



Franchise Disclosure Document [FDD]

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a Tennessee corporation
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The Franchise offered is for the operation of a garage door sales, installation, repair and service business incorporating our proprietary methods and techniques and featuring a variety of products for residential properties. This is a service-oriented business that provides onsite consultations along with garage door design services, sales, installation, repair and ongoing maintenance services dedicated to providing customers with a one-stop solution for all their garage door needs, under the name "Access Garage Doors®". The Initial Franchise Fee is \$20,000 with protected rights to operate in a specific area as defined by us. Additional franchises may be available for those franchisees who have bought at least one franchise, at a reduced fee of \$10,000 per Franchise. The total estimated initial investment necessary to begin operation of an Access Garage Doors® franchise ranges from \$55,955 to \$105,555 which will depend on a number of factors which are further discussed in Item 7. These figures include the Initial Franchise Fee of \$20,000 that must be paid to the Franchisor or its affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact:

Aaron Jesse Cox, President
Open Doors, Inc.
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The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

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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 G.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit J 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 Access Garage Doors 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 an Access Garage Doors franchisee?	Item 20 or Exhibits G and 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 B.

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

Special Risks to Consider About *This Franchise*

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

1. **Out of State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with the Franchisor by mediation, arbitration and/or litigation only in Tennessee. 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 the Franchisor in Tennessee than in your own state.
2. **Short Operating History.** This 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. Franchise Disclosure Document [FDD]
Open Doors, Inc.
4. **General Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see item 21), calls into question the franchisor's financial ability to provide services and support to you.

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ITEM 1
FRANCHISOR AND ANY PARENTS, PREDECESSORS & AFFILIATES

The Franchisor is Open Doors, Inc., a Tennessee corporation, doing business as “Access Garage Doors.®” For ease of reference, Open Doors, Inc. will be referred to as “we,” “us,” “our,” “ODI” or “Franchisor” in this Disclosure Document. We will refer to the person or entity who buys the Franchise as “you,” “your,” and “Franchisee,” throughout this Disclosure Document. If you are a corporation or a limited liability company, partnership or other entity, certain provisions of the Franchise Agreement also apply to your shareholders, members, partners or owners and will be noted. Any entity such as corporations, partnerships, limited liability companies or other type of entity may be referred to as an “Entity” and those who own the Entity may be referred to as “Owners.”

We are a Tennessee corporation, incorporated on March 21, 2019. We do business under the same name as our corporate name “Open Doors, Inc.” and may also use the name “Access Garage Doors,” “Access Door Company” and “Garage Door Access.” Our principal business address is 7335B Hixson Pike, Hixson, Tennessee 37343. We operate and sell franchises for the operation of a business known as “Access Garage Doors®” (the “Business,” “Franchise” or “Franchised Business”). We grant to persons or entities which meet our qualifications, and who are willing to undertake the investment and effort, the right to open and operate a Franchise for the development and operation of a garage door sales, installation, repair and service business within a protected territory, all in accordance with our then current franchise Agreement (“Franchise Agreement”), a copy of which is attached as Exhibit A. This is the first time ODI has offered franchises of the type described in this Disclosure Document, and ODI has never offered franchises in any other line of business. Our agents for service of process are disclosed in Exhibit B.

Our Parents, Predecessors and Affiliates:

We have one affiliate parent company that owns two subsidiary companies. These two subsidiaries operate two businesses that offer similar products and services to an Access Garage Doors® Franchise being offered which is our affiliates as described below. The following is a list of Access Garage Doors® predecessors and affiliates including principal address and number of locations for each.

Our affiliate, JCox Enterprises, Inc. (“JCE”), is a Tennessee corporation, owned by Aaron Jesse Cox, was formed on March 20, 2018. JCE’s physical address is 7335B Hixson Pike, Hixson, Tennessee 37343. JCE is a parent company to two subsidiary companies providing only administrative assistance and support. JCE does not offer franchises in any business and does not engage in any business other than owning its subsidiary companies (our affiliates). We and JCE are independent entities, and JCE does not assume any of our legal or other obligations nor us of theirs.

Our affiliate, MyAccess, LLC (“MAL”), is a Tennessee limited liability company, owned by Aaron Jesse Cox, was formed on February 17, 2020. MAL’s physical address is 7335B Hixson Pike, Hixson, Tennessee 37343. MAL is not a parent company and does not have any parent or subsidiary companies. MAL does not offer franchises in any business and does not engage in any business other than offering products and services to franchisees. We and MAL are independent entities, and MAL does not assume any of our legal or other obligations nor us of theirs. MyAccess, LLC was dissolved July 18, 2022.

Our predecessor, Access Garage Doors, owned by Aaron Jesse Cox, began operations as a sole proprietorship on September 15, 2005 and was later merged into our affiliate, Access Door Company, Inc. (“ADCI”). ADCI is a Tennessee corporation, also owned by Aaron Jesse Cox, formed on August 19, 2009. ADCI is a subsidiary of our parent company, shares the same physical address as us and operates a business substantially similar to the franchise being offered by us. On March 2, 2021, ADCI filed Articles of

Amendment to change its name to Access Garage Doors Co. (“AGDC”). On March 22, 2021, AGDC filed an Assumed Name for Access Garage Doors of Chattanooga. We and AGDC are independent entities, and AGDC does not assume any of our legal or other obligations, or us of theirs. AGDC does not offer franchises.

Our Business and the Franchises Offered:

Access Garage Doors® is a business model that has been developed to offer an efficient and cost-effective solution to design, install, repair and service any type of garage door system. The Access Garage Doors® philosophy is centered on providing a one-stop, hassle free solution for anyone seeking to either design and install, purchase, replace, repair or maintain any type of residential garage door system. This business is operated year-round and typically as a home-based business, however, it can be operated out of a small industrial or retail space with a showroom (all of which must be approved by us). Each Access Garage Doors® Franchise in accordance with our standards, specifications, business techniques and procedures, will offer: onsite consultation and garage door design services, a wide selection of pre-fabricated garage doors for sale from a variety of different manufacturers, custom-made garage door solutions, a large selection of electric garage door opener products, garage door automation systems, installation and repair services performed by professionally trained technicians, garage door equipment and parts for sale (such as: motors, controllers, rollers, springs, tracks, etc.) in conjunction with our privately labeled products (such as lubricants) in addition to our warranty and proprietary ongoing maintenance and service guarantee programs and other garage door-related products and services approved by us. We may authorize you to offer additional products and/or services in the future such as: commercial garage door services, gate entry services and products, garage door painting services, garage space design and/or organization services, garage floor coating services, sale and installation of garage shelving and racking systems, garage flooring products, entry door products in addition to other garage related services and products approved by us.

The Access Garage Doors® Business and System (hereafter defined) are characterized by our: business format that is simple and efficient offering a variety different products (including privately labeled products which are products developed by a third-party vendor and carry our brand) and services; specific methods, processes, techniques and procedures when selling products or providing services; our proprietary service guarantee program and warranty programs, operational procedures, service standards and methods for quality control; specifications for all equipment, products and supplies used and strategies for purchasing such items; relationships with vendors and suppliers, inventory tracking and management systems, cost control and pricing strategies; vehicle specifications and appearance standards with unique and recognizable signage; a franchise website housed within our national website with access to our intranet system that includes access to our proprietary educational platform that contains our video library with training modules to complement your ongoing training efforts; third-party software, photographs, video presentations, contracts and forms; guidelines for hiring, training and retaining employees and independent contractors (if you choose to hire independent contractors); proprietary sales presentations, customer and account acquisition programs; advertising, marketing, social media and promotional strategies and materials; management and record keeping procedures; our confidential operations manual (“Operations Manual” or “Manuals”) and other worksheets and materials which are made available either in hard copy or electronically; all of which may be changed, improved and further developed by us periodically (collectively referred to as the “System”).

