under this Agreement; or (b) any material asset of Franchisee or the Franchise; provided, however, that Franchisee may grant a security interest in, or otherwise encumber certain assets of the Franchise, excluding the Franchise Agreement, in connection with Franchisee obtaining financing for the development and/or operation of the Franchise or equipment leasing, if such financing satisfies the requirements of Franchisor, which may include, without limitation, execution of agreements by Franchisor, Franchisee, and/or such Principal, and any secured creditor of Franchisee, in a form satisfactory to Franchisor, acknowledging such creditor's obligations to be bound by the terms of this **Article 12**.

12.3.2. If Franchisee is a corporation or limited liability company, Franchisee shall not, without the prior written consent of Franchisor, issue any voting securities or securities convertible into voting securities, and the recipient of any such securities shall become a Principal under this Agreement, if so designated by Franchisor.

12.3.3. If Franchisee is a partnership or limited partnership, the partners of the partnership shall not, without the prior written consent of Franchisor, admit additional general partners, remove a general partner, or otherwise materially alter the powers of any general partner. Each general partner shall automatically be deemed a Principal of Franchisee.

12.3.4. A Principal shall not, without the prior written consent of Franchisor, transfer, pledge or otherwise encumber any interest of a Principal in Franchisee.

12.4. Conditions for Approval. Franchisor shall not unreasonably withhold any consent required by **Section 12.3**; provided, that if Franchisee proposes to transfer its obligations hereunder or any interest in any material asset, or if a Principal proposes to transfer any direct or indirect interest in Franchisee, or if Franchisee or any Principal proposes to undertake any transfer that is subject to **Section 12.3**, Franchisor shall have the right to require any or all of the following as conditions of its approval (except as provided in **Section 12.9**):

12.4.1. The transferor shall have executed a general release (which shall include a release from the transferor, Franchisee, Principals, and guarantors of Franchisee), in a form satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates, successors, and assigns, and their respective directors, officers, owners, members, managers, partners, agents, representatives, servants, and employees in their corporate and individual capacities including, without limitation, claims arising under this Agreement, any other agreement between Franchisee and Franchisor or its affiliates, and federal, state, and local laws and rules.

12.4.2. The transferee of a Principal shall be designated as a Principal and each transferee who is designated a Principal shall enter into a written agreement, in a form satisfactory to Franchisor, agreeing to be bound as a Principal

under the terms of this Agreement as long as such person or entity owns any interest in Franchisee; and, the Principal shall guarantee the performance of all such obligations in writing in a form satisfactory to Franchisor.

12.4.3. Prior to, and after the transfer, Franchisee's new Principals shall meet Franchisor's educational, managerial, and business standards; each shall possess a good moral character, business reputation, and credit rating; have the aptitude and ability to operate the Franchise, as may be evidenced by prior related business experience or otherwise; and have adequate financial resources and capital to operate the Franchise.

12.4.4. If a proposed transfer would result in a change in control of Franchisee, at Franchisor's option, Franchisee (or transferee) shall execute, for a term ending on the expiration date of this Agreement the form of franchise agreement then being offered to new System franchisees, and such other ancillary agreements required by Franchisor for the business franchised hereunder, which agreements shall supersede this Agreement and its ancillary documents in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, higher royalty and advertising fees.

12.4.5. If a proposed transfer would result in a change in control of Franchisee, and if so requested by Franchisor, Franchisee, at its expense, shall upgrade the Franchise to conform to the then current standards and specifications of new Franchises then being established in the System, and shall complete the upgrading and other requirements set forth in **Sections 5.1.6** and **5.2.5** within the time period specified by Franchisor.

12.4.6. All monetary obligations of Franchisee hereunder shall be paid in full on a current basis, and Franchisee must not be otherwise in default of any of its obligations hereunder including, without limitation, its reporting obligations.

12.4.7. The transferor shall remain liable for all of the obligations to Franchisor in connection with the Franchise that arose prior to the effective date of the transfer, and any covenants that survive the termination or expiration of this Agreement, and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability.

12.4.8. At Franchisee's expense, the transferee's Manager and other employees designated by Franchisor shall successfully complete (to Franchisor's satisfaction) all training programs required by Franchisor upon such terms and conditions as Franchisor may reasonably require (and while Franchisor will not charge a fee for attendance at such training programs, the transferee shall be responsible for the salary and all expenses of the person who attends training).

12.4.9. If a proposed transfer would result in a change in control of Franchisee, and to compensate Franchisor for Franchisor's legal, accounting, training, and other expenses incurred in connection with the transfer, Franchisee

shall pay Franchisor a non-refundable transfer fee in an amount equal to the greater of $10,000 or 20% of the then-current franchise fee applicable to the Territory. One-half of the transfer fee shall be paid at the time Franchisee submits its request to Franchisor for consideration of the proposed transfer, and such amount shall be non-refundable. The balance of the transfer fee shall be paid at the time the transfer is consummated or closes. In addition, in the event a proposed transfer is not consummated or closed, for any reason except for disapproval by Franchisor, Franchisee or the proposed transferee shall reimburse Franchisor for all of its costs and expenses incurred in connection with its evaluation of the proposed transfer, including, without limitation, attorneys' and accountants' fees, background checks, site evaluation, and training, if applicable, to the extent the portion of the transfer fee paid when the transfer approval request was made does not cover those costs and expenses.

12.4.10. If the proposed transfer will result in a change in control of Franchisee, the terms of the proposed transfer will not adversely impact the continued operations of the Franchise, as determined in Franchisor's sole discretion.

12.4.11. The transferor must acknowledge and agree that the transferor shall remain bound by the covenants contained in **Sections 15.2** and **15.3**.

12.4.12 Franchisee shall be solely responsible for paying any broker fees and/or commissions involved with the sale or transfer of the Franchise regardless of whether Franchisee directly engages such broker or if, at Franchisee's request, Franchisor engages such broker to assist with the sale or transfer of the Franchised Business.

12.5. Right of First Refusal.

12.5.1. If Franchisee or any Principal desires to accept any *bona fide* offer from a third party to purchase Franchisee, any material assets of Franchisee, or any direct or indirect interest in Franchisee, Franchisee or such Principal shall promptly notify Franchisor of such offer and shall provide such information and documentation relating to the offer as Franchisor may require. Franchisor shall have the right and option, exercisable within 30 days after receipt of all such information, to send written notice (the "**Exercise Notice**") to the seller that Franchisor intends to purchase the seller's interest on the same terms and conditions offered by the third party. If Franchisor elects to purchase the seller's interest, the contract to purchase the Franchise (or interests or assets) shall be executed within 60 days after the Exercise Notice and the closing shall occur at the principal offices of Franchisor; provided, however, that in no event shall the closing occur later than 90 days following the execution of the definitive purchase agreement.

12.5.2. Any material change in the terms of the *bona fide* offer prior to closing shall constitute a new offer subject to the same rights of first refusal by

Franchisor as in the case of the third party's initial offer. Additionally, if Franchisor elects not to exercise its purchase right and Franchisee fails to complete the proposed sale within six months from the date Franchisor notifies Franchisee that Franchisor will not make the purchase, Franchisor shall again have the right of first refusal described in this **Section 12.5.** Failure of Franchisor to exercise the option afforded by this **Section 12.5** shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this **Section 12**, with respect to a proposed transfer, or a waiver of any subsequent offer.

12.5.3. In the event the consideration, terms, and/or conditions offered by a third party are such that Franchisor may not reasonably be required to furnish the same consideration, terms, and/or conditions, then Franchisor may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms, and/or conditions offered by the third party, they must attempt to appoint a mutually-acceptable independent appraiser to make a binding determination. If the parties are unable to agree upon one independent appraiser, then an independent appraiser shall be promptly designated by Franchisor and another independent appraiser shall be promptly designated by Franchisee, which two appraisers shall, in turn, promptly designate a third appraiser; all three appraisers shall promptly confer and reach a single determination, which determination shall be binding upon Franchisor and Franchisee. The cost of any such appraisal shall be shared equally by Franchisor and Franchisee. If Franchisor elects to exercise its right under this **Section 12.5**, Franchisor shall have the right to set off all amounts due from Franchisee, and one-half of the cost of the appraisal, if any, against any payment to the seller.

12.6. Transfer Upon Death. Upon the death of a Principal, the deceased's executor, administrator, or other personal representative shall transfer the deceased's interest to a third party approved by Franchisor within 12 months after the death. If the distributee is not approved by Franchisor, then the distributee shall transfer the deceased's interest to a third party approved by Franchisor within 12 months after the deceased's death.

12.7. Transfer Upon Permanent Disability. Upon the permanent disability of any Principal with a controlling interest in Franchisee, Franchisor shall have the right to require such interest to be transferred to a third party in accordance with the conditions described in this **Section 12** within six months after notice to Franchisee, provided that no transfer fee shall be due for a transfer pursuant to this **Section 12.7.** "**Permanent Disability**" shall mean any physical, emotional, or mental injury, illness, or incapacity that would prevent a person from performing the obligations set forth in this Agreement for at least six consecutive months, and from which condition recovery within six consecutive months from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician upon examination of such person or, if such person refuses to be examined, then such person shall automatically be deemed permanently disabled for the purposes of this **Section 12.7** as of the date

of refusal. The licensed practicing physician making such determination shall be chosen by the mutual agreement of a doctor selected by Franchisor and a doctor selected by Franchisee. Franchisor shall pay the cost of the required examination.

12.8. Notification Upon Death or Permanent Disability. Upon the death or permanent disability any Principal of Franchisee, such person or his representative shall promptly notify Franchisor of such death or claim of permanent disability. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as any *inter vivos* transfer.

12.9. Exceptions for Entity Formed Convenience of Ownership or Transfer to Family Member. Notwithstanding anything to the contrary in this **Section 12**, if Franchisee is an individual and seeks to transfer this Agreement to an entity formed for the convenience of ownership or if Franchisee seeks to transfer this Agreement to a spouse, adult sibling or adult child (subject to compliance with all other provisions of the Transfer), the conditions of **Sections 12.4.4** (signing a new franchise agreement), **12.4.5** (upgrading the Franchise), **12.4.8** (initial training of new Manager), and **12.4.9** (transfer fee) shall not apply; provided however, that in lieu of a transfer fee, Franchisee shall reimburse Franchisor for its legal, accounting and other professional fees and other costs incurred in connection with the transfer if any, and Franchisee may undertake such transfer, provided that Franchisee (or their spouse, sibling or child as applicable above) owns 100% of the equity interest in the transferee entity, and the Franchisee and transferee personally guarantees, in a written guaranty satisfactory to Franchisor, the performance of the obligations of Franchisee under this Agreement.

12.10. No Waiver of Claims. Franchisor's consent to a transfer which is the subject of this **Section 12** shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee.

12.11. Insolvency. If Franchisee or any person holding any interest (direct or indirect) in Franchisee becomes a debtor in a proceeding under the U.S. Bankruptcy Code or any similar law in the U.S. or elsewhere, it is the parties' understanding and agreement that any transfer of Franchisee, Franchisee's obligations and/or rights hereunder, any material assets of Franchisee, or any indirect or direct interest in Franchisee shall be subject to all of the terms of this **Section 12**.

12.12. Securities Offerings. All materials for an offering of stock or partnership interests in Franchisee or any affiliate of Franchisee which are required by federal or state law shall be submitted to Franchisor for review as described below before such materials are filed with any government agency. Any materials to be used in any exempt offering shall be submitted to Franchisor for such review prior to their use. No offering by Franchisee or any affiliate of Franchisee shall imply (by use of the Marks or otherwise) that Franchisor is participating in an underwriting, issuance, or offering of the securities of Franchisee or Franchisee's affiliates; and

Franchisor's review of any offering shall be limited solely to the relationship between Franchisor and Franchisee and affiliates, if applicable, and shall not constitute any opinion as to any legal requirement. Franchisor may, at its option, require the offering materials to contain a written statement prescribed by Franchisor concerning the limitations stated in the preceding sentence. Franchisee (and the offeror if not Franchisee), the Principals, and all other participants in the offering must fully indemnify Franchisor, its affiliates, successors, and assigns, and their respective directors, officers, shareholders, partners, agents, representatives, servants, and employees in connection with the offering and shall execute any and all documents required by Franchisor to endorse such indemnification. For each proposed offering, Franchisee shall pay Franchisor an amount as is necessary to reimburse Franchisor for its reasonable costs and expenses (including legal and accounting fees) for reviewing the proposed offering. Franchisee shall give Franchisor written notice at least 30 days before the date that any offering or other transaction described in this **Section 12.12** commences. Any such offering shall be subject to all of the other provisions of this **Article 12**; and further, without limiting the foregoing, it is agreed that any such offering shall be subject to Franchisor's approval as to the structure and voting control of the offeror (and Franchisee, if Franchisee is not the offeror) after the financing is completed.