The System is identified by means of certain trade names, service marks, trademarks, slogans, logos, emblems, and indicia of origin, including the design and word mark “Access Garage Doors®” which is registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”), bearing the registration number 6197951. The word mark “Access Garage Doors®” is registered on the

Principal Register of the USPTO, bearing the registration number 6197950. The word mark “Access Garage Doors ‘Garage Doors... It’s What We Do.®’” is registered on the Principal Register of the USPTO, bearing the registration number 6670478. Other Trademarks and Copyrights such as “Don’t Stress. Call Access®” are identified and described in Items 13 and 14 of this Disclosure Document. You will be licensed to use not only these marks and designs, but also all other service marks, trademarks, slogans, logos and emblems as we may designate for use in connection with the System (collectively, the “Marks” and each a “Mark”).

You should consider the following when establishing and operating your Business: changing market conditions, competition, cost of products and services, sales tax, real estate market, capital, labor, your own health, continuity of your management, continuation of sources of supply, availability of financing, recession or depression locally or nationally, wars, strikes, acts of terrorism, emergencies whether natural or manmade, litigation, liability and casualty losses. The purchase of an Access Garage Doors® (or any other) franchise is speculative, and a significant investment beyond that outlined in this Disclosure Document may be required to succeed. There are no guarantees for success and the most important factors in the success of any Access Garage Doors® franchise, including yours, are your personal business, marketing, management, judgment, other skills and your willingness and commitment to work hard and diligently in your Business and incorporating our System.

General Market and Competition:

Competition includes national and local businesses that sell garage door systems and parts and/or offer installation services operated by national chains, local chains, independent operators and to some extent manufacturers, distributors, home improvement stores and/or online selling products and offering services similar to those found in an Access Garage Doors® business. Your customers are typically residential property owners seeking to replace, upgrade or repair their garage door system. Generally, there is no seasonality to this business. There is a demand for garage door replacement, upgrade and repair services throughout the United States as the market is growing, changing and evolving. We believe that our competitive position in the marketplace is attributed to our wide selection of garage door products and solutions enhanced by our services and operational format places Access Garage Doors® businesses in a unique class of its own.

Laws and Regulations:

In addition to laws and regulations that apply to businesses generally, currently there are no specific federal regulations governing the sale, repair and installation of garage door products and systems that apply to your Business. You are responsible for checking the laws of the state, and local government in which you intend to conduct business to determine if you are required to obtain any permits or if there are any licensing or registration requirements and other statutes, codes, rules, regulations or ordinances specific to your Business or necessary for you to perform services. Some states may require you to have a local contractor’s license which may include bonding requirements. You understand that it is your responsibility to ensure that you, any Owners, employees and independent contractors (if you choose to hire independent contractors) or anyone performing services has obtained any licenses or certifications as required by your state. You are responsible for knowing all laws, regulations and bonding requirements and for obtaining all certifications, licenses, permits and bonds required by your locality.

In addition to laws and regulations that apply to businesses generally, there are consumer protection laws that exist in several states. Certain requirements, including compliance with federal and/or state solicitation, telemarketing (for example, the “do not call” registry), email solicitation, privacy and consumer credit and collection laws are generally applicable to all businesses that sell directly to the end-user. You

must comply with all local, state and federal laws that apply to your Business and to the public. Those laws include Equal Employment Opportunity Commission (“EEOC”), Federal Trade Commission (“FTC”), occupational hazards and health, including the Occupational Safety and Health Administration (“OSHA”), pricing laws and employment laws. Such employment laws include regulations concerning wage rates, mandated employee benefits, employment taxes, worker safety, unemployment compensation, workers’ compensation, child labor practices, disabled employees and discrimination in employment practices. There are also many state and local laws and regulations detailing how to define independent contractors for different purposes, such as tax, effect of applicable employment laws, unemployment compensation and workers’ compensation that you are responsible for knowing. You will be subject to the Americans with Disabilities Act which prohibits practices that discriminate against physically and mentally challenged individuals regarding access to public accommodations and employment opportunities. There may be other laws and codes applicable to your business and we urge you to make further inquiries about those laws and codes.

It is your sole responsibility, to investigate, satisfy and remain in compliance with all local, state and federal laws and regulations in addition to obtaining and keeping in force all necessary certifications, licenses, permits and registrations required by public authorities, since they vary from place to place and can change over time. You must know all laws and regulations in your locality and must make sure that you and all your employees who work in your Business comply with such laws and regulations as well as obtain any certifications, licenses, permits or registrations required by your locality for performing work in your Business. You should consider both their effect on your Business and the cost of compliance. Although we monitor legal requirements that affect our franchisees and we make our information available to you, because of the number of potential state and local issues we cannot guarantee that it will be complete, current and accurate. Therefore, we recommend that you consult with your attorney and/or tax advisor for an understanding of all the laws and regulations applicable to your specific Business and in complying with them.

We have not offered franchises in other lines of business in the past. We do not engage in any business other than the offer of franchises.

ITEM 2 BUSINESS EXPERIENCE

Chief Executive Officer: Aaron Jesse Cox (“Jesse”): Jesse is the founder of Access Garage Doors® business model, serving as our Chief Executive Officer since our formation in March 2019. He has been responsible for creating all operating procedures and service standards, establishing relationships with all vendors, leading efforts for the development of our privately labeled products and managing all sales activity. From September 2005 to present, he has been serving as CEO for our affiliate, Access Garage Doors Co., based out of Hixson, Tennessee while also serving as President for our parent company JCox Enterprises. Jesse will continue to develop vendor relations, research new products and equipment, lead our franchisee training program and provide ongoing operational support to franchisees.

Chief Financial Officer: David Neal: David has been serving as an Executive Officer since our formation in March 2019. He has been responsible for establishing our bookkeeping and record keeping procedures, developing our statistical formulas, analyzing operational and marketing data and managing all our information technology. From June 2007 to present, he has been serving as Executive Officer for our affiliate, Access Garage Doors Co. based out of Hixson, Tennessee. David will continue to enhance our bookkeeping procedures, further develop statistical formulas to aid in daily operations, assist with our franchisee training program and provide ongoing administrative support to franchisees.

Director of Operations: Chris Evans: Chris has been serving as our Director of Operations since our formation in March 2019. He has been responsible for enhancing operational procedures, training employees and running daily operations. He also supports our sales efforts. From December 1, 2014 to present, he served as General Manager for our affiliate, Access Garage Doors Co. based out of Hixson, Tennessee. Chris will continue to develop operational procedures, further develop our training programs, assist with our franchisee training program and provide ongoing operational support to franchisees.

Director of Sales: Mitchell Westlund: Mitchell has served as our Director of Sales since March 2023 and manages our franchise ownership inquiries. He discusses preliminary information regarding the features and benefits of the Access Garage Doors® franchise program with franchise candidates in order to advance them through our application process. Through communications and relationship development, Mitchell focuses on our national growth efforts. From February 2008 to March 2023, he was a Sales Manager for CLEC Management based out of Littleton, Colorado. Mitchell will continue to use his skills to further develop our brand and entire system.

ITEM 3 **LITIGATION**

No litigation is required to be disclosed in this Item.

ITEM 4 **BANKRUPTCY**

Aaron Jesse Cox, our President, filed as an individual for protection under Chapter 7 of the U.S. Bankruptcy Code (U.S. Bankruptcy Court, Eastern District of Tennessee, Case No.1:14-bk-13310) on 07/31/14 due to unexpected personal expenses. The case was discharged on November 13, 2014. Aaron's bankruptcy was not in any way affiliated with Open Doors, Inc. or any of its parents, predecessors and affiliates.

No other person previously identified in Items 1 or 2 of this Disclosure Document has been involved as a debtor in proceedings under the U.S. Bankruptcy Code required to be disclosed in this Item.

ITEM 5 **INITIAL FEES**

The Initial Franchise Fee for a single Franchise (the "Initial Franchise Fee") is \$20,000 for an Access Garage Doors in a protected area. The protected area of a Franchise is determined once a location from where you want to operate your Business is identified and approved by us. The Initial Franchise Fee includes: the development of a custom local affiliate website Franchise housed within our national website, web server setup for your website that will include scheduling functionality and access to our intranet system that houses our proprietary educational platform and provides ongoing announcements and templates for print and marketing materials to support your Business; access to a self-study program (and related materials) to be completed prior to attending our initial training program; our proprietary Operations Manual, a comprehensive ten-day training program at corporate headquarters and up to three days of assistance and guidance at your location for either pre-opening or grand opening assistance. The Initial Franchise Fee will include the issuance of up to three (3) electronic mail addresses for the Business. You must purchase specific equipment, products and supplies from us, our affiliates or our approved vendors and/or suppliers and the cost for these items may not be refundable (as described in Item 7 and Item 8). You will be provided with a list of approved vendors and suppliers to purchase all equipment, products and supplies from necessary to operate your Business during the initial training program. At the time you sign

your Franchise Agreement and anytime you are in good standing under your Franchise Agreement, you may purchase additional franchises for \$10,000 each if we offer additional franchises to you and if you meet the following minimum conditions: (a) you must satisfy our then-current qualifications and training requirements; (b) not be in default of the Franchise Agreement; and (c) you must execute our then-current franchise agreement.

The Initial Franchise Fee is paid in a lump sum at the time the Franchise Agreement is signed, is non-refundable and is deemed fully earned upon the opening of the Business for the deliverables described above and as provided in the Franchise Agreement. In certain states, as required by state authorities based on a review of our financial statements, we may defer our receipt of the Initial Franchise Fee and all other initial payments or deposit them into escrow until we have met our initial obligations to you (see state addenda in Exhibit D).

We may offer you an option to be awarded an Access Garage Doors® Franchise, on the terms set forth in the Option Agreement attached as Exhibit F (“Option”). Under the Option Agreement, you have six (6) months (the “Option Term”) to enter into a Franchise Agreement for your first Franchised Business or additional Franchised Businesses. In exchange for the Option, you pay a nonrefundable fee of \$5,000 (“Option Fee”) that: (i) will be credited toward the Initial Franchise Fee if you exercise the Option to purchase an initial franchise during the Option Term; or (ii) will be credited toward the franchise fee for an additional franchise if you exercise your Option to buy an additional franchise during the Option Term following the purchase of the Option to buy an additional franchise. The Initial Franchise Fee upon exercise of an Option will be the same as the Initial Franchise Fee without an Option. Whether you buy an initial franchise or an additional one, you must complete the purchase during the Option Term of the Option Agreement.

The Option Fee is not refundable and is payable in full when you sign the Option Agreement, as applicable, except as provided in Exhibit F.

We have established a program for qualified veterans of the United States who have been honorably discharged to receive a discount of 20% off the Initial Franchise Fee when purchasing a franchise. This program does not apply to additional franchises. We retain the right in our sole discretion to modify or terminate this veteran discount program at any time with or without notice. The factors concerning our decision to modify or terminate the veteran discount program include the number of franchises that we sell, the number of veterans that are interested in purchasing a franchise and the quality of veteran applicants that we receive.

We have also established an employee discount program for any full-time employee (defined as working a minimum of thirty-two hours per week) who has been employed for a minimum of one year at full-time status either by us, any of our company-owned businesses or franchise locations. Such employees are eligible to receive the following discounts: if the employee has reached his/her first anniversary when purchasing their first franchise, employee will receive 50% off the Initial Franchise Fee; and if the employee has reached his/her third anniversary (working all consecutive years at full-time status) when purchasing their first franchise, employee will receive 75% off the Initial Franchise Fee. Our approval is subject to the territory of interest being available. This program does not apply to additional franchises. We retain the right in our sole discretion to modify or terminate this employee discount program at any time with or without notice. The factors concerning our decision to modify or terminate this employee discount program include but is not limited to the amount of interest we receive and number of employees who purchase a franchise.

In addition, we may also offer a program in the future whereby Franchisees can receive a flat referral fee of \$3,000 in cash, services, equipment or product credit for referring a third-party franchise prospect to us, who ultimately becomes an Access Garage Doors® franchisee. You are authorized only to present a prospect with our informational brochure and to identify the prospect to our company franchise sales staff. You are not authorized to act as our agent or franchise broker and are not instructed to provide any information, or financial performance representations, to prospects other than our information brochure. If you receive a referral fee, notice will be given to the prospective franchisee receiving the Disclosure Document, together with the same type of information reported in Item 2 and Item 3 of this Disclosure Document about Franchisee. We retain the right in our sole discretion to modify or terminate this referral program at any time with or without notice. The factors concerning our decision to start, modify, or terminate the referral program include the number of franchises that we sell, the number of referrals that we receive from current franchisees, and the quality of referrals that we receive from current franchisees.

ITEM 6
OTHER FEES

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Royalty Fee	4%-5% of Gross Revenues per calendar month (with a minimum of \$500) starting immediately once your Business is deemed open for operation.	Due by the 10th day of each month for the previous month.	See Note 1
System Advertising Fee	½ % of Gross Revenues per month starting immediately once your Business is deemed open for operation.	Due by the 10th day of each month for the previous month.	We may increase this fee upon ninety (90) days' written notice to you. However, your total contribution will not exceed 3% of Gross Revenue per month in any calendar year. See Note 2 and Item 11
Local Advertising	A minimum of \$1,500 per month starting immediately once your Business is deemed open for operation.	Spent by you to promote your Business locally.	Your local advertising requirement starts immediately after you complete the initial training program. You must report your local advertising expenditures to us by the tenth day after the end of each month, or at times, on forms, and in a manner we determine.

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Additional Training	Up to \$500 per person per day for in-person training plus cost of third-party charges.	At time training is scheduled and/or additional assistance is requested by you.	While the Initial Franchise Fee includes the cost of our initial training program, the Initial Franchise Fee only covers training for up to three individuals. See Item 11. Additionally, this fee is applicable upon an approved transfer of the Franchise for the initial training program and additional training. Additional training only available for managers and owners.
Interest and Late Charges	1.5% per month or maximum rate allowed by law provided the interest rate cannot exceed the maximum legal rate.	After due date of fees.	See Note 3
Audit Expenses	Cost of Audit Fees plus interest at 18% per annum (1.5% per month) up to the maximum interest allowed by law.	Ten days after receipt of audit report	Payable only if you understate Gross Revenues by 2% or more. We expect the cost to be between \$8,000 - \$10,000 unless your financial records are not well kept.
Costs and Attorney's Fees	Will vary under circumstances.	As Incurred	Payable as incurred by us in obtaining injunctive relief for the enforcement of any section of the Franchise Agreement.
Indemnification	Will vary under circumstances.	On Demand	As Incurred; See Note 4
Website, Edits, Updates, Changes	Currently \$65-\$125 per hour that may be	As Incurred	Payable to us, our affiliates and/or

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Maintenance, Promotion Fee	necessary to update and/or promote your website.		approved vendors. See Note 5
Electronic Mail	Our cost for any additional electronic mail addresses requested beyond three (3) included with Initial Franchise Fee.	As Incurred	Payable to us, our affiliates and/or approved vendors. See Note 5
Operations Software	Currently \$371.25 monthly for mandatory operations software.	As Incurred	Payable to us, our affiliates and/or approved vendors. See Note 5a
Product, Vendor and Equipment Testing Fee	\$100 per product or vendor. \$300 for equipment testing	On Demand	Payable to us. See Note 6
Transfer Fee	A flat fee of \$2,500 when you transfer a part of the Business (less than 49% of all the assets) or a flat fee of \$10,000 when you transfer all the Business (more than 49% of all the assets). If transferee came from our lead database, you may be required to pay the then-current referral fee to us plus any costs associated with applicable broker fees.	At the time the transferee signs the Franchise Agreement in effect for transfer or sale.	Payable to us when the Franchise Agreement is signed or a material portion of the assets in the Business is transferred.
Renewal Fee	None	At the time of the five year renewal period for each franchise.	For the same protected area.
Resale Fee	Varies	On Demand	If you ask and we agree to assist you in finding a buyer for your Business, you pay us a fee to cover our costs and