13. DEFAULT AND TERMINATION

13.1. Automatic Termination. Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent or makes a general assignment for the benefit of creditors; or if a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee; or if Franchisee is adjudicated as bankrupt or insolvent; or if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; or if a final judgment remains unsatisfied or of record for 30 days or longer (unless unappealed or a supersedeas bond is filed); or if Franchisee is dissolved; or if execution is levied against Franchisee's business or property; or if suit to foreclose any lien or mortgage against the Franchise premises or equipment is instituted against Franchisee and not dismissed within 30 days; or if the real or personal property of Franchisee's Franchise shall be sold after levy thereupon by any sheriff, marshal, or constable.

13.2. Termination Upon Notice Without Opportunity to Cure. Franchisee shall be deemed to be in default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon the delivery of written notice to Franchisee by Franchisor (in the manner set forth under **Section 20**), upon the occurrence of any of the following events:

13.2.1. If Franchisee fails to open the Franchise as provided in **Section 5.5**;

13.2.2. If Franchisee or other designated employee fails to complete the initial training program pursuant to **Sections 3.2** and **5.6** of this Agreement;

13.2.3. If Franchisee at any time ceases to operate or otherwise abandons the Franchise for three consecutive business days, or loses the right to possession of the Franchise Location, or otherwise forfeits the right to do or transact business in the jurisdiction where the Franchise is located;

13.2.4. If Franchisee or any Principal is convicted of a felony or engages in any other activity that Franchisor believes is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or Franchisor's interest therein;

13.2.5. If a threat or danger to public health or safety results from the construction, maintenance, or operation of the Franchise;

13.2.6. If Franchisee or any Principal purports to transfer any rights or obligations under this Agreement or any interest to any third party in a manner that is contrary to the terms of **Section 12**;

13.2.7. If Franchisee or any Principal fails to comply with the covenants in **Section 15.2**;

13.2.8. If, contrary to the terms of **Sections 7** or **8**, Franchisee discloses or divulges confidential information provided to Franchisee by Franchisor;

13.2.9. If Franchisee knowingly maintains false books or records, or submits any false reports (including, but not limited to, information provided as part of Franchisee's application for this franchise) to Franchisor, underreports Gross Sales by more than 5% or more for any period;

13.2.10. If Franchisee commits three or more defaults under this Agreement in any 12-month period, whether or not each such default has been cured after notice;

13.2.11. If Franchisee or any Principal makes any unauthorized or improper use of the Marks or contests the validity of Franchisor's ownership of the Marks or its right to use and to license others to use the Marks; and/or

13.2.12. If Franchisee or any Principal is in breach or default under any other agreement (whether existing as of the date of this Agreement or subsequently made) with Franchisor or any of its subsidiaries or Affiliates, and if such default is curable, fails to cure the default as required within the time permitted.

13.3. Termination With Opportunity to Cure. Except as otherwise provided in **Sections 13.1** and **13.2**, upon any other default by Franchisee of its obligations hereunder, Franchisor may terminate this Agreement only by giving written notice of termination (in the manner set forth under **Article 20**) setting forth the nature of such default to Franchisee at least 30 days prior to the effective date of termination (or, with respect to monetary defaults, five days); provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default, curing it to Franchisor's satisfaction, and by promptly providing proof thereof to Franchisor, all within the 30 day period (or five day period with respect to monetary defaults). If any such default is not cured within the specified time, this Agreement may, upon Franchisor's election, be terminated without further notice to Franchisee effective immediately upon the expiration of the 30 day period (or five day period with respect to monetary defaults) or such longer period as applicable law may require.

13.4. Extended Notice of Termination. If any law applicable to this **Section 13**, requires a longer notice period prior to termination of this Agreement, or prior to a refusal to enter into a successor or renewal franchise, than is required hereunder, a different standard of "good cause", or the taking of some other action not required hereunder, the prior notice, "good cause" standard, and/or other action required by such law shall be substituted for the comparable provisions hereof.

13.5. Assignment Upon Bankruptcy. If, for any reason, this Agreement is not terminated pursuant to this **Article 13**, and this Agreement is assumed, or assignment of the same to any person or entity who has made a *bona fide* offer to accept an assignment of this Agreement is contemplated, pursuant to the United States Bankruptcy Code, then notice of such proposed assignment or assumption, setting forth: (i) the name and address of the proposed assignee; and (ii) all of the terms and conditions of the proposed assignment and assumption, shall be given to Franchisor within 20 days after receipt of such proposed assignee's offer to accept assignment of this Agreement, and, in any event, within 10 days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption, and Franchisor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of such proposed assignment and assumption, to accept an assignment of this Agreement to Franchisor itself upon the same terms and conditions and for the same consideration, if any, as in the *bona fide* offer made by the proposed assignee, less any brokerage commissions which may be payable by Franchisee out of the consideration to be paid by such assignee for the assignment of this Agreement. In the event Franchisor does not elect to exercise the options described in this **Section 13.5**, any transfer or assignment pursuant to the United States Bankruptcy Code shall be subject to the same terms and conditions of any other transfer or assignment set forth in **Article 12**.

13.6. Damages / Early Termination Fees (Liquidated Damages). In addition to any other claims Franchisor may have (other than claims for lost future Royalty Fees and Brand Fund Contributions), if Franchisor terminates this Agreement

based on Franchisee's default or if Franchisee terminates this Agreement in violation of its terms (including abandonment or failure to open), Franchisee must pay Franchisor liquidated damages calculated as follows: the greater of (i) the average of Franchisee's monthly Royalty Fees and Brand Fund Contributions due for the last 12 months (or for such shorter period of time that the Franchise has been in operation) before termination, or (ii) the average monthly amount which would be due based on the minimum fees set forth in **Section 4.2** for a period 37+ months after the Effective Date, multiplied by the lesser of 24 or the number of months remaining in the then-current term under **Section 2.1**, discounted to present value using the then-current prime rate of interest quoted by Franchisor's principal commercial bank. The parties hereto agree that calculation of damages if Franchisor terminates due to default or if Franchisee terminates this Agreement in violation of its terms will be difficult to measure and quantify, and the damages described in this **Section 13.6** are a reasonable approximation of such damages, and are not a penalty. Additional damages which may be charged include, but are not limited to, 36 months of the amounts due for the Technology Fee, reduction in Franchisor's enterprise value attributable to the loss of the Franchisee, value of future rebates based on average performance of all franchisees plus all other amounts and damages Franchisor could lawfully claim.

14. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted hereunder to Franchisee shall forthwith terminate, and:

14.1. Cease Operations. Franchisee shall immediately cease to operate the Franchise, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor.

14.2. Cease Use of Marks. Franchisee shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures and techniques associated with the System, the mark "Wallaby Windows" and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, Franchisee shall cease to use, without limitation, the Wallaby Vehicles, all signs, advertising materials, displays, stationery, forms, and any other articles that display the Marks.

14.3. Cancellation of Assumed Names. Franchisee shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "Wallaby Windows" and all other Marks, and/or any other service mark or trademark of Franchisor, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five days after termination or expiration of this Agreement.

14.4. Assign Lease; Modification of Premises. Franchisor, or any affiliate of Franchisor, shall have the right and option, but not the obligation, in Franchisor's sole discretion, to acquire the Lease, or otherwise acquire the right to occupy the Franchise Location (if applicable). Franchisor may assign or delegate this right or

option to any affiliate or designee of Franchisor, without notice to, or request for approval from, the landlord or lessor of the Franchise Location. If Franchisor or its assignee or delegatee does not elect or is unable to exercise any option it may have to acquire the Lease, or otherwise acquire the right to occupy the Franchise Location, Franchisee shall make such modifications or alterations to the Franchise Location operated hereunder immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of said premises from that of other Franchises, and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose. If Franchisee fails or refuses to comply with the requirements of this **Section 14.4**, Franchisor (or its designee) shall have the right to enter upon the premises of the Franchise, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

14.5. Telephone, Etc. Franchisee shall cease use of, and if Franchisor requests, shall transfer to Franchisor, all telephone numbers, customer lists, and any domain names, websites, email addresses, and any other identifiers, whether or not authorized by Franchisor, used by Franchisee while operating the Franchise.

14.6. No Confusion. Franchisee agrees, if it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit copy, or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute Franchisor's rights in and to the Marks, and further agrees not to utilize any designation of origin, description, trademark, service mark, or representation which suggests or represents a present or past association or connection with Franchisor, the System, or the Marks.

14.7. Pay Monies Owed. Franchisee shall promptly pay all sums owing to Franchisor and its subsidiaries and affiliates (regardless of whether those obligations arise under this Agreement or otherwise). In the event of termination for any default of Franchisee, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default.

14.8. Damages and Costs. Franchisee shall pay Franchisor all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this **Section 14**.

14.9. Return of Manuals. Franchisee shall immediately deliver to Franchisor the Manuals and all other manuals, records, and instructions containing confidential information (including without limitation any copies thereof, even if such copies were made in violation of this Agreement), all of which are acknowledged to be the property of Franchisor.

14.10. Option to Purchase Furnishings and Equipment. Franchisor shall have the option to purchase from Franchisee any or all of the Wallaby Vehicles and other vehicles, furnishings, equipment, signs, fixtures, supplies, or inventory of Franchisee related to the operation of the Franchise, at the lesser of the fair market value or Franchisee's book value. Franchisor shall have 30 days from the expiration or termination of this Agreement to notify Franchisee that Franchisor will exercise its option under this Section 14.10, and another 60 days from such notice to complete such purchase. The book value of any such item shall be determined based upon a five-year straight-line depreciation of original costs. (each year or portion of a year shall decrease value by 20%) For equipment that is five or more years old, the parties agree that fair market value shall be deemed to be 10% of the equipment's original cost. If Franchisor elects to exercise any option to purchase herein provided, it shall have the right to set off all amounts due from Franchisee as well as all amounts due to Franchisor's affiliates from Franchisee. Franchisee shall take all actions as necessary to ensure that any items purchased by Franchisor shall be free of all liens or other encumbrances at the time Franchisee sells such items to Franchisor. Items purchased hereunder shall be delivered, at Franchisee's expense, to the location reasonably specified by Franchisor or Franchisor's principal place of business. Book value as defined above shall be decreased by the amounts necessary to return the equipment or vehicles to a resalable condition (i.e. cost of replacing graphics, worn, broken or missing parts or goods). Franchisor shall inspect the items within 3 business days after they are delivered to Franchisor and shall notify Franchisee of all additional deductions and costs necessary to comply with the above.

14.11. Right to Enter and Operate. In order to preserve the goodwill of the System following termination, Franchisor (or its designee) shall have the right to enter the Franchise Location (if applicable) (without liability to Franchisee, Franchisee's Principals, or otherwise) or to take possession of the Wallaby Vehicle(s) used by Franchisee for the purpose of continuing the Franchise's operation and maintaining the goodwill of the business.

14.12. Close Vendor Accounts. Franchisee must close all accounts with vendors which were opened in connection with the opening and operation of the Franchise. Franchisor has the right to notify Franchisee's vendors that this Agreement has expired or been terminated and to require them to close Franchisee's accounts, if Franchisee fails to do so.