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
			expenses, including time committed by our personnel.
Temporary Management	Actual Costs	On Demand	Upon death or disability, a manager who completed our training, must be employed to operate the Business. If not done, we can appoint a manager for up to ninety (90) days, renewable up to one year. All expenses, including manager compensation, travel and living expenses will be charged against operating revenues. We also charge the amount of our expenses against those revenues.
Conference Fee	Conference fee, travel, transportation, lodging, meals and incidental expenses in addition to compensation of the people you send to any conferences. Will vary under circumstances. There will be a registration fee for conferences not to exceed \$500 per person although we will work in good faith to keep the cost so it does not exceed our cost.	As Incurred	As Incurred and payable to third parties and us. Conference fee will be assessed to you for one person not to exceed \$500 regardless of whether you attend conference.
Refresher Training and/or Continuing Education	In-person refresher and/or continuing education is estimated not to exceed \$500 per person per day plus any charges imposed by	As Incurred	This fee applies only to in-person refresher and/or continuing education. The location for refresher and/or continuing education

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
	third-party, your travel and expenses or our expenses if we come to your location. Will vary under circumstances.		will be at our headquarters although we reserve the right to provide them over the internet or phone. There may be an annual conference for all franchisees to attend and other conferences as needed. See Item 11, (13iv) for more detail.
Administrative Fee	<ul style="list-style-type: none"> • \$100 first offense • Greater of our cost or \$200 for subsequent offenses 	As Incurred	This fee applies to our administrative time and costs related to any oversight of non-compliance issue. Includes any payment or fees associated with insufficient funds or failure to report accurately.

Except as stated above, you pay all fees to us and they are uniformly imposed. All fees are non-refundable.

Note 1: Gross Revenue is defined in the Franchise Agreement as the gross amount, in money or other forms of consideration, that you earn or receive from any source-related to, or in connection with, the operation of your Franchised Business or with this Franchise, whether on or off your premises. Gross Revenue also includes fair market value for any product or service you receive in barter or exchange for your services or products, the retail value of any discounted and/or complementary (free) services or products given or provided to customers and all insurance proceeds that you receive for the loss of the Business due to a casualty to or similar event at the Business. We exclude only gratuities paid by customers to employees of the Business, service fees for credit card transactions, sales tax receipts that you must by law collect or pay and any reasonable customer refunds of previous payments you actually make in good faith.

The royalty obligation begins immediately once your Business is open for operation and continues for the term of your Franchise. Your Business is deemed open for operation immediately after you complete the initial training program. The royalty is due and payable monthly on the 10th day of per calendar month based on your Royalty Month for the entire term of your Franchise Agreement (see chart below) and is to be received how we specify. The term "Royalty Month" shall be defined as starting the calendar month in which you complete the initial training program and is used as the baseline for each calendar month thereafter. If your Franchise Agreement is terminated, you may be required to continue such royalty payments for the term of your Franchise Agreement.

Royalty Month:	Your Royalty Payment Will Be:
Months 1-12	The greater of 4% of your Gross Revenues or \$500 monthly
Months 13-24	The greater of 4.5% of your Gross Revenues or \$1,000 monthly
Month 25 through the remainder of your Franchise Agreement	The greater of 5% of your Gross Revenues or \$2,000 monthly

Royalty Fees must be paid by direct deposit from Franchisee's account to us, and all Royalty Fees are imposed by us only. See Direct Deposit Agreement attached as Schedule 1 of the Franchise Agreement. We reserve the right to change the time and manner of payment upon written notice to you. All Royalty Fees are non-refundable. All Royalty Fees are uniformly imposed.

Note 2: You will pay us a System Advertising Fee contribution equal to ½% of Gross Revenues per calendar month as defined in the Franchise Agreement. The System Advertising Fee is collected by us and all System Advertising Fees are non-refundable. The payment of the System Advertising Fee begins immediately once your Business deemed open for operation (as defined in Note 1) and is due on the 10th day of each month, then continues for the term of the Franchise Agreement. We may raise, discontinue, or reduce the contribution, but your total contribution will not exceed 3% per month of your Gross Revenues in any calendar year. Gross Revenue is defined in the Franchise Agreement and in Note 1 above. You pay the System Advertising Fee contribution at the same time and under the same terms as the Royalty Fee described above. System Advertising Fees are uniformly imposed on all franchisees.

We will place the System Advertising Fee contribution in a separate bank account. We may use this fund for marketing, local, regional, national, or international advertising, public relations, promotions, surveys, test marketing, research and development administration (including all related expenses such as our salaries, accounting, collection, legal, and other costs), and any media costs (including media production costs). We make the expenditures at our discretion. We do not represent that any particular level of expenditure will be made for particular programs or to benefit particular franchisees or franchised locations. We are not required to spend any amount on advertising in the area where you are located. We will not spend advertising funds from this account for activities that are principally a solicitation for the sale of franchises. There is no fiduciary relationship between us and you concerning any System Advertising Fee contribution. System Advertising Fees must be paid by direct deposit from Franchisee's account to us. All System Advertising Fees are payable only to us and collected only by us. System Advertising Fees are uniformly imposed on all franchisees. System Advertising Fees are non-refundable.

Note 3: Interest and late charges begin to accrue from the due date of payment. You must also pay any damages, expenses, collection costs and reasonable attorney fees we incur when you do not make the required payments, provided no interest shall exceed the maximum legal rate. All interest and late charges are: payable only to us, uniformly imposed and non-refundable.

Note 4: You must protect, defend, indemnify and hold us harmless against any claims, lawsuits or losses arising out of your operation of the Franchised Business. If you default under the Franchise Agreement and

we engage an attorney for collection or enforcement, you must pay all our damages, legal fees and costs to the extent permitted by law. All indemnification costs are payable only to us and collected only by us. Indemnification costs will vary depending on the amount of damages, and attorneys' fees that we incur to collect any amounts due and owing by you according to the Franchise Agreement or enforce the Franchise Agreement. Indemnification costs are non-refundable (Franchise Agreement Section XVIII).

Note 5: We, our affiliates and/or our approved vendors will complete all changes, updates and promotions to your website. Any requests for changes or updates to the content of your website and/or any type of website promotion you wish to do must be approved by us in writing and performed by us, our affiliates and/or our approved vendors. We will respond to you in writing within thirty (30) days of our receipt of your request for all website changes. The website maintenance and promotion fee is currently \$65-\$125 per hour and is payable to us, our affiliates, or our approved vendors. We will provide you with one hour of website editing monthly without charge. The hourly fee noted above applies to all times. We may change our website maintenance and promotion fee requirement upon ninety (90) days' notice to you and you will be required to adhere to our new website maintenance and promotion fee requirements at your own expense. The fees may be changed in response to any increase in the United States Consumer Price Index, if we choose to offer additional features, if we choose to provide additional web pages or if we believe that conditions in the overall economy or in the market for services warrant any change in fees. Website maintenance and promotion fees are non-refundable and are uniformly imposed and collected only by us, our affiliates, or our approved vendors (Franchise Agreement Section X.E).

Your initial franchise fee includes the issuance of up to three e-mail addresses at no additional cost. You will be charged our cost for any additional e-mail addresses requested beyond the first three (Franchise Agreement Sections IX.A and X.E).

Note 5a: We currently mandate that you use our designated vendor for operations software. Neither we nor our affiliates have any ownership interest in the operations software vendor. Currently, the monthly fee is \$299, plus tax. The monthly cost permits franchisees unlimited users. This fee is subject to change. (Franchise Agreement Section X.H).

Note 6: You will be required to obtain our written approval for any product, piece of equipment, vendor and/or supplier that you wish to use or sell in the operation of your Business (as described in Item 8) and you will be responsible for paying us an assessment fee. This fee is \$100 for any single product, vendor and/or supplier you wish to use, sell and/or substitute in your Business. The fee for equipment testing is a minimum of \$300 per piece or the actual cost incurred by us. We may waive these fees if the products, equipment, vendors and/or suppliers you select meet our requirements and are added to our approved list of products, equipment, vendors and/or suppliers for all franchise locations. All product, equipment and vendor assessment fees are payable only to us, are non-refundable and are uniformly imposed (Franchise Agreement Section X.F).

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee	\$20,000	\$20,000	Lump sum	At signing of the Franchise Agreement	Franchisor See Item 5 See Note 11
Technology	\$2,470	\$3,810	As Incurred	Before opening	Payable to us, our affiliates or approved vendors; See Note 1
Equipment, Furniture and Fixtures	\$3,740	\$4,085	As incurred	Before Opening	Payable to us, our affiliates or approved vendors. See Note 2
Real Estate	\$0	\$2,040	As incurred	Before Opening	Landlord See Note 3
Leasehold Improvements	\$0	\$7,000	As incurred	Before Opening	Landlord See Note 4
Utilities	\$0	\$500	As incurred	Before Opening	Payable to third parties See Note 12
Signage	\$0	\$1500	Lump sum	Before Opening	Approved Vendors
Start Up Inventory	\$22,120	\$24,170	Lump sum	Before Opening	Payable to us, our affiliates or approved vendors. See Note 5
Vehicle	\$0	\$10,000	As incurred	Before Opening	Payable to third parties See Note 6
Vehicle Graphics	\$300	\$1,200	Lump sum	Before Opening	Payable to us, our

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
					affiliates or approved vendors. See Note 7
Staffing	\$0	\$9,500		Over the course of three (3) months	Salaries and Expenses See Note 14
Uniforms	\$250	\$350	Lump sum	Before Opening	Payable to us, our affiliates or approved vendors. See Note 8
Insurance	\$2,400	\$6,500	As incurred	Before Opening	Payable to third parties See Note 9
Travel, Lodging and Meals for Initial Training Program	\$1,515	\$3,000	As incurred	Before Opening	See Item 11 See Note 15
Business Licenses, Permits, Certifications, Professional Fees and Association Dues	\$200	\$1,900	As incurred	Before Opening	Appropriate licensing authorities and third parties. See Note 16
Operating Expenses and Additional Funds	\$3,000	\$10,000	As incurred	Spent over the course of the first three (3) months	See Note 10
Total	\$ 55,955	\$ 105,555			

Except as provided below, other than security deposits and utility deposits, all payments and fees described in this Item 7 are non-refundable.

Note 1: You must purchase computers or laptops, tablets, software, router, modem, printers, mobile phones and a telephone system for the operation of your Business as specified in the operations manual. The low end of the estimate represents using a computer or laptop, software router, modem, printer and phone from your home, with the exception of having to purchase some software. The high end represents current costs for: one computer or laptop, one tablet, software, merchant service equipment, one printer combination machine, modem, routers, one mobile phone, one multi-line phone system and one sound system if you choose to operate out of a location. You use and must purchase only approved technology items that meet our specifications, which may change from time to time and such items must be purchased through us, our affiliates and/or vendors or suppliers approved by us. All such items may not be refundable depending on the terms of the invoice or purchase agreement (Franchise Agreement Sections XII.H, XII.I and XX.I). We require you to purchase operations software and service from our approved vendor. The current monthly cost is \$299, plus tax. The monthly cost permits franchisees unlimited users. (Franchise Agreement Section X.H).

Note 2: This is an estimate for equipment, furniture and fixtures we would expect you to need in order to operate your Business. The equipment you will need for the operation of your Business includes: electric hammer drills, electric impact drills, air compressor, air guns, different electric powered saws (such as: skill saws, sawzalls, miter saws, etc.), angle cutters and various size ladders. The furnishings and fixtures necessary to operate your Business includes but is not limited to: desks, chairs, display systems and filing cabinets. The estimate provided for the low end takes into account that you purchase the equipment listed above and are able to use your existing furnishings and fixtures. The high estimate takes into account you operate your Business out of a small industrial or retail space of approximately 1,000 square feet and purchasing all new equipment, furnishings and fixtures. We base our estimates on the costs that our affiliates incurred when setting up their company-owned locations. You must purchase all equipment, furniture and fixtures that meet our specifications, which may change from time to time. You must purchase all equipment, furniture and fixtures directly from us, our affiliates or approved vendors and suppliers. If applicable, you must also pay state and local sales tax on purchases of equipment, furnishings and fixtures. The sales taxes may range from 3% to 10% of the purchase price and are not included in these estimates. Expenses for equipment, furniture and fixtures do not include shipping or delivery costs and may not be refundable depending on the terms of the invoice or purchase agreement.

Note 3: You can choose to operate your Business out of your home or out of a location (such as a small industrial or retail space with a showroom). The low estimate represents a home-based business and the high end of this estimate represents leasing a small industrial or retail space with 1,000 square foot at approximately \$1.35 per square foot (cost per square foot will depend on your geographic area). The high end estimate also includes first month's rent and a security deposit. We do not expect that you lease a retail space with high visibility for your Business however if you do so, upon our approval, your real estate expenses will be significantly higher than the above estimate. Real estate costs will also depend on location, size, visibility, economic conditions, accessibility and competitive market conditions. These sums do not include common area maintenance fees, which if applicable, will vary depending on your location or any sums for the purchase of real property, as we do not expect that you will buy real property. We base our estimate on the costs that our affiliates incur in operating their respective company-owned locations. You may be able to reduce this expense if you are able to occupy a space in an existing location that complements another business. The space must be enclosed and separate from other businesses with its own locking door. Lease payments for periods of time that you occupy your premises may not be refundable. In the event you leave your leased premises before the termination of your lease, you may owe the landlord payment for the

entire lease term depending on the terms and conditions of your lease (Franchise Agreement Sections XII.S, XII.T and XX.C).

Note 4: If operating out of your home, we expect that you will not need any leasehold improvements. If you choose to lease a space, we suggest you find a space needing minimal leasehold improvements. When you choose to operate your Business out of a location, in most cases you may not need to alter the interior of your Business before you open for operation. A typical Access Garage Doors® business located in an industrial or retail space has a showroom, one large storage/work area and a unisex bathroom. Leasehold improvement costs will vary widely and may be significantly higher than what is projected in the table above depending on factors such as whether the space you are leasing has proper electricity and plumbing and/or if the space needs to be divided into different work areas. The high end of the estimate reflecting leasehold improvement costs when operating out of an industrial or retail space, however, does not reflect the potential need to add bathrooms, fire sprinklers, fire alarms and add or modify an HVAC system that entail mechanical, electrical and plumbing costs. We base our leasehold improvement estimates (if not operating a home-based business) on the costs that our affiliates incurred when building out their company-owned locations. In addition, we assume that your landlord will provide connections to adequate electrical, gas, water and sewage service and your landlord may provide tenant improvement allowances. You should investigate all these costs in the area in which you wish to establish an Access Garage Doors® Business. We will provide you with standard layouts and design options for your Business; however, it is your responsibility to hire an architect (if necessary) to create a complete set of drawings based on the size of your facility and local permitting requirements. Architect and permitting costs are not included in this estimate. You may incur greater or lesser leasehold improvement costs depending on your ability to negotiate leasehold improvements with your landlord. Whether or not any leasehold improvement expenses are refundable depend on the terms and conditions of your contracts with construction and mechanical contractors, as well as your lease agreement (Franchise Agreement Section XII.S and XII.T).

Note 5: You must purchase a variety of products and supplies for the general operation of your Business as specified in the Operations Manual. You must purchase only approved products and supplies, and you must purchase such items that meet our specifications, which may change from time to time. The types of products and supplies include, but is not limited to: various hand tools (such as: hammers, cutting tools, screw drivers, tape measures, wire snippers, etc.), buckets, extension cords, yard signs, lubricants, solvents, garage door parts (such as: tracks, hinges, seals, rollers, different size chain rails and springs, etc.), garage door automation parts (such as keypads, remotes, logic boards, etc.), supplies (such as: bolts, screws, staples, hoses, clamps, etc.), shop cloths, personal protection equipment (such as: gloves, goggles, safety vests, etc.), fire extinguisher, a first aid kit, cleaning supplies, general office supplies in addition to brochures, flyers, miscellaneous forms, presentation folders and other products or supplies as specified by us. Regardless of how you operate your Business (whether from home or out of a location) you will have to purchase an inventory of products and supplies however if operating out of your home there is no need to purchase an inventory of garage door systems, motors and parts because such items are expected to be purchased on an as-needed basis. The high-end estimate takes into account operating out of a small industrial or retail space and having an inventory of garage door systems, motors and parts (purchasing only limited garage door systems or motors when starting your Business because all such items can be purchased on an as-needed basis moving forward). Your initial inventory of products and supplies will vary depending on whether you operate from home and if operating out of a small industrial or retail space then according to the size of your space, availability of products, your decisions regarding the appropriate mix of products for your market, anticipated sales volume and current market prices. You must purchase products and supplies that meet our specifications, which may change from time to time. We will provide you with written lists of approved products and supplies during training. All products and supplies must be purchased through us, our affiliates or approved vendors and/or suppliers, except all marketing and promotional

materials and miscellaneous forms must be purchased directly from us. Whether or not any of the purchases for products and supplies are refundable depends on the terms of the invoice or purchase agreement with suppliers (Franchise Agreement Sections XII.I and XX.I).