14.13. Security Interest. For the purpose of securing its obligations under this Agreement, Franchisee hereby grants Franchisor a security interest in all personal property related to the operation of the Franchise of any nature now owned or hereinafter acquired by Franchisee, including, but not limited to, all signs, logos bearing any of the Marks, inventory, equipment, Wallaby Vehicles(s), trade fixtures, furnishings and accounts, together with the proceeds therefrom (the **"Security Agreement"**). Any event of default by Franchisee under this Agreement shall be deemed a breach of the Security Agreement. Franchisee covenants to execute and deliver to Franchisor any and all instruments Franchisor

may reasonably request from time to time in order to perfect the security interest granted herein, including, without limitation, the appropriate UCC-1 Financing Statements.

15. COVENANTS

15.1. Full Time and Best Efforts. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee (or its Operating Principal if Franchisee is an entity) (or a Manager who will assume primary responsibility for the franchise operations and shall have been previously approved in writing by Franchisor) and a Salesperson shall devote full time, energy, and best efforts to the management and operation of the Franchise.

15.2. In-Term Covenants. Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the System. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or entity:

15.2.1. Divert or attempt to divert any business or customer of the Franchise or of any Franchise using the System to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Franchisor's Marks and the System.

15.2.2. Except as otherwise approved in writing by Franchisor, own, maintain, operate, engage in, or have any interest in any "**Competitive Business**" in any location, which shall mean a business which offers windows evaluation, installation or removal, energy efficiency evaluations and improvements, and related services.

15.3. Post-Term Covenants. Franchisee covenants that, except as otherwise approved in writing by Franchisor, it shall not, for a continuous uninterrupted period of two years from the date of: (a) a transfer permitted under **Section 12**; (b) expiration or termination of this Agreement (regardless of the cause for termination); or (c) a final order of a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this **Section 15.3**; either directly or indirectly (through, on behalf of, or in conjunction with any persons or entity), own, maintain, operate, engage in, or have any interest in any Competitive Business which is, or is intended to be, located: (a) at the Approved Location; (b) within the Territory; (c) within a 25-mile radius of the Territory; or (d) within a 25-mile radius of the territory of any other Franchises or company or affiliate-owned Wallaby Windows business in operation as of the time that the obligations under this **Section 15.3** commence.

15.4. Publicly-Held Corporations. **Section 15.3** shall not apply to ownership by Franchisee of less than 5% beneficial interest in the outstanding equity securities of any Publicly Held Corporation. As used in this Agreement, the term "**Publicly Held Corporation**" shall be deemed to refer to a corporation which has securities that have been registered under the Securities Exchange Act of 1934.

15.5. Individual Covenants. Franchisee shall require and obtain execution of covenants similar to those set forth in **Section 8 and** this **Article 15** (as modified to apply to an individual) from any or all of Franchisee's Principals, the Manager, any replacement Manager and other highly trained personnel as designated by Franchisor. The covenants required by this **Section 15.5** shall be in the form provided in **Exhibit D** to this Agreement.

15.6. Severability. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this **Section 15** is held to be unenforceable or unreasonable by any court, it is the intent of the parties that the court modify such restriction to extent reasonably necessary to protect the legitimate business interests of Franchisor.

15.7. Scope of Covenants. Franchisee understands and acknowledges that Franchisor shall have the right to reduce the scope of any covenant set forth in **Sections 15.2** and **15.3** in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof; and Franchisee agrees that it shall comply forthwith with any covenant as so modified.

15.8. Enforcement of Claims. Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this **Section 15**. Franchisee agrees to pay all costs and expenses (including without limitation reasonable attorneys' fees and all other costs) incurred by Franchisor in connection with the enforcement of this **Section 15**.

15.9. Irreparable Injury. Franchisee acknowledges that Franchisee's violation of the terms of this **Section 15** would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Franchisee accordingly consents to the issuance of an injunction prohibiting any conduct by Franchisee in violation of the terms of this **Section 15**.

16. TAXES, PERMITS, AND INDEBTEDNESS

16.1. Taxes. Franchisee shall promptly pay when due all taxes levied or assessed, including, without limitation, income, unemployment, and sales taxes, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the business franchised under this Agreement. Franchisee shall pay Franchisor an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax) imposed on Franchisor with respect to any payments to

Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by Franchisor.

16.2. Tax Disputes. In the event of any bona fide dispute as to Franchisee's liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises of the Franchise, or any improvements thereon.

16.3. Compliance With Laws. Franchisee shall comply with all federal, state, and local laws, rules, and regulations, and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the business franchised under this Agreement, including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, and fire clearances.

16.4. Notification of Claims. Franchisee shall notify Franchisor in writing within three days of receipt of notice of any health or safety violation, the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, or within three days occurrence of any accident or injury which may adversely affect the operation of the Franchise or the financial condition of Franchisee, or give rise to liability or a claim against Franchisee or Franchisor.

17. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

17.1. Independent Contractors. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them; that Franchisee shall be an independent contractor; and, that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

17.2. Identification as Independent Contractor. At all times during the term of this Agreement and any extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating the business pursuant to a franchise from Franchisor.

17.3. No Agency. It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name; and that Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall Franchisor be liable by reason of any act or omission of Franchisee in its conduct of the Franchise or for any claim or judgment arising therefrom against Franchisee or Franchisor.

17.4. Indemnification and Advancement. Franchisee shall immediately and unconditionally advance costs and expenses, indemnify and hold Franchisor and its affiliates, and their respective officers, directors, members, managers, employees, and agents harmless against any and all claims, obligations, and damages (as well as the costs, including attorneys' fees, of defending against them) arising directly or indirectly from, as a result of, or in connection with Franchisee's operation of the Franchise or Franchisee's breach of this Agreement, including, without limitation, those alleged to be caused by Franchisor's negligence or breach of this Agreement, but not including those claims, obligations, and damages that are determined to be caused solely by Franchisor's gross negligence or willful misconduct according to a final, unappealable ruling issued by a court with competent jurisdiction. In addition to the above and without regard to the final ruling on any matter, Franchisee and its respective Principals hereby agree to immediately and unconditionally advance, or pay directly to designated parties, any amounts which are incurred in connection with any claim against Franchisor or its affiliates, and their respective officers, directors, members, managers, employees, and agents arising from or relating to, directly or indirectly, Franchisee's operation of the Franchise or Franchisee's breach of this Agreement without regard to any defenses based on errors, omissions or conduct of Franchisor or its members, managers, shareholders, directors, affiliates or agents. If Franchisor incurs any costs or expenses, including, without limitation, legal fees, travel expenses, and other charges, in connection with any proceeding involving Franchisee in which Franchisor is not a party, Franchisee shall reimburse Franchisor for all such costs and expenses promptly upon presentation of invoices. Franchisee acknowledges and agrees that Franchisee's indemnification and hold harmless obligations under this **Section 17.4** shall survive the termination or expiration of this Agreement.

18. FORCE MAJEURE

Neither party shall be responsible to the other for non-performance or delay in performance occasioned by causes beyond its control, including without limiting the generality of the foregoing: (a) acts of God; (b) acts of war, terrorism, or insurrection; (c) strikes, lockouts, labor actions, boycotts, floods, fires, hurricanes, tornadoes, and/or other casualties; (d) the inability of Franchisor and/or its affiliates or suppliers to manufacture, purchase, and/or cause delivery of any products used in the operation of the Franchise; and (e) legislative changes and/or governmental orders affecting the sale of the products from Franchises. The inability of either party to obtain and/or remit funds shall be considered within control of such party.

19. APPROVALS AND WAIVERS

19.1. Approvals. Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefor, and such approval or consent must be obtained in writing.

19.2. No Warranties. Franchisee acknowledges and agrees that Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes

no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor.

19.3. Waivers. No delay, waiver, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising out of any breach or default by Franchisee or any other franchisee under any of the terms, provisions, covenants, or conditions of this Agreement, and no custom or practice by the parties at variance with the terms of this Agreement, shall constitute a waiver by Franchisor to enforce any such right, option, duty, or power as against Franchisee, or as to subsequent breach or default by Franchisee. Subsequent acceptance by Franchisor of any payments due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding or succeeding breach by Franchisee of any terms, provisions, covenants, or conditions of this Agreement.

20. NOTICES

All notices and other communications required or permitted under this Agreement will be in writing and will be given by one of the following methods of delivery: (i) personally; (ii) by certified or registered mail, postage prepaid; (iii) by overnight delivery service; or (iv) if to Franchisee, by email if an email address is designated on the Summary Page. Notices to Franchisee will be sent to the address set forth on the Summary Page. Notices to Franchisor must be sent to:

Wallaby Windows Franchisor, LLC
2426 Old Brick Road
Glen Allen, VA 23060
Attention: General Counsel

Either party may change its mailing address by giving notice to the other party. Notices will be deemed received the same day when delivered personally or upon actual or attempted delivery when sent by registered or certified mail or overnight delivery service.

21. ENTIRE AGREEMENT AND AMENDMENT

This Agreement and all exhibits to this Agreement, constitute the entire agreement between the parties. This Agreement supersedes any and all prior negotiations, understandings representations and agreements. No representations have induced You to execute this Agreement with Franchisor. Except for those permitted to be made unilaterally by Franchisor hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require You to waive reliance on any representation that Franchisor made in the most recent disclosure document (including its exhibits and amendments) (the "FDD") that Franchisor delivered to You or Your representative, subject to any agreed-upon changes

to the contract terms and conditions described in that disclosure document and reflected in this Agreement (including any riders or addenda signed at the same time as this Agreement).

You acknowledge that you are entering into this Agreement as a result of your own independent investigation and not as a result of any representations (with the exception of those representations made in the FDD) made by Franchisor, its members, managers, officers, directors, employees, agents, representatives or independent contractors that are contrary to the terms set forth in this Agreement. You acknowledge that the FDD you received contained a copy of this Franchise Agreement and that you reviewed the FDD and Franchise Agreement at least fourteen (14) days (or such other time as applicable law requires) before you signed this Agreement. You further understand acknowledge and agree that any information you obtain from any Franchisor's franchisee, including relating to their sales, profit, cash flows, and/or expenses, does not constitute information obtained from Franchisor, nor does Franchisor make any representation as to the accuracy of any such information.

22. SEVERABILITY AND CONSTRUCTION

22.1. Severability. If any of the provisions of this Agreement may be construed in more than one way, one of which would render the provision illegal or otherwise voidable or unenforceable, such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed according to its fair meaning and not strictly against any party. In the event any court or other government authority shall determine any provision in this Agreement is not enforceable as written, the parties agree that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought and affords the parties the same basic rights and obligations and has the same economic effect. If any provision in this Agreement is held invalid or otherwise unenforceable by any court or other government authority or in any arbitration proceeding, such findings shall not invalidate the remainder of this Agreement unless in the reasonable opinion of Franchisor the effect of such determination has the effect of frustrating the purpose of this Agreement, whereupon Franchisor shall have the right by notice in writing to the other party to immediately terminate this Agreement.

22.2. No Other Rights. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or entity other than Franchisee, Franchisor, and such of Franchisee's and Franchisor's respective successors and assigns as may be contemplated (and, as to Franchisee, permitted by **Article 12**), any rights or remedies under or by reason of this Agreement.

22.3. Enforceability of Covenants. Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from

striking from any of the provisions hereof any portion or portions which a court may hold to be unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

22.4. Construction. All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

22.5. Importance of Timely Performance. Time is of the essence in this Agreement.

22.6. Survival of Provisions. All provisions of this Agreement which, by their terms or intent, are designed to survive the expiration or termination of this Agreement, shall so survive the expiration and/or termination of this Agreement.

22.7. Additional Terms; Inconsistent Terms. The parties may provide additional terms by including the terms on the Summary Page. To the extent that any provisions of the Summary Page are in direct conflict with the provisions of this Agreement, the provisions of the Summary Page shall control.

23. APPLICABLE LAW AND DISPUTE RESOLUTION

23.1. Governing Law. This Agreement takes effect upon its acceptance and execution by Franchisor, and shall be interpreted and construed exclusively under the laws of the Commonwealth of Virginia, which laws shall prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of Virginia choice-of-law rules). Nothing in this **Section 23.1** is intended by the parties to subject this Agreement to any franchise, business opportunity, consumer protection, or similar law, rule, or regulation of the Commonwealth of Virginia to which this Agreement would not otherwise be subject.