Note 6: You must have a reliable white, black or red colored long bed truck with bed boxes and a ladder rack or a van with a ladder rack (“Vehicle”) for your Business to transport equipment, products, supplies and service customers. You can use or purchase any type of used or new Vehicle for your Business. However, we require that your Vehicles meet our appearance standards. We will provide you with a written list of Vehicle appearance standards during your initial training program. For the low end, the estimate is taking into account that you may be able to use your existing Vehicle so long as such Vehicle meets our color and appearance standards. For the high end, the estimate is an estimated down payment for purchasing a used or new Vehicle which is approximately \$10,000 per Vehicle. Your costs for a new Vehicle may be reduced if you choose to lease rather than purchase. The purchase agreement price will vary from dealer to dealer, and the terms of your loan, including the interest rate and term, may vary depending on your credit worthiness, changes in credit markets and other factors which are not under our control. We cannot give you any guarantees or make any representations as to the terms, conditions or otherwise of any financing for your Vehicle. You may elect to purchase additional Vehicles to keep up with the growth of your Business. Whether or not payments made for the purchase of your Vehicle are refundable depends on the terms and conditions offered by your dealer (Franchise Agreement Sections XII.H, XII.U and XX.H).

Note 7: You must place our approved graphics on your Vehicle and we will provide you with specifications for all vehicle graphics during the training program. Whether or not payments made for vehicle graphics are refundable depends on the terms and conditions offered by the vendor (Franchise Agreement Sections XII.U and XX.H).

Note 8: You must purchase and maintain an inventory of approved uniforms for the operation of your Business. All uniforms must meet our specifications, which may change from time to time. You will need a minimum inventory of t-shirts for your technicians and polo shirts for your salespeople that incorporate our logo for your first month of operation. The number of t-shirts and polo shirts you will need will vary depending upon the number employees you hire. You are required to purchase all t-shirts and polo shirts either from us, our affiliates or our approved vendors. This estimate does not include any shipping costs which (if applicable) are your responsibility. Expenses for uniforms may not be refundable depending on the terms of your invoice or the purchase agreement (Franchise Agreement Sections XII.F, XII.I, XX.H and XX.I).

Note 9: This estimated amount represents your first year of pre-paid insurance premiums that does not take into account workers’ compensation insurance which may vary greatly by state, payroll and classification. You must obtain and keep general liability and product liability insurance (covers you for damages that result in injury from products that you distribute) with a minimum policy limit of \$1,000,000 per occurrence and \$2,000,000 aggregate or in amounts as we may require that reflects inflation, identification of new risks, changes in law or other relevant changes in circumstances. You must obtain All Risk property insurance that covers the assets of the Business, business interruption insurance and automotive liability insurance that includes hired and non-owned coverage with a minimum policy limit of \$500,000 including uninsured motorist/minimum of \$100,000 or what is in accordance with your state guidelines or an amount we reasonably specify. Due to varying factors that affect the cost of workers compensation and auto insurance, the cost of workers compensation and auto insurance is not included in this estimate. We may change insurance requirements on reasonable notice to you. Whether or not insurance premiums are refundable depend on the terms of your insurance policies. In general, the cost of insurance coverage will vary depending on the carrier’s charges, terms of payment and your claims history (Franchise Agreement Section XIII).

You may need other insurance such as tenant's liability, statutory workers' compensation insurance (if applicable), employer's liability insurance with minimum policy limits of \$1,000,000 or an amount we reasonably specify, professional liability insurance (covers you for damages that you create that do not result in property or bodily injury), employee dishonesty insurance, employment practices liability insurance and property insurance are optional however we may require you to obtain this coverage in the future with liability limits of amounts we specify. We may change these insurance requirements on reasonable notice to you. There are no other insurance requirements. Whether or not any insurance premiums are refundable depends on the terms and conditions of your insurance policies.

Note 10: Competitive conditions described in Item 1 will affect these costs. Estimate includes minimum working capital for the start-up of your Business. This also includes estimates of miscellaneous start-up costs such as: rent for an additional two months (not applicable of operating out of your home, however if you are leasing a space your first months' rent is already included in the high estimate above), purchasing additional equipment, product and supplies; shipping and delivery expenses, fuel expenses, Vehicle maintenance, workers compensation insurance payments, taxes, prepaid expenses, additional permits, legal fees, accounting fees and other miscellaneous costs.

Note 11: The Initial Franchise Fee is \$20,000 for a defined territory which includes a self-study program, initial training and website setup with access to our intranet portal. This is non-refundable.

Note 12: The utility costs will vary due to policies of local utilities and this estimate includes a utility deposit. The low end reflects operating a home-based business in which there will be no utility deposit required.

Note 13: The estimated cost for interior and exterior signage may vary. We specify and provide you with guidelines in the operations manual. All signage expenses are non-refundable.

Note 14: You must have a minimum of one full-time salesperson and will need to hire part-time technicians. Some franchisees may also need to hire an operations manager. The low end of the estimate takes into account that you are the salesperson and the technician, and you are the operations manager. The high end of the estimate takes into account you hire two part time technicians and you are the salesperson and operations manager.

Note 15: Training is held at corporate headquarters. You are responsible for all costs associated with attending such as travel, room and board. Estimate provided is for one person. Additional training is available at your request for which an additional training fee of up to the lesser of \$150 per hour per person per day or \$500 per person per day plus any third-party charges may be required.

Note 16: Licenses may be required to operate your Business, and you may incur professional, legal and accounting fees associated with these licenses.

Total Estimated Initial Investment. The total estimated initial investment is an estimate only of the range of start-up expenses you may incur. We relied on our principals' combined expertise when preparing these figures. The actual amount of funds you will need depends on a variety of factors, including: the size of your facility, if you choose to lease a space rather than operate home-based, amount of leasehold improvements you have to make to your facility (if applicable), the time of year when you start your Business; the amount of products and supplies you purchase, if you purchase additional equipment, furniture or fixtures; if you purchase a used or new Vehicle; the number of employees you hire, prevailing wage rates, implementation of a marketing plan, your own management skill, economic conditions, competition in your area and other factors. The estimate of initial investment funds is based on owner-

operated business incorporating operations in your home or out of a small industrial or retail space and does not include salaries or benefits for full-time employees.

These figures are just estimates, and we cannot guarantee that you will not have higher costs. Competitive conditions described in Item 1 will affect these costs. This estimate of startup costs is calculated for a period of one month (except as stated otherwise), with additional operating capital to be available as may be needed during the initial phase. These costs do not include your Royalty Fee payments and System Advertising Fee payments, which begin immediately once your Business is deemed open for operation (as described in Item 6). Royalty Fee and System Advertising Fee payments should be included in your projections of overall operations costs beginning with your first month of operation. We acknowledge that you may choose to invest additional funds into your Business during the first three months of operation, and sometimes longer, but we cannot estimate or promise when, or whether, you will achieve positive cash flow or profits. These amounts are estimates only and specific amounts will vary with local market conditions, which are outside our control. You should review the figures carefully with a business advisor and identify your individual expenses along with cash flow projections before making any decision to buy the franchise.