23.2. Arbitration.

23.2.1. Disputes Subject to Arbitration. Except as expressly provided to the contrary in this Agreement, any controversy or claim arising out of or relating to this Agreement or the relationship of the parties shall be settled by arbitration administered by the American Arbitration Association (the **"AAA"**) in accordance with its Commercial Arbitration Rules. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction. Any dispute as to whether this arbitration clause applies or whether any particular claim is subject to arbitration shall be decided by arbitration in accordance with this Article 23. A single arbitrator shall be selected from a panel of neutral arbitrators provided by the AAA and shall be chosen by the striking and ranking method. The arbitrator must have at least seven years' experience in franchise law.

23.2.2. Arbitration Claims. The parties agree to be bound by the provisions of any limitation on the period of time in which claims must be brought

under applicable law or this Agreement, whichever expires earlier. The parties further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is waived and forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either party. The parties agree that arbitration will be conducted on an individual basis, that neither party shall pursue class claims nor multi-plaintiff actions, and that an arbitration proceeding between Franchisor and its affiliates, or any of them, on the one hand, and Franchisee and its affiliates and any of their respective officers, directors, managers, agents, representatives, employees, successors and assigns, on the other hand, may not be consolidated with any other arbitration proceeding to which Franchisor and/or its affiliates are a party. Notwithstanding the foregoing, if any court determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute shall be resolved in a judicial proceeding. For purposes of this Section, Franchisor and its affiliates includes their respective shareholders, partners, members and other owners, officers, directors, managers, agents, representatives, employees, successors and assigns.

23.2.3. Location. The place of arbitration shall be the AAA office located nearest to Franchisor's corporate headquarters business on the date the arbitration action is filed (currently, Richmond, Virginia).

23.2.4. Confidentiality. All documents, information, and results pertaining to any arbitration will be confidential, except as required by law or as required for Franchisor to comply with laws and regulations applicable to the sale of franchises.

23.2.5. Performance During Arbitration. Franchisor and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration process.

23.3. Venue. For any matter which is not subject to the arbitration provisions of **Section 23.2**, each party hereto consents to personal jurisdiction in the federal or state courts located in the county in which Franchisor's principal place of business is located at the time that the action commences. Franchisee and its Principals hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

23.4. No Exclusive Remedies. No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

23.5. Injunctive Relief. Notwithstanding anything contained herein, Franchisor reserves the right to seek and obtain temporary restraining orders or other emergency temporary or preliminary equitable injunctive relief and file actions to collect royalties and other amounts owed by Franchisee to Franchisor (collection actions) from federal or state courts located in the state in which the Franchise is located. The parties acknowledge and agree that the rights of Franchisor under this Agreement with respect to the use of the Marks and the System and the enforcement of the in-term and post-term noncompetition covenants of Franchisor are of a specialized and unique nature and that immediate and irreparable damage will result to Franchisor if Franchisee fails or refuses to perform obligations under this Agreement, and, notwithstanding any election by Franchisor to claim damages from Franchisee as a result of such failure or refusal, Franchisor may, in addition to any other remedies and damages available, seek an injunction in any court of competent jurisdiction to restrain such failure or refusal.

23.6. 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 or not there are other parties in such action or proceeding.

23.7. Limitation of Actions. Any and all claims and actions arising out of or relating to this agreement, the relationship of Franchisee and franchisor, or Franchisee's operation of the Franchise (including any defenses or any claims of set-off or recoupment) must be brought or asserted before the expiration of the earlier of (a) the time period for bringing an action under any applicable state or federal statute of limitations; (b) one year after the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; or (c) two years after the first act or omission giving rise to an alleged claim; or it is expressly acknowledged and agreed by all parties that such claims or actions shall be irrevocably barred. Claims of franchisor attributable to underreporting of sales, and claims of the parties for failure to pay monies owed and/or indemnification shall be subject only to the applicable state or federal statute of limitations.

23.8. Limitation on Damages. Franchisor and Franchisee hereby waive to the fullest extent permitted by law any right to or claim of any punitive or exemplary damages against the other, and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it. In any action arising out of or relating to this Agreement or the relationship of the parties, in no event shall Franchisor be liable to Franchisee for more than the total Initial Franchise Fee.

23.9. Costs and Attorneys' Fees. If either Franchisor or Franchisee seeks to enforce this Agreement in an arbitration or a judicial or other proceeding, the prevailing party shall be entitled to recover its reasonable costs and expenses (including attorneys' fees, attorneys' assistants' fees, accountants' fees, expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel, room and board, salaries and benefits of those employees

participating in such proceeding) incurred in connection with such judicial or other proceeding.

24. ACKNOWLEDGMENTS

24.1. Acknowledgments. Franchisee acknowledges that it has conducted an independent investigation of the business franchised hereunder, recognizes that the business venture contemplated by this Agreement involves business risks, and that its success will be largely dependent upon the ability of Franchisee and, if an entity, its owners as independent businesspersons. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received from Franchisor or any employee, representative or other party purporting to act on Franchisee's behalf, any warranty, promise or guarantee, express or implied, as to the potential sales volume, profits, or success of the business venture contemplated by this Agreement.

24.2. Receipt of Documents. Franchisee acknowledges that it received a copy of this Agreement, the exhibit(s) hereto, and agreements relating hereto, if any, with all of the blank lines therein filled in, prior to the date on which this Agreement was executed, and with sufficient time within which to review this Agreement, with advisors of its choosing. Franchisee further acknowledges that it received the franchise disclosure document required by the Federal Trade Commission's Franchise Rule at least 14 days prior to the date on which this Agreement was executed.

24.3. Representations and Warranties. Franchisee and its Principals represent and warrant to Franchisor that: (a) neither Franchisee nor any of its Principals have made any untrue statement of any material fact nor omitted to state any material fact in obtaining the rights granted herein; (b) neither Franchisee nor any of its Principals have any direct or indirect legal or beneficial interest in any business that may be deemed a Competitive Business, except as otherwise completely and accurately disclosed in its franchise application materials; and (c) Franchisee and its Principals have a legal right to own and operate the Franchise. Franchisee recognizes that Franchisor approved Franchisee in reliance on all of the statements Franchisee and its Principals have made in connection therewith, and that Franchisee has a continuing obligation to advise Franchisor of any material changes in these statements and representations made to Franchisor in this Agreement or in the franchise application.

24.4. Compliance with Executive Order 13224. Under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 (**"Order"**), Franchisor is prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Order. Accordingly, Franchisee represents and warrants to us that, as of the date of this Agreement, neither Franchisee nor any person holding any ownership interest in you, controlled by you, or under common control with Franchisee is designated under the Order as a person with whom business may not be transacted by Franchisor, and that Franchisee: (a) does not,

and hereafter will not, engage in any terrorist activity; (b) are not affiliated with and do not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and (c) are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

24.5. No Other Obligations. Each party represents and warrants to the others that there are no other agreements, court orders, or any other legal obligations that would preclude or in any manner restrict such party from: (a) negotiating and entering into this Agreement; (b) exercising its rights under this Agreement; and/or (c) fulfilling its responsibilities under this Agreement.

24.6. No Other Representations. Franchisee acknowledges Franchisor has not (and shall not be deemed to have) given any representation, promise, or guarantee of Franchisee's success.

24.7. Business Judgment. Franchisee understands and agrees that Franchisor may operate and change the System and its business in any manner that is not expressly and specifically prohibited by this Agreement. Whenever Franchisor has expressly reserved in this Agreement or is deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant Franchisee a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, Franchisor may make such decision or exercise its right and/or discretion on the basis of Franchisor's judgment of what is in Franchisor's best interests, including without limitation Franchisor's judgment of what is in the best interests of the franchise network, at the time Franchisor's decision is made or its right or discretion is exercised, without regard to whether: (a) other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Franchisor; (b) Franchisor's decision or the action taken promotes Franchisor's financial or other individual interest; (c) Franchisor's decision or the action it takes applies differently to Franchisee and one or more other franchisees or Franchisor's company-owned or affiliate-owned operations; or (d) Franchisor's decision or the exercise of its right or discretion is adverse to Franchisee's interests. In the absence of an applicable statute, Franchisor will have no liability to Franchisee for any such decision or action. Franchisor and Franchisee intend that the exercise of Franchisor's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, Franchisor and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Franchisor the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations hereunder.

24.8. Consultation. Franchisee acknowledges that it has read and understands this Agreement, the exhibits hereto, and agreements relating thereto, if any, and that Franchisor has accorded Franchisee ample time and opportunity to consult

with advisors (including attorneys) of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Agreement on the day and year first above written.

WALLABY WINDOWS FRANCHISOR, LLC

By:_____
Name: _____
Title: _____

[FRANCHISEE ENTITY]

By:_____
Name: _____
Title: _____

EXHIBIT A TO THE FRANCHISE AGREEMENT

TRADEMARKS

Mark	Serial Number	Filing Date	Principal or Supplemental Register
WALLABY WINDOWS	97139182	November 23, 2021	Principal
	97139823	November 23, 2021	Principal
Delivering Efficiency. Improving Comfort.	6079379	March 31, 2020	Principal

EXHIBIT B TO THE FRANCHISE AGREEMENT

LEASE RIDER TO LEASE AGREEMENT DATED _____

BY AND BETWEEN

_____, AS "LANDLORD"

AND

_____, AS "TENANT" FOR THE DEMISED PREMISES ("PREMISES") DESCRIBED THEREIN

This Rider and the provisions hereof are hereby incorporated into the body of the lease to which this Rider is attached (the "Lease"), and the provisions hereof shall be cumulative of those set forth in the Lease, but to the extent of any conflict between any provisions of this Rider and the provisions of the Lease, this Rider shall govern and control.

1. Consent to Collateral Assignment to Franchisor. If Franchisor takes possession of the Premises and confirms to Landlord that Franchisor has assumed the Lease as tenant thereunder, Landlord will recognize Franchisor as tenant under the Lease. Landlord agrees that in such event Franchisor may further assign the Lease to or enter into a sublease with a person or entity who agrees to assume the tenant's obligations under the Lease and is reasonably acceptable to Landlord and that, upon that assignment, Franchisor will have no further liability or obligation under the Lease as assignee, tenant or otherwise, other than to certify that the additional assignee or sublessee operates the Premises as a Franchise.

2. Use of Premises. Without limitation of uses permitted under the Lease, but in expansion thereof, the Premises may be used for the purpose of operation of a Wallaby Windows Franchise offering windows installation, removal, evaluation and related services.

3. Compliance of Premises With Applicable Law. Landlord represents and warrants that as of the date hereof the Premises are in compliance with all applicable law.

4. Notice and Cure Rights to Franchisor. Prior to exercising any remedies under the Lease (except in the event of imminent danger to the Premises), Landlord shall give Franchisor written notice of any default thereunder by Tenant, and commencing upon receipt thereof by Franchisor, Franchisor shall have the same length cure period as is given to Tenant under the Lease for such default, provided that in no event shall Franchisor have a cure period of less than (i) 10 days after Franchisor's receipt of such notice as to monetary defaults or (ii) 30 days after Franchisor's receipt of such notice as to non-monetary defaults. Landlord agrees to accept cure tendered by Franchisor as if the same was tendered by Tenant, but Franchisor has no obligation to cure such default. The initial address for notices to Franchisor is as follows:

Wallaby Windows Franchisor, LLC
2426 Old Brick Road
Glen Allen, VA 23060
Attention: General Counsel

5. Non-disturbance from Mortgage Lenders. It is a condition of the Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agree not to disturb Tenant's rights under the Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations under the Lease beyond any applicable grace or cure period provided therein.

CHECK THE FOLLOWING PARAGRAPH THAT APPLIES. CHECK ONLY ONE. IF NONE IS CHECKED, THEN CLAUSE a) BELOW WILL BE APPLICABLE, AND CLAUSE b) BELOW WILL BE DEEMED DELETED

a) ☐ Landlord represents and warrants that on the date hereof no mortgage, deed of trust, deed to secure debt or similar encumbrance encumbers the Premises.

b) ☐ A mortgage, deed of trust or deed to secure debt currently encumbers the Premises. It is a condition precedent to Tenant's obligations under the Lease that the holder of such encumbrance enter into a written recordable form subordination and non-disturbance agreement with Tenant, in a form reasonably acceptable to Tenant, as described above.

6. Third Party Beneficiary. For so long as Franchisor holds a collateral assignment of the Lease, Franchisor is a third party beneficiary of the Lease.

7. Franchisor Right to Enter. Upon the expiration or earlier termination of the Lease or the Franchise Agreement, Franchisor or its designee may enter upon the Premises for the purpose of removing all signs and other material bearing the Wallaby name or trademarks, service marks or other commercial symbols of Franchisor.

AGREED and executed and delivered under seal by the parties hereto as of the day and year of the Lease.

LANDLORD:	**TENANT:**
_____	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT C TO THE FRANCHISE AGREEMENT

GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

As an inducement to Wallaby Windows Franchisor, LLC, a Delaware limited liability company ("Franchisor") to execute the Franchise Agreement between Franchisor and _____, a [STATE] [ENTITY TYPE] ("Franchisee"), dated _____, 20_____ (the "Agreement"), the undersigned, jointly and severally, hereby unconditionally guarantee to Franchisor and Franchisor's successors and assigns that all of Franchisee's monetary and other obligations under the Agreement will be punctually paid and performed.

Each of the undersigned has had the opportunity to review the Agreement, and understands his or her obligations hereunder and thereunder.

Upon demand by Franchisor, the undersigned each hereby jointly and severally agree to immediately make each payment required of Franchisee under the Agreement and waive any right to require Franchisor to: (a) proceed against Franchisee for any payment required under the Agreement; (b) proceed against or exhaust any security from Franchisee; (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; or (d) give notice of demand for payment by Franchisee. Without affecting the obligations of the undersigned under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee, and the undersigned each hereby jointly and severally waive notice of same and agree to remain and be bound by any and all such amendments and changes to the Agreement.

The undersigned each hereby jointly and severally agree to defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorney's fees, reasonable costs of financial and other investigation, court costs, and fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement, any amendment thereto, or any other agreement executed by Franchisee referred to therein.

The undersigned each hereby jointly and severally acknowledge and expressly agree to be individually bound by all of the covenants contained in Sections 8, 12, 14, 15 and 17.4 of the Agreement, and acknowledge and agree that this Guarantee does not grant the undersigned any right to use the "Wallaby" marks or system licensed to Franchisee under the Agreement. Each of the undersigned represents that he or she has received a copy of the Franchise Agreement and understands his or her obligations hereunder and thereunder.

Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

If Franchisor is required to enforce this Guarantee in a judicial or arbitration proceeding, and prevails in such proceeding, Franchisor shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, travel and room and board expenses, salaries and benefits of

those of Franchisor's employee's participating in such proceeding, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guarantee, the undersigned shall reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs.

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Agreement, and shall be interpreted and construed in accordance with Sections 22 and 23 of the Agreement. This Guarantee shall be interpreted and construed under the laws of the Commonwealth of Virginia. In the event of any conflict of law, the laws of the Commonwealth of Virginia shall prevail (without regard to, and without giving effect to, the application of Virginia conflict of law rules). Jurisdiction and venue shall be in the state or federal courts located nearest Franchisor's principal place of business at the time that the action is commenced, and the undersigned hereby waives any objection to such jurisdiction and venue. The arbitration provisions of Section 23 of the Agreement shall apply to this Guaranty.

Non-Owner Spousal Guarantee. If this Guarantee is executed by a spouse (or domestic partner or immediate family member) of the owner of a franchisee entity and such person has no equity or ownership in the franchisee entity or franchise, then this Guarantee shall only be enforceable against such non-owner spouse in the event that they receive a material transfer of assets from the spouse (or domestic partner or immediate family member) who has the ownership interest in the franchise or franchisee entity. This section is intended to ensure that one spouse cannot avoid liability under their guarantee by simply transferring assets to the other spouse.

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Agreement.

GUARANTOR(S)

Signed:_____
(In his/her individual capacity)

Name: _____
Address: _____

EXHIBIT D TO THE FRANCHISE AGREEMENT

NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

THIS AGREEMENT ("**Agreement**") is made this_____day of_____, 20____, by and Between _____ (the "**Franchisee**"), and _____, who is a principal, manager, supervisor, member, partner, or a person in a managerial position with, Franchisee (the "**Member**").

BACKGROUND:

A. Wallaby Windows Franchisor, LLC, a Delaware limited liability company ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment, development and operation of an windows and related services business that operate under the name "Wallaby Windows" (or other names designated by Franchisor, the "**Marks**") and such additional or alternate services and/or products as Franchisor may designate from time to time (each a "**Franchise**").

B. Franchisor and Franchisee have executed a Franchise Agreement ("**Franchise Agreement**") granting Franchisee the right to operate a Franchise (the "**Franchise**") and to produce and distribute products and services approved by Franchisor and use the Marks in connection therewith under the terms and conditions of the Franchise Agreement;

C. The Member, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same confidentiality and non-competition agreement that Franchisee is bound by.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. Confidential Information. Member shall not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person or entity, persons, partnership, entity, association, or corporation any confidential information, knowledge, or knowhow concerning the methods of operation of the business franchised thereunder which may be communicated to Member or of which Member may be apprised by virtue of Franchisee's operation under the terms of the Franchise Agreement. Any and all information, knowledge, knowhow, and techniques which Franchisor designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention prior to disclosure thereof by Franchisor; or which, at or after the time of disclosure by Franchisor to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others.

2. Covenants Not to Compete.

(a) Member specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of its position with Franchisee, Member will receive valuable specialized training

and confidential information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the System.

(b) Member covenants and agrees that during the term of Member's employment with, or ownership interest in, Franchisee, and except as otherwise approved in writing by Franchisor, Member shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity:

(i) Divert or attempt to divert any business or customer of the Franchise or of any other System franchisee or unit operated by Franchisor (or an affiliate of Franchisor) to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and/or the System;

(ii) Employ or seek to employ any person who is at that time employed by Franchisor or Franchisee, or otherwise directly or indirectly induce such person to leave his or her employment; or

(iii) Own, maintain, operate, engage in, be employed by, or have any interest in any business which offers windows evaluation, windows removal, windows installation or related services.

(c) Member covenants and agrees that during the Post-Term Period (defined below), except as otherwise approved in writing by Franchisor, Member shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, own, maintain, operate, engage in, or have any interest in any business which offers windows evaluation, windows removal, windows installation or related services and which business is, or is intended to be, located: (i) at the Franchise location; (ii) within the Territory of the Franchise, which Territory includes the areas defined by the Summary Page of the Franchise Agreement and any amendments thereto; (iii) within a 25-mile radius of the Territory; or (iv) within a 25-mile radius of the territory any other System franchisee or Wallaby Windows business owned by Franchisor or its affiliate at the time that the obligations under this **Section 2(c)** commence;

(d) As used in this Agreement, the term **"Post-Term Period"** shall mean a continuous uninterrupted period of two years from the date of: (a) a transfer permitted under **Section 12** of the Franchise Agreement with respect to Member; and/or (b) termination of Member's employment with, and/or ownership interest in, Franchisee.

3. Injunctive Relief. Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all court costs and reasonable attorney's fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

4. Severability. All agreements and covenants contained herein are severable. If all or any portion of the covenants in this Agreement is held to be unenforceable or unreasonable by any court, then it is the intent of the parties that the court modify such restriction to extent reasonably necessary to protect the legitimate business interests of Franchisor.

5. Delay. No delay or failure by Franchisor or the Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement shall be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

6. Third-Party Beneficiary. Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

IN WITNESS WHEREOF, Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on this__ day of_____, 20_.

FRANCHISEE:

_____

Signature:_____
Name: _____
Title:_____

MEMBER:

Name: _____

Signature: _____

MEMBER:

Name: _____

Signature: _____

EXHIBIT E TO THE FRANCHISE AGREEMENT

GENERAL RELEASE

This General Release ("Release") is executed by the undersigned ("Releasor") in favor of Wallaby Windows Franchisor, LLC, a Delaware Limited Liability Company ("Franchisor").

Background Statement: Releasor wishes to dispose of all outstanding liabilities against Released Parties.

Releasor agrees as follows:

1. Release. Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the "Releasing Parties") hereby release Franchisor, its parent(s), affiliates, and each of their respective directors, officers, shareholders, members, employees, and agents (collectively, the "Released Parties") from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement or in connection with the franchise relationship, franchise sales process, misconduct, misrepresentation or fraud by any Released Party all of which are acknowledged and expressly included here (collectively, "Claims").

2. Covenant Not to Sue. Releasor (on behalf of all Releasing Parties) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.

3. Representations and Acknowledgments. Releasor represents and warrants that: (i) Releasor is the sole owners of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor's choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim. Releasor covenants not to claim in any future proceeding that there was insufficient consideration for the execution hereof or that it was not received.

4. Miscellaneous. If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Franchisor reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof and has been executed in exchange for separate and sufficient consideration paid in hand by Released Parties to Releasor and Releasor acknowledges receipt by executing below. This release does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder, in accordance with RCW 19.100.220(2).

Executed by:

_____ Date: _____

Name:
Personally, and on behalf of any entity through which (s)he has conducted business or otherwise interreacted with any Released Party

EXHIBIT C
FINANCIAL STATEMENTS

OUTDOOR LIVING BRANDS HOLDCO, LLC

SUCCESSOR CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2022 AND 2021 AND FOR THE YEAR ENDING SEPTEMBER 30, 2022 AND FOR THE PERIOD FROM SEPTEMBER 10, 2021 TO SEPTEMBER 30, 2021 AND CERTAIN PREDECESSOR CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM OCTOBER 1, 2020 TO SEPTEMBER 9, 2021

with

INDEPENDENT AUDITORS' REPORT

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SMITH+HOWARD PC

INDEPENDENT AUDITORS' REPORT

To the Member
Outdoor Living Brands Holdco, LLC

Opinion

We have audited the accompanying successor consolidated financial statements of Outdoor Living Brands Holdco, LLC (the "Company"), which comprise the consolidated balance sheets as of September 30, 2022 and 2021, and the related successor consolidated statements of operations, members' equity and cash flows for the year ending September 30, 2022 and the period from September 10, 2021 to September 30, 2021. We have also audited the predecessor consolidated statements of operations, member's equity and cash flows for the period from October 1, 2020 to September 9, 2021, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of September 30, 2022 and 2021, and the results of the successor operations and cash flows for the year ended September 30, 2022 and for the period from September 10, 2021 to September 30, 2021 and the results of predecessor operations and cash flows for the period from October 1, 2020 to September 9, 2021 in accordance with accounting principles generally accepted in the United States of America ("GAAP").

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 Auditors' Responsibilities for the Audit of the Consolidated 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 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 GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 for one year after the date of this report.

Auditors' Responsibilities for the Audit 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 auditors' 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 can arise from fraud or error and 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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 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 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 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 audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Emphasis of Matter – Related Party Transactions

As discussed in Notes 2, 4, 5, 6, and 7, the Company has significant transactions with related parties.