We do not offer financing, directly or indirectly, for any part of the initial investment for a Franchise. The availability and terms of third-party financing will depend on factors such as the availability of financing generally, your creditworthiness, collateral you may have, and the lending policies of financial institutions. The estimate does not include any finance charges, interest, or debt service obligation, or your living expenses. You should have sufficient capital or other means to pay for your living expenses for at least twelve months.

ITEM 8 **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

We may offer or designate others to offer equipment, products, supplies or services, and we may become approved suppliers or the only approved supplier(s) for these and other products, equipment and services. The equipment, products, supplies or services include: equipment (such as electric hammer drills, electric impact drills, air compressor, air guns and different electric powered saws as described in Item 7), furniture and fixtures, technology items (such as computer, laptops, printers, modems, operations software, etc.), products (such as: various hand tools, lubricants, solvents, garage door parts, etc. as described in Item 7), privately labeled products (which are products developed by a third-party vendor and carry our brand such as our lubricants), supplies (such as: hardware, hoses, clamps, cleaning supplies, office supplies etc.), software, uniforms, Vehicle, signage (including vehicle graphics), promotional and printed marketing materials, call stickers, yard signs, rack cards, merchant service providers, technology support providers, shows and event marketing opportunities and vendor, co-branding, affinity programs. You cannot purchase unapproved equipment, products, supplies and services from any vendors and/or suppliers that are not on our pre-approved list without our written permission. We will provide you with: a written list of approved equipment, product and supplies you can use and offer for sale in your Business; recommended procedures and strategies when purchasing such items for your Business; and a written list of approved vendors and/or suppliers to purchase equipment, products, supplies and services from during our initial training program. Currently we are not the only approved supplier of any equipment, products or supplies that you are required to use for the operation of your Business, except call stickers, yard signs, rack cards, and other onsite marketing materials. You must purchase all advertising, marketing and promotional materials and miscellaneous forms from us or our affiliates. As of the Effective Date of this Disclosure Document, all updates to such promotional and marketing materials are optional, but we may in the future mandate that you purchase certain updates at your expense. We do not require you to maintain a specified inventory of equipment, products or supplies to operate your Business, although we retain our rights to do so in the

future. If we develop proprietary equipment, software or additional products in the future, you must purchase such items from our approved suppliers, affiliates or us. We may become approved suppliers or the only approved supplier(s) for other equipment, products, supplies and services. We have negotiated purchase agreements with vendors on the approved suppliers list for your benefit in the areas of cost and customer support. There are no supply contracts at this time. None of our officers or directors owns any interest in any vendor or supplier other than us.

You are required to adhere to the standards and specifications established periodically by us with respect to your Business, equipment, products and services used, sold and offered; operational procedures, cleanliness standards, uniforms, your website, Vehicle appearance, vehicle graphics, advertising, vendors and suppliers used in the operation of your Business. You must operate the Business in strict conformity with the methods, standards and specifications that we prescribe in the Operations Manual or otherwise in writing. You must maintain in sufficient supply, use, sell and offer at all times only the equipment, products and services that meet our standards and specifications which may be amended by us periodically. All equipment, products and services must be purchased, used, sold and offered in accordance with the standards and specifications as specified in the Operations Manual or other written materials. You must not deviate from these standards and specifications by using non-conforming equipment and/or selling or offering non-conforming products or services, without obtaining our prior written consent. You are not permitted to: use any equipment, products, supplies or services of an unapproved vendor; purchase equipment, products and supplies from an unapproved supplier; or sell and/or use any other products or services or items not approved by us, unless you first submit a written request to us for approval and agree to be responsible for all product, vendor and equipment testing fees as described in Item 6. We will use our best efforts to advise you within 30 days whether such equipment, products, supplies, vendors or suppliers are approved as further described in Item 8 below.

We base our specifications for equipment, products, supplies, vendor and supplier approvals on our discretionary determination of demand, relevance to the System, price, value, quality, reliability, accuracy of product claims, safety, installation requirements, warranty, prompt attention to complaints, financial stability, litigation against supplier, recall history, reputation, frequency of delivery, appearance and contributions or other benefits to us and/or any marketing fund. A list of approved vendors and suppliers from whom all equipment, products, supplies and services may be purchased from will be provided to you and may be amended by us periodically. We may require vendors and/or suppliers to provide certain information, sign a nondisclosure agreement, and agree to guarantee our level of quality and produce sufficient samples to allow us to test the sample at your expense. We may require you to submit to us sufficient specifications, photographs, drawings or other information and samples to determine whether the items meet our specifications. We may require third party testing, in which case you will pay the actual cost of the tests in addition to the product, vendor and equipment testing fee as described in Item 6. We may issue specifications in manuals or directives, in writing or orally, and we may modify them at any time. Our response to an adequate request to approve equipment, products, supplies, vendors and/or suppliers will be made within 30 days after we receive it in writing or by email. Approval may be revoked in our sole discretion where an approved piece of equipment, product, supply, vendor or supplier does not adhere to the specifications described above. We will notify you either by email or any other written form of communication of our approval, disapproval of or revocation of any prior approval of any product, supply, equipment, vendor or supplier.

You must purchase and use only the equipment, products and services that we specify in writing which may be amended or modified by us periodically. If any piece of equipment, product, service, vendor or supplier is not authorized by us, you are prohibited from using, selling or using it in your Business. You are not required to maintain a minimum inventory of equipment or products in your Business. If we require

you to maintain a minimum inventory of equipment or products, we will notify you by email or any other form of written communication. You will be given 90 days to comply with such requirements at your costs. We will provide you with a written list of: approved equipment, products and services you are authorized to use, sell and/or use in your Business after signing the Franchise Agreement and during the initial training program. We will enforce these limitations by using “secret shoppers” or unannounced on-site visits to your Business on a regular basis. When we make visits to your Business, such as to assist you, we may also take that opportunity to visibly inspect your inventory and determine if unauthorized equipment or products are being used or sold or unauthorized services are being offered and/or performed. In addition, we expect to receive information from other Access Garage Doors® businesses or customers reporting that unauthorized equipment, products or services are being used, sold, offered or performed in your Business. You must permit us or our agents, at any reasonable time, to remove any product or piece of equipment from your Business free of charge for testing by us or by an independent laboratory, to determine whether such items meet our then-current standards and specifications. Besides any other remedies we may have, we may require you to pay for the testing, as described above, if we have not previously approved the supplier of the item or if the product or piece of equipment fails to conform to our specifications. We reserve the right to take whatever action we deem necessary in our absolute and sole discretion to prevent you from using, selling, offering or performing unauthorized equipment, products or services, including seeking injunctive relief or terminating your Franchise Agreement.

We may derive profit through markups of the prices charged to you for equipment, products, supplies, or services (as described above) we supply. We may derive revenue through license fees, commissions, promotional fees, advertising allowances, rebates or other monies paid by approved suppliers. If we require you to buy such items from us, we believe that the price and quality will be comparable to similar equipment and products from other sources. We may take a portion of that revenue to spend on advertising or place in a separate franchise advertising account. If we require you to buy equipment, products, supplies or services from a vendor that pays such allowances, we may spend all such fees on related advertising or place them in the separate franchisee advertising account, described in Item 11 below. If we do not require the purchase, we need not place such fees in a separate account or use them on advertising. We are not required to apply these funds to advertising or place them in a separate franchise advertising account but will use our reasonable discretion in making such decision.

None of our affiliates are approved suppliers of products and services to franchisees. Our total revenue for the fiscal year ending December 31, 2023 was \$576,118 of which \$0 is attributable to required purchases by franchisees.

To maintain uniform quality standards all equipment, products, services, signage, vehicle graphics, advertising, trademark usage, trade dress, dress code and other products and services you use to operate the Franchised Business must meet our standards and specifications as set forth in our Operations Manual. In addition, you must participate in and cooperate with warranty programs, promotional programs, gift certificate or gift card programs we may establish and follow our requirements and guidelines. We will require you to use specific software, operational forms, contracts, checklists and promotional items; and we may require you to use or contribute to specific merchant service providers, technology support providers, promotional items, vendor discounts, allowances and rebates.