Smith and Howard PC

January 13, 2023

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 2022 AND 2021

ASSETS

	2022	2021
Current Assets		
Cash	$ 1,492,295	$ 633,681
Royalties and accounts receivable, net	5,544,544	2,441,667
Notes receivable	231,429	155,486
Inventory	950,753	-
Prepaid expenses and other	1,436,976	425,583
Total Current Assets	9,655,997	3,656,417
Property and Equipment, Net	2,219,874	1,084,830
Other Assets		
Notes receivable, net of current portion	199,591	258,080
Intangibles, net	153,036,800	88,001,777
Other assets	28,923	28,923
	153,265,314	88,288,780
	$ 165,141,185	$ 93,030,027

LIABILITIES AND MEMBER'S EQUITY

Liabilities		
Accounts payable and accrued expenses	$ 3,264,529	$1,793,198
Contract liability - deferred revenue on franchise sales	1,619,650	282,050
Contract liability - customer deposits	780,338	-
Total Current Liabilities	5,664,517	$2,075,248
Due to Affiliated Companies	723,589	814,183
Member's Equity	158,753,079	90,140,596
	$ 165,141,185	$ 93,030,027

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDING SEPTEMBER 30, 2022 (SUCCESSOR)
AND FOR THE PERIOD OF SEPTEMBER 10, 2021 TO SEPTEMBER 30, 2021 (SUCCESSOR)
AND FOR THE PERIOD OF OCTOBER 1, 2020 TO SEPTEMBER 9, 2021 (PREDECESSOR)

	Successor For the year ending September 30, 2022	Successor September 10, 2021 to September 30, 2021	Predecessor October 1, 2020 to September 9, 2021
Revenue			
Fencing and rail revenues	$ 16,879,944	$ -	$ -
Franchise royalties and fees	13,380,514	399,431	7,083,670
Product sales	8,878,823	425,709	7,366,342
Franchise fees	5,641,473	179,000	2,938,080
Ancillary	2,553,819	108,146	2,059,640
Advertising fund contributions	2,159,470	9,453	1,615,792
	49,494,043	1,121,739	21,063,524
Cost of Product Sales	16,544,077	281,172	6,016,876
Operating Expenses	21,404,407	626,520	10,393,046
Income from Operations	11,545,559	214,047	4,653,602
Other Income (Expense)			
Depreciation and amortization	(5,494,567)	(313,980)	(148,716)
Forgiveness of Paycheck Protection Program Loan	-	-	799,784
Other Income	38,521	-	-
	(5,456,046)	(313,980)	651,068
Net Income (Loss) Before Provision for Income Taxes	6,089,513	(99,933)	5,304,670
Provision for Income Taxes	(1,655,211)	(26,757)	-
Net Income (Loss)	$ 4,434,302	$ (126,690)	$ 5,304,670

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
CONSOLIDATED STATEMENT OF MEMBER'S EQUITY
FOR THE YEAR ENDING SEPTEMBER 30, 2022 (SUCCESSOR)
AND FOR THE PERIOD OF SEPTEMBER 10, 2021 TO SEPTEMBER 30, 2021 (SUCCESSOR)
AND FOR THE PERIOD OF OCTOBER 1, 2020 TO SEPTEMBER 9, 2021 (PREDECESSOR)

Predecessor:	
Balance, September 30, 2020	$ 8,423,383
Net Income	5,304,670
Distributions to Member	(5,963,462)
Balance, September 9, 2021	$ 7,764,591
Successor:	
Recapitalization (Note 5), September 10, 2021	$ 90,178,403
Net Loss	(126,690)
Contributions from Member	88,883
Balance, September 30, 2021	90,140,596
Net Income	4,434,302
Distributions to Member	(5,078,245)
Contributions from Member	69,256,426
Balance, September 30, 2022	$ 158,753,079

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING SEPTEMBER 30, 2022 (SUCCESSOR)
FOR THE PERIOD OF SEPTEMBER 10, 2021 TO SEPTEMBER 30, 2021 (SUCCESSOR)
AND FOR THE PERIOD OF OCTOBER 1, 2020 TO SEPTEMBER 9, 2021 (PREDECESSOR)

	Successor For the year ending September 30, 2022	Successor September 10, 2021 to September 30, 2021	Predecessor October 1, 2020 to September 9, 2021
Cash Flows from Operating Activities:			
Net income (loss)	$ 4,434,302	$ (126,690)	$ 5,304,670
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Bad debt expense (recoveries)	82,201	-	(24,148)
Depreciation and amortization	5,494,567	313,980	148,716
Forgiveness of Paycheck Protection Program loan	-	-	(799,784)
Provision for deferred income taxes	1,655,211	26,757	-
Changes in assets and liabilities:			
Royalties and accounts receivable	(2,044,615)	111,866	(38,017)
Notes receivable	(17,454)	-	(126,112)
Inventory	(122,300)	-	-
Prepaid expenses and other current assets	(976,687)	204,447	(261,772)
Other assets		-	18,205
Accounts payable and accrued expenses	925,000	190,358	362,392
Deferred revenues on franchise sales	1,337,600	(179,500)	160,975
Customer deposits	(306,386)	-	-
Net Cash Provided by Operating Activities	10,461,439	541,218	4,745,125
Cash Flows from Investing Activities:			
Purchases of property and equipment	(734,351)	-	(63,509)
Advances from (repayments to) affiliated companies	(3,790,229)	-	(817,446)
Net Cash Provided (Required) by Investing Activities	(4,524,580)	-	(880,955)
Cash Flows from Financing Activities:			
Payments on notes payable	-	-	(187,063)
Contributions from (distributions to) Member	(5,078,245)	88,883	(5,963,462)
Net Cash Provided (Required) by Financing Activities	(5,078,245)	88,883	(6,150,525)
Net Change in Cash	858,614	630,101	(2,286,355)
Cash, Beginning of Period	633,681	3,580	3,247,663
Cash, End of Period	$ 1,492,295	$ 633,681	$ 961,308

Schedule of Non-Cash Operating and Investing Activities:

As further discussed in Note 5, prior to September 10, 2021, Outdoor Living Brands (the "Company") was under previous ownership. The Company was acquired by Lynx Franchising, LLC ("Lynx"). In conjunction with the acquisition, the consolidated balance sheet of the Company was adjusted to market values based upon fair market appraisals received by the Company increasing member's equity by approximately $82,414,000.

As further discussed in Note 6, on December 15, 2021, the Company financed a business acquisition through member contributions totaling $69,256,426.

The accompanying notes are an integral part of these consolidated financial statements.

OUTDOOR LIVING BRANDS HOLDCO, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 1 – DESCRIPTION OF BUSINESS

Outdoor Living Brands Holdco, LLC ("OLB Holdco" or "the Company"), is located in Virginia, operates multiple franchise brands serving the outdoor living product and service markets. Its customers are primarily located throughout the United States of America and Canada.

OLB includes four franchise brands under the trade names Archadeck Outdoor Living, Outdoor Lighting Perspectives, Conserva Irrigation, and Superior Fence and Rail (referred to hereafter as, the "brands"). The brands sell franchises and provide support for franchisees using standardized products, services and procedures developed by the franchisor.

Archadeck Outdoor Living franchises design, sells and constructs decks, porches, screened rooms, sunrooms, outdoor kitchens, hardscaped patios and other custom outdoor living space projects. Outdoor Lighting Perspectives franchises provide outdoor lighting and holiday lighting design and installation and maintenance services for residential and commercial clients. Conserva Irrigation franchises provide upgrades, maintenance services, and installation of outdoor irrigation systems for residential and commercial clients. Superior Fence and Rail franchises sell and construct a variety of fences for residential and commercial clients.

As discussed further in Note, 5, prior to September 9, 2021, the brands were owned and operated by Outdoor Living Brands, Inc ("OLB, Inc" or "the Predecessor"). On September 10, 2021, Lynx Franchising, LLC ("Lynx"), a wholly owned subsidiary of MidOcean BCAT Holdings, Inc. ("BCAT"), formed OLB Holdco for the purpose acquiring the brands. Lynx, BCAT and OLB Holdco are referred to herein as "the Successors." Subsequent to September 30, 2022, Lynx's name was formally changed to "Empower Brands".

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Presentation

For the period of October 1, 2020 to September 9, 2021 (the "predecessor period"), the accompanying consolidated financial statements include the accounts of OLB, Inc's wholly-owned subsidiaries, which includes Outdoor Lighting Perspectives Holding Corporation, Outdoor Lighting Perspectives Franchising, Inc., Outdoor Living Brands Intellectual Property Corporation, Outdoor Lighting Perspectives International, Inc. (collectively, "Outdoor Lighting Perspectives"), Archadeck Franchising Corporation ("Archadeck"), Outdoor Living Brands Supply Corporation, Outdoor Living Brands Management, Inc. ("OLB Management"), and Conserva Irrigation Franchising, LLC ("Conserva"). These companies owned and operated the brands.

For the year ending September 30, 2022 and for the period of September 10, 2021 to September 30, 2021 (the "successor period"), the accompanying consolidated financial statements include the accounts of OLB Holdco. On September 10, 2021, OLB Holdco formed the wholly owned subsidiaries: Archadeck Franchisor, LLC, Outdoor Lighting Perspectives Franchisor, LLC, OLB Supply Chain, LLC ("OLB Supply") and Conserva Irrigation Franchisor, LLC. These subsidiaries acquired the assets of Outdoor Lighting Perspectives, Archadeck, OLB Supply, OLB Management and Conserva from OLB, Inc. As further discussed in Note 6, on December 15, 2021 OLB Holdco formed Superior Fence and Rail, LLC ("SFR") and Superior Fence and Rail of NOFL, LLC ("SFR-NOFL") as part of a business acquisition.

The accompanying consolidated financial statements present the operations, equity and cash flows of the Company under Successor and Predecessor ownership during the year ended September 30, 2022 and for the period of September 10, 2021 to September 30, 2021 and the period of October 1, 2020 to September 9, 2021. Intercompany transactions and balances have been eliminated in consolidation.

The Company follows accounting standards set by the Financial Accounting Standards Board ("FASB"). The FASB sets accounting principles generally accepted in the United States of America ("GAAP").

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

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

Revenue Recognition

Revenues for the Company are disaggregated into the following revenue streams:

Fencing and Rail Revenues

SFR-NOFL's fencing and rail contracts generally include a single performance obligation for which revenue is recognized over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. Fencing and rail contracts are normally short term (less than one month) and seldom have multiple performance obligations or variable consideration. The contract liability "customer deposits" represents funds received from customers before the contract has commenced. Customers are billed upon contract completion. SFR-NOFL provides a labor warranty following completion of services performed under its contacts. Historically, warranty claims have not resulted in materials costs incurred.

Franchise Royalties and Advertising Fund Contributions

The Company collects royalties and advertising fund contributions ranging from 1.5% to 6.5% of a franchisee's monthly revenues. Royalties and advertising fund contributions are considered variable consideration. GAAP requires variable consideration that is to be recognized over the term of the franchise agreement to be estimated at the inception of the Franchise Agreement. Deferred revenue and a receivable would normally be recognized at the inception of the Franchise Agreement based on this estimate; however, given the nature of the business, the constraints associated with estimating these fees cannot be overcome in order to determine an estimate of the variable consideration that would not be likely to result in a significant reversal. Accordingly, as allowed by GAAP, these fees are recognized in the month in which services are performed for customers.

Product Sales and Ancillary Revenues

OLB Supply sells and distributes to its franchisees certain products and provides supporting services required for use in the operation of a franchise. The revenue from the sale of these products and ancillary services performed by the Franchisors is recognized at the point in time the products and services are delivered.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Franchise Fees

Archadeck, Outdoor Lighting Perspectives, Conserva, and SFR (the "Franchisors") sell franchises which grant franchisees a right to operate within a designated territory. These franchises are conveyed through a Franchise Agreement. The sale of the franchises is reflected within Franchise Fees in the accompanying consolidated statement of operations. Following execution of the Franchise Agreement, the Franchisors agree to provide certain initial services, including advertising material, manuals, website development, training and on-site assistance. The value of the initial services provided exceeds the standalone value individual services performed by the Franchisors. Included in the accompanying balance sheet is a contract liability, "deferred revenue on franchise sales," which represents initial services that have not yet been completed for franchisees. This liability was $1,619,650 and $282,050 at September 30, 2022 and 2021, respectively. Upon completion of these initial services, the franchise fees are recognized as revenue in the accompanying statement of operations. As further discussed in Note 3, the Franchisors finance the sale of Franchise Agreements.

Risks and Uncertainties

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and receivables. The Company maintains cash balances at financial institutions that, at times, are in excess of federally insured limits. Management continually monitors receivable balances and believes that its exposure to receivable credit risk is limited. The Company performs periodic evaluations of the relative credit standing of those financial institutions that are considered in the Company's cash management strategy. If liquidity issues arise in the global credit and capital markets, it is at least reasonably possible that these changes in risks could materially affect the amounts reported in the accompanying consolidated financial statements.

Property and Equipment

Property and equipment are recorded at cost. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets (3-10 years). The cost and accumulated depreciation for property and equipment sold, retired, or otherwise disposed of are relieved from the accounts, and resulting gains and losses are recognized currently. Minor maintenance, repairs, and renewals are expensed as incurred.

Property and equipment consists of the following at September 30:

	2022	2021
Leasehold improvements	$ 799,907	$ 795,727
Furniture and fixtures	276,558	276,558
Office equipment	20,273	20,273
Vehicles and equipment	1,104,812	-
Software	267,000	-
	2,468,550	1,092,558
Less: accumulated depreciation	(248,676)	(7,728)
	$ 2,219,874	$ 1,084,830

Depreciation expense was $232,969 for the year ending September 30, 2022, $7,728 for the period from September 10, 2021 to September 30, 2021, and $131,171 for the predecessor periods from October 1, 2020 through September 9, 2021.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible Assets

The Company's franchise agreements, internally developed software, trademarks, and goodwill were assigned fair values based upon appraisals obtained as part of the recapitalization as further discussed in Note 5 and acquisition further discussed in Note 6. The value associated with the franchise agreements, internally developed software, and trademarks are being amortized on a straight-line basis over 5-15 years.

The Company periodically evaluates whether changes have occurred that would require revision of the remaining estimated useful life of the franchise agreements, trademarks, internally developed software and non-compete agreements as well as whether changes have occurred to determine if all intangible assets are recoverable.

Goodwill is not amortized, but is tested for impairment using a fair value approach. If the fair value of the reporting unit is less than its carrying value, or if the fair value of the goodwill has been diminished, an impairment loss would be recorded to the extent of that difference. The Company tests for impairment as of September 30 annually. Goodwill will be tested for impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value or diminish the fair value of the goodwill. Management believes there has been no impairment of intangible assets during 2022 or 2021.

Intangible assets consists of the following at September 30:

	Estimated Useful Life	2022	2021
Franchise agreements	7 years	$ 30,710,000	$ 20,200,000
Internally developed software	5 years	6,350,000	3,650,000
Trademarks	15 years	1,840,000	890,000
		38,900,000	24,740,000
Less: accumulated amortization		(5,559,873)	(306,254)
		33,340,127	24,433,746
Goodwill	Indefinite	119,696,673	63,568,031
		$ 153,036,800	$ 88,001,777

Future intangible amortization expense for the years ending September 30 are as follows:

2023	$ 5,779,810
2024	5,779,810
2025	5,779,810
2026	5,718,977
2027	4,644,810
Thereafter	5,636,910
	$ 33,340,127

Amortization expense was $5,253,619 for the year ending September 30, 2022, $306,254 for the period from September 10, 2021 to September 30, 2021, and $17,545 for the predecessor period from October 1, 2020 through September 9, 2021.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company is a disregarded entity for income tax purposes and is included in the consolidated tax filings of BCAT, the Parent Company of Lynx. Income taxes are the responsibility of BCAT and not of the Company. As such, the Company shall record a due to or due from and a provision or credit for income taxes representing BCAT's income taxes to be paid based upon projected current and deferred taxes of the Company.

The provision (credit) for income taxes consists of the following for the following periods:

	Successor For the year ending September 30, 2022	Successor September 10, 2021 to September 30, 2021	Predecessor October 1, 2020 to September 9, 2021
Current:			
Federal	$ 762,066	$ (245,966)	$ -
State	207,489	-	-
	969,555	(245,966)	-
Deferred:			
Federal	536,867	213,540	-
State	148,789	59,183	-
	685,656	272,723	-
	$ 1,655,211	$ 26,757	$ -

The provision (credit) has been recorded in the accompanying consolidated statement of operations as if the Company were the tax-paying entity. The provision for income taxes differs from statutory rates primarily because of certain tax differences arising from non-deductible items and state taxes. The accompanying consolidated balance sheet does not include income tax accounts because the Company is a "disregarded entity" and under tax sharing agreements with BCAT, income tax amounts are due from (to) the BCAT and, accordingly, are immediately satisfied via intercompany.

Under predecessor ownership, the Company elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under these provisions, the Company did not pay federal and state corporate income taxes on its income. Instead, the Company's income was included in the income of its stockholders for federal and state income tax purposes.

The Company accounts for uncertainty in income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the consolidated financial statements. The Company utilizes a two-step approach for evaluating tax positions. Recognition occurs when the Company concludes that a tax position, based solely on its technical merits, is more likely than not to be sustained upon examination. Measurement is only addressed if recognition has been satisfied. Under measurement, the tax benefit is measured at the largest amount of benefit, determined on a cumulative probability basis that is more likely than not to be realized upon final settlement. The term "more likely than not" is interpreted to mean that the likelihood of occurrence is greater than 50%. The Company recognizes penalties and interest accrued related to unrecognized tax benefits in income tax expense.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

The Company files income tax returns in the U.S. federal and various state tax jurisdictions. In the normal course of business, the Company is subject to examination by the federal and state taxing authorities. In general, the Company is subject to tax examinations for the successor period.

Paycheck Protection Program

In April 2020, the Company obtained a Small Business Administration ("SBA") loan under the Paycheck Protection Program ("PPP") totaling $799,784. The PPP loan bore interest at 1.00% and may have required repayment under certain circumstances. Under the terms of Coronavirus Aid, Relief, and Economic Securities Act (the "Cares Act"), the Company applied with its lending institution for PPP loan proceeds used within a specified time period to be forgiven, as the proceeds are used to cover certain payroll and other expenses as defined by the Cares Act. During the predecessor period, the Company utilized all PPP funding on qualifying expenses and accordingly has recorded other income within the consolidated statement of operations for the full amount. In 2021, the Company applied for PPP forgiveness with its SBA lender and was notified in March 2021 that the SBA approved its application and the loan has been forgiven.

Subsequent Events

Management has evaluated subsequent events through the date of this report, which is the date the consolidated financial statements were available to be issued.

NOTE 3 – FRANCHISE SALES AND NOTES RECEIVABLE

At September 30, 2022 and 2021, the Company is financing the sales of twenty and twenty-three, respectively, franchises to the purchasers. The notes receivable at September 30, 2022 and 2021, contain interest rates at the Prime Rate plus 3% (an effective rate of 9.25% and 6.25% at September 30, 2022 and 2021, respectively) and mature at various dates through 2026. Based on management's evaluation of notes receivable, no allowance for uncollectible balances was deemed necessary. Outstanding principal balances under the notes receivable are scheduled to mature for the years ending September 30 as follows:

2023	$	231,429
2024		138,863
2025		40,768
2026		19,960
	$	431,020

NOTE 4 – RELATED PARTY TRANSACTIONS

Following the acquisition of the Company by the Successor, the Company is party to management and consulting agreements with certain members of equity groups holding ownership units of Lynx. Additionally, the Company's Board of Directors consists of members of management of certain of the equity groups holding ownership units in Lynx. Consulting and board fees for the year ended September 30, 2022 was $547,571. There were no consulting or board fees for the period of September 10, 2021 to September 30, 2021.

The Company periodically lends or borrows unsecured interest-bearing amounts with Lynx and affiliate companies under common ownership of Lynx. Because there are no specific repayment terms relative to amounts due from Lynx and affiliates, management classifies these amounts as long-term.

NOTE 5 – RECAPITALIZATION

As discussed in Notes 1 and 2, on September 9, 2021, the Predecessor owner of the Company sold substantially all of the assets of Outdoor Lighting Perspectives, Archadeck, OLB Supply, OLB Management and Conserva to the Successor owner at a purchase price of approximately $90,178,000. This purchase was funded through outside financing obtained by Successor owner with a financial institution, cash proceeds and units of ownership interest in Bobcat Holdings Group, LP, the parent company of the Successor.

The opening consolidated balance sheet of the Company, effective on September 10, 2021 was as follows:

Cash	$	3,580
Royalties and accounts receivable		2,553,533
Prepaids		630,030
Property and equipment		1,092,556
Intangibles		88,308,031
Other assets		28,923
Notes receivable		413,566
Total Assets	$	93,030,219
Accounts payable and accrued expenses	$	1,602,840
Due to affiliated company		787,426
Deferred revenue on franchise sales		461,550
Total Liabilities		2,851,816
Member's Equity		90,178,403
Total Liabilities and Member's Equity	$	93,030,219

NOTE 6 – BUSINESS ACQUISITION

On December 15, 2021, the Company acquired the assets of Superior Fence & Rail, Inc., Superior Fence & Rail Franchising, LLC, and Superior Fence & Rail of North Florida, Inc. (collectively referred to as “Superior”) for the purpose of adding a fencing service brand to the existing Archadeck Outdoor Living, Outdoor Lighting Perspectives and Conserva Irrigation brands.

After net working capital adjustments, the purchase price of Superior was approximately $69,256,000 which includes a $5,000,000 earnout provision subject to Superior maintaining certain revenue and employee retention thresholds. The acquisition was funded by capital contributions from Lynx consisting of units of ownership interest in Bobcat Holdings valued at approximately $25,000,000, debt financing of approximately, $31,000,000 obtained by Lynx, and cash.

The Company recorded tangible and intangible assets acquired and liabilities assumed in the acquisition under the purchase method of accounting. The consideration was allocated to assets and liabilities based on their fair values at the acquisition date. The $5,000,000 earnout provision liability was allocated to and will be paid by Lynx if earned.

NOTE 6 – BUSINESS ACQUISITION (Continued)

The allocation of the purchase price was as follows:

Royalties and accounts receivable, net	$	1,140,463
Inventory		828,453
Prepaid expenses and other		34,706
Property and equipment, net		641,641
Intangibles, net		70,288,642
Accounts payable and accrued expenses		(546,331)
Customer deposits		(1,086,724)
Due to affiliated companies		(2,044,424)
	$	69,256,426

NOTE 7 – COMMITMENTS

Loan Guarantees

The Company and various other affiliates owned by Lynx have guaranteed approximately $238,900,000 of credit facilities obtained by Lynx. Total outstanding borrowings were approximately $235,500,000 at September 30, 2022.

Operating Leases

The Company has a leasing arrangements for its office and warehouse spaces used in connection with its operations. These leases expire at various dates through 2034. Subsequent to year end, the Company amended its lease for its office in Virginia. Future minimum required payments under this noncancelable leases, as subsequently amended, is as follows for the years ended September 30:

2022	$	327,214
2023		506,106
2024		327,210
2025		295,892
2026		301,815
Thereafter		2,085,349
	$	3,843,586

Total rent expense for the year ended September 30, 2022 was approximately $287,000.

NOTE 8 – RETIREMENT PLAN

The Company has a salary deferral plan under Section 401(k) of the Internal Revenue Code. The plan allows eligible employees to defer a portion of their compensation ranging from 1% to 15%. Such deferrals accumulate on a tax-deferred basis until the employee withdraws the funds. The Company, at its option, may match a portion of the employees' contribution. The Company made contributions of $190,592 during the year ending September 30, 2022, $5,679 for the period from September 10, 2021 to September 30, 2021 and $95,641 for the period from October 1, 2020 to September 9, 2021.

GUARANTEE OF PERFORMANCE

For value received, Outdoor Living Brands HoldCo LLC, a Delaware limited liability company (the "Guarantor"), located at 2426 Old Brick Road, Glen Allen, Virginia 23060, absolutely and unconditionally guarantees to assume the duties and obligations of Wallaby Windows Franchisor, LLC located at 2426 Old Brick Road, Glen Allen, Virginia 23060 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2023 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 ~~Alpharetta, Georgia;~~ GLEN ALLEN, VA on the 13TH day of APRIL, 2023.

Guarantor:

OUTDOOR LIVING BRANDS HOLDCO LLC

By: _____
Name: Michael Borreca
Title: Senior Vice President, CFO

(WW)

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

Outdoor Living Brands Holdco, LLC

Income Statement

	YTD Results	TTM Results
	11 Months ending August 30	12 Months ending August 30
	2023	TTM
Royalties	$ 23,093,203	$ 24,762,022
Company Operations Revenue	$ 36,284,014	$ 39,572,867
National Accounts Revenue	$ -	$ -
Supply Chain Revenue	$ 7,893,419	$ 8,487,723
Franchise Sales	$ 12,431,987	$ 14,438,515
Marketing Fund	$ 3,159,411	$ 3,385,910
Other Revenue	$ 6,347,101	$ 6,760,576
Discounts & Rebates	$ (684,612)	$ (712,331)
Total Revenue	**$ 88,524,523**	**$ 96,695,283**
Direct Payroll	$ 6,710,827	$ 7,234,663
Direct Non-Payroll	$ 22,384,566	$ 24,056,544
Total Direct Cost	**$ 29,095,393**	**$ 31,291,207**
Gross Margin	**$ 59,429,130**	**$ 65,404,077**
Gross Margin %	*67.1%*	*67.6%*
SG&A Payroll	**$ 11,635,485**	**$ 12,750,926**
SG&A Non-Payroll	**$ 22,752,359**	**$ 25,410,965**
Total SG&A	**$ 34,387,844**	**$ 38,161,892**
EBITDA	**$ 25,041,286**	**$ 27,242,185**
EBITDA %	*28.3%*	*28.2%*
Amortization & Depreciation	**$ 5,692,878**	**$ 7,707,866**
Operating Income	**$ 19,348,408**	**$ 19,534,319**
Operating Income %	*21.9%*	*20.2%*
Total Other Income/(Expense)	**$ (318,550)**	**$ (899,304)**
Net Income	**$ 19,029,858**	**$ 18,635,015**
Net Income %	*21.5%*	*19.3%*

Outdoor Living Brands Holdco, LLC

Balance Sheet

Component	Monthly Balance Sheet 08/31/2023
Cash and Cash Equivalents	$ 7,169,731
Accounts Receivable, net	$ 10,200,821
Royalties Receivable, net	$ -
Notes Receivable, ST	$ 275
Other Current Assets	$ 7,350,261
Current Assets	**$ 24,721,087**
Property, Plant, Equipment, Net	$ 10,740,280
Intangibles, Net	$ 180,820,165
Other Non-Current Assets	$ 357,477
Non-Current Assets	**$ 191,917,922**
Total Assets	**$ 216,639,009**
Accounts Payable/Accrued Expenses	$ 6,778,725
Deferred Revenue	$ 2,317,889
Other Current Liabilities	$ 2,435,203
Current Liabilities	**$ 11,531,817**
Debt	$ -
Debt Issuance Costs	$ -
Other Long Term Liabilities	$ 4,361
Long Term Liabilities	**$ 4,361**
Total Liabilities	**$ 11,536,178**
APIC	$ 175,217,012
Retained Earnings (Deficit)	$ 12,066,372
Net Income	$ 17,819,446
Total Shareholder Equity	**$ 205,102,830**
Total Liabilities & Equity	**$ 216,639,009**

EXHIBIT D
TABLE OF CONTENTS OF THE OPERATIONS MANUAL

1. Mission Statement
2. Table of Contents
3. Welcome Letter
4. Introduction to the Manual
    a. Disclaimer
    b. Manual Organization
    c. Manual Maintenance and Upkeep
    d. Ownership of the Manual
    e. Importance of Confidentiality
    f. Submitting Suggestions
5. The Non-Compete/Non-Disclosure Agreement
6. Operations Manual Receipt and Acknowledgment
7. Your (Franchisee) Responsibilities
    a. Operate a Profitable Business
    b. Support Wallaby Brand Value and the System
    c. Grow a Base of Happy & Loyal Customers
    d. Maintain Vehicles
    e. Maintain Accurate Records
8. Our (Franchisor) Responsibilities
    a. Protect the Wallaby Brand
    b. Help Franchisees Achieve Goals
    c. Maintain System Standards
9. Support Systems
10. Introduction
    a. Company Overview
    b. How and Why We Are Different From Our Competition
11. Energy Efficiency
    a. Building Science
    b. Mechanics of Heat Transfer
    c. Single vs. Double vs. Triple Panes
    d. R-Value
    e. U-Value
    f. Low-E
    g. Argon Gas
    h. Weather Stripping
    i. Benefits of Energy Star Products
    j. NFRC- National Fenestration Rating Council
12. Products and Services We Provide
    a. Impact Windows
    b. Non-Impact Windows
    c. Storm Shutters
    d. Exterior Doors
    e. French Doors
    f. Sliding Glass Doors
    g. Other Services
    h. Properties We Service

i. Our Customers

13. Windows 101
    a. Window Color
    b. Frame Material
    c. Geometric Shapes
    d. Operating Styles
    e. Impact vs. Non-Impact
    f. Orientation
    g. Options/Accessories
    h. Window Diagrams
14. Doors 101
    a. Color
    b. Material
    c. Operating Styles
    d. Impact vs. Non-Impact
    e. Orientation
    f. Options/Accessories
    g. Door Diagrams
15. Franchise Establishment
    a. Hiring Advisors
    b. Business Structure
    c. Technology
    d. Facilities
    e. Permitting/Licensure
    f. Insurance
    g. Accounting
    h. Cash Flow Planning
    i. Human Resources
    j. Wallaby Launch
    k. Vehicles
    l. Marketing
    m. Misc. Establishment Items
16. Franchise Growth
    a. Branding
    b. Our Brand Characterization
    c. Imagery
    d. Marketing Collateral
    e. Estimating
    f. The Customer Journey
    g. Marketing and Advertising
    h. Customer Communication- Contractors/Referral Partners
    i. Customer Communication- Homeowners
17. Franchise Management
    a. Accounting
    b. Human Resources
    c. Performance Metrics
    d. Wallaby Windows Business Stages
    e. Reporting Requirements
    f. Subcontracting to Other Locations

18. Equipment
    a. Our Vehicles
    b. Vehicle Standards
19. Jobs
    a. Job Scheduling
    b. Inclement Weather
    c. Job Efficiency
20. Other & Safety
    a. Safety
    b. OSHA Compliance
    c. Health and Safety Policy and Rules
    d. Conclusion
    e. Sharing Information
21. Technical Glossary
22. Marketing and Sales Glossary

EXHIBIT E
FRANCHISEE DISCLOSURE QUESTIONNAIRE

FRANCHISEE DISCLOSURE QUESTIONNAIRE

Wallaby Windows Franchisor, LLC ("we", "us", or "our") and you are preparing to enter into a franchise agreement for the operation of a Wallaby Windows Franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading and to be certain that you understand the limitations on legal claims you may make by reason of the purchase and operation of your franchise. Please review each of the following questions carefully and provide honest responses to each question.

1.	Yes ____	No ____	Have you received and personally reviewed the Franchise Agreement and each attachment or schedule attached to it?
2.	Yes ____	No ____	Have you received and personally reviewed the Franchise Disclosure Document we provided?
3.	Yes ____	No ____	Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
4.	Yes ____	No ____	Do you understand all the information contained in the Franchise Disclosure Document and Franchise Agreement?
5.	Yes ____	No ____	Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor or have you had the opportunity for such review and chosen not to engage such professionals?
6.	Yes ____	No ____	Have you discussed the benefits and risks of developing and operating a Wallaby Windows Business with an existing Wallaby Windows franchisee?
7.	Yes ____	No ____	Do you understand the risks of developing and operating a Wallaby Windows Business?
8.	Yes ____	No ____	Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities, and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor, and supply costs, and other relevant factors?
9.	Yes ____	No ____	Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be litigated, mediated, and/or arbitrated in Virginia, if not resolved informally or by mediation?
10.	Yes ____	No ____	Do you understand that you must satisfactorily complete the initial training course before we will allow your Business to open or consent to a transfer?

11. Yes ____ No ____ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Wallaby Windows Business, that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

12. Yes ____ No ____ Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

13. Yes ____ No ____ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Wallaby Windows Business will generate, that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

14. Yes ____ No ____ Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning the franchise for the Wallaby Windows Business, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding?

15. Yes ____ No ____ Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

EXPLANATION OF ANY NEGATIVE RESPONSE
(REFER TO QUESTION NUMBER)

Questionnaire Number	Explanation of Negative Response

Do not sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document. Sign and date this Questionnaire the same day you sign the Franchise Agreement and pay your franchise fee.

*Do not sign this Questionnaire if you are a Hawaii resident, or the franchise is to be located in Hawaii.

**Do not sign this Questionnaire if you are a Maryland resident, or the franchise is to be located in Maryland.

FRANCHISEE: _____

Signature: _____
Print Name: _____
Date: _____

EXHIBIT F

GENERAL RELEASE

This General Release ("Release") is executed by the undersigned ("Releasor") in favor of Wallaby Windows Franchisor, LLC, a Delaware Limited Liability Company ("Franchisor").

Background Statement: Releasor wishes to dispose of all outstanding liabilities against Released Parties.

Releasor agrees as follows:

1. Release. Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the "Releasing Parties") hereby release Franchisor, its parent(s), affiliates, and each of their respective directors, officers, shareholders, members, employees, and agents (collectively, the "Released Parties") from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement or in connection with the franchise relationship, franchise sales process, misconduct, misrepresentation or fraud by any Released Party all of which are acknowledged and expressly included here (collectively, "Claims").

2. Covenant Not to Sue. Releasor (on behalf of all Releasing Parties) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.

3. Representations and Acknowledgments. Releasor represents and warrants that: (i) Releasor is the sole owners of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor's choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim. Releasor covenants not to claim in any future proceeding that there was insufficient consideration for the execution hereof or that it was not received.

4. Miscellaneous. If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Franchisor reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof and has been executed in exchange for separate and sufficient consideration paid in hand by Released Parties to Releasor and Releasor acknowledges receipt by executing below. This release does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder, in accordance with RCW 19.100.220(2).

Executed by:

_____ Date: _____

Name:

Personally, and on behalf of any entity through which (s)he has conducted business or otherwise interreacted with any Released Party

[notary acknowledgement to follow]

EXHIBIT G
STATE SPECIFIC ADDENDA AND RIDERS

ILLINOIS ADDENDUM
TO THE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

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, arbitration may take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with Illinois Franchise Disclosure Act or any other law of Illinois is void.

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.

WALLABY WINDOWS FRANCHISOR, LLC

By:_____
Name: _____
Title: _____

[FRANCHISEE ENTITY]

By:_____
Name: _____
Title: _____

NEW YORK ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

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 D OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THE 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 CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is 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 ground 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, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.

Any provision in the Franchise Agreement requiring franchisee to sign a general release of claims against franchisor does not release any claim franchisee may have under New York General Business Law, Article 33, Sections 680-695.

The New York Franchise Law shall govern any claim arising under that law.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

WALLABY WINDOWS FRANCHISOR, LLC

By:_____
Name: _____
Title: _____

[FRANCHISEE ENTITY]

By:_____
Name: _____
Title: _____

EXHIBIT H

LIST OF FRANCHISEES AS OF 12/31/2022

None

LIST OF FRANCHISEES SIGNED BUT NOT YET OPEN AS OF 12/31/2022

None

LIST OF FORMER FRANCHISEES AS OF 12/31/2022

None

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This 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:

State	Effective Date
Illinois	Pending
New York	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Receipt

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully. If Wallaby Windows Franchisor, LLC ("Wallaby") offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Iowa and New York require that Wallaby gives you this disclosure document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that Wallaby gives you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Wallaby does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A). The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Scott Marr	445 West Drive, Melbourne, FL 32904	1-800-520-4953
Amie Hawk	16934 Frances Street, #105 Omaha, NE 68130	531-333-3278
Derek Bishop	16934 Frances Street, #105 Omaha, NE 68130	531-333-3278
Bobby Brennan	16934 Frances Street, #105 Omaha, NE 68130	531-333-3278
Ben Rickord	16934 Frances Street, #105 Omaha, NE 68130	531-333-3278

And/or the following individual(s):_____

Wallaby authorizes the respective state agencies identified on Exhibit A to receive service of process for it in that particular state. Issuance Date: April 14, 2023. I received a Disclosure Document dated April 14, 2023, that included the following Exhibits:

A. LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS
B. FRANCHISE AGREEMENT
C. FINANCIAL STATEMENTS
D. TABLE OF CONTENTS OF THE OPERATIONS MANUAL
E. FRANCHISEE DISCLOSURE QUESTIONNAIRE
F. RELEASE
G. STATE SPECIFIC ADDENDA AND RIDERS
H. LIST OF FRANCHISEES

Signature: _____

Date Received: _____

Signature: _____

Date Received: _____

Keep this copy for your records

Receipt

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Signature: _____

Date Received: _____

Signature: _____

Date Received: _____

Please sign this copy of the receipt, date your signature, and return it to Scott Zide by email to szide@EmpowerFranchising.com