If you choose to operate out of a location (rather than home-based), we maintain specifications for the construction and build out of your Business, leasehold improvements, storage, signage, vehicle graphics and décor to be used for the interior and exterior of your Business. You may not install or permit to be installed on the Business premises any décor items, signage, games, vending machines or other items without our written consent or that do not comply with our specifications. These specifications may include minimum standards for quality, performance, delivery, safety, durability, appearance, size, color, design,

material and other characteristics. Some of these specifications are contained in our Operations Manual and others will be set forth in periodic written notices or email notices to our franchisees. In some cases, our specifications may involve confidential and proprietary information regarding the specifications of a piece of equipment and/or product specifications and such detail will only be made available to a supplier who agrees to sign a confidentiality agreement with us. We develop these specifications either through our research and development staff or with a particular manufacturer and these specifications may be modified periodically, through periodic written notices to our franchisees.

One of our primary methods of communication with franchisees is through emails, announcements and/or newsletters we may periodically publish and an intranet system that we will provide to franchisees on our website. You are responsible for knowing all of the information contained in the emails, announcements and/or newsletters and the intranet system and complying with any standards and specifications provided within them. We may establish and change the standards and specifications for the operation of your Business through such emails, announcements or newsletters and intranet system as well as by written notices and emails described above.

All marketing and promotion of your Franchise by you in any medium must be conducted in a professional and dignified manner and must conform to our specified standards and requirements that we prescribe in our Operations Manual. You must submit samples of all advertising or promotional plans and materials (including photographs and videos) that you desire to use to us for approval if such has not been prepared or previously approved by us. You may not use any marketing or promotional materials (including photographs or video presentations) that we have disapproved. This includes any media or website promotion over the Internet to promote your Business. You must submit a request to us for any type of media or website and/or Internet promotion you wish to do in addition to any edits, changes or updates to your website. Internet promotions, edits, changes or updates to your website must be done by us, our affiliates or approved vendors with our consent. We will charge a fee for this approval (as described in Item 6). Upon approval of your request, you may be responsible for any website maintenance cost. Our response to your request for such advertising or promotional plans and materials (including video presentations) and Internet promotions, edits, changes or updates to your website will be made within 30 days after we receive it. We will notify you by email or any other written form of communication of our approval or disapproval. In addition, you must not conduct any advertising without our written permission, in any Social Media such as Yelp, Twitter, Facebook, LinkedIn, Pinterest and others (currently franchisees are authorized to participate on Facebook, Twitter, Instagram and Yelp). You must also supervise your employees to assure they do not post any material on the Social Media sites or any internet sites, regarding us or Franchise System whatsoever. We will provide you with our written standards and guidelines for using social networking sites during the initial franchise training program.

For your Business, you must have and/or purchase equipment, technology items, furniture and fixtures, products, supplies, uniforms, signage, a Vehicle and vehicle graphics for the operation of your Business. If you operate out of your home, we expect you to be able to use your existing technology items, furniture and fixtures. Regardless of how you operate your Business you will have to purchase equipment and some products and supplies, however if operating from your home there is no need for you to purchase an inventory of garage door system, motors or parts as such items can be purchased on an as-needed basis. You may also be able to use your existing Vehicle so long as such Vehicle meets our Vehicle appearance standards, otherwise you will need to purchase a new or used Vehicle for your Business. We will provide you with a written list of Vehicle appearance standards (including vehicle graphic specifications) during the initial training program. Vehicle appearance standards are outlined in the Operations Manual and are based on our sole judgment and discretion based on the experience of our company owned businesses. Failure to adhere to our Vehicle appearance standards and vehicle graphic specifications may put you in

default under your Franchise Agreement. It is estimated that all of your initial expenditures from us, our affiliates or the vendors that we specify and/or approve that meet our standards and specifications will be approximately 20%-35% of your total initial purchases depending on whether you are operating your Business out of your home or if you choose to operate out of a small industrial or space and whether you choose to purchase a Vehicle. It is anticipated that during the operation of your Business, required purchases from us, our affiliates or the vendors that we specify and approve (not including royalties or labor costs) are estimated to represent approximately 80%-90% of your total monthly purchases in the continuing operation of your Business (depends on quantity of items you initially purchase, the number of customers and/or accounts you have secured and the number of jobs you secure).

We do not provide material benefits (for example renewal or additional franchises) to you based solely on your use of designated or approved sources. We do not belong or require you to belong to any purchasing or distribution cooperatives, although we retain the right to establish them and require your membership therein.

If you decide to open a location for your franchise under a lease (rather than operate from home), per the Franchise Agreement, you must submit the proposed lease to us for approval before it is signed. We have the option to require that the lease (i) be collaterally assigned to us by a collateral assignment agreement in a form and substance reasonably acceptable to us in order to secure performance of your liabilities and obligations to us or (ii) contain the following terms and conditions:

- (1) The lessor must agree that without its further consent, the lease and your right, title and interest under the lease may be assigned by you to our designee or us (provided such assignment shall not relieve you of your obligations under the lease or cause us or our designee to have any obligations or liability under the lease).
- (2) The lessor must provide written notice to us (at the same time it gives such notice to you) of any default by you under the lease, and we must have, after the expiration of the period during which you may cure such default, an additional fifteen (15) days to cure, at our sole option, any such default and, upon the curing of such default, the right to enter upon the leased premises and assume your rights under the lease as if the lease had been assigned by you to us.
- (3) You are required to furnish copies of all insurance policies required by the Franchise Agreement and by the lease to us, or such other evidence of insurance coverage and payment of premiums as we request or permit or under the lease.

Regardless of how you operate your Business, before you begin operating an Access Garage Doors® business, you must obtain the insurance coverage for the Business as specified below. The insurance coverage must be maintained during the term of the Franchise Agreement and provide evidence of insurance to us that insurance has been obtained from a responsible carrier or carriers acceptable to us.

- (1) General Liability Insurance, including broad form contractual liability, broad form property insurance, personal injury, advertising injury, completed operations and fire damage coverage, in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate;
- (2) Property and casualty insurance that covers you for damages or losses to the Business with a minimum policy limit of \$1,000,000 per occurrence or an amount we reasonable specify;

- (3) "All Risks" coverage for the full cost of replacement of the Business premises and all other property in which we may have an interest with no coinsurance clause;
- (4) Automobile liability coverage, including coverage of owned, non-owned and hired vehicles, with coverage in amounts not less than \$500,000 for hired and non-owned coverage including uninsured motorist with a minimum of \$100,000 limit or what is in accordance with your state guidelines;
- (5) Product Liability Insurance that covers you for damages that result in injury from products that you distribute with a minimum policy limit of \$1,000,000 per occurrence and \$2,000,000 aggregate or an amount we reasonably specify;
- (6) Business Interruption insurance in such amount as will reimburse you for direct or indirect loss of earnings attributed to all perils commonly insured against by prudent business owners (including lost royalties, system advertising and other fees due to us and/or our affiliates), or attributable to prevention of access to the Business, with coverage for a period of interruption of one hundred eighty (180) days and such longer period as we may specify periodically. Business interruption insurance is required with liability limits of amounts we may reasonably specify which will relate to the right to be reimbursed for direct or indirect loss of earnings attributed to all perils commonly insured against by prudent business owners;
- (7) Professional Liability Insurance (optional) that covers you for damages that you create that do not result in property or bodily injury with a minimum policy limit of \$500,000 or an amount we reasonably specify;
- (8) Crime insurance (optional) for employee dishonesty in the amount of \$10,000 combined single limit;
- (9) Workers' compensation insurance in amounts provided by applicable law or, if permissible under applicable law, any legally appropriate alternative providing substantially similar compensation to injured workers, subject to the conditions set forth in the Franchise Agreement;
- (10) Employment practices liability insurance (optional) that covers you and your Business against claims made by employees, former employees or potential employees for discrimination, wrongful termination, sexual harassment and other employment related obligations;
- (11) Tenant's liability insurance;
- (12) Any other Insurance required by the state or locality in which the Business is located and operated, in such amounts as required by statute; and
- (13) Other insurance coverage, as we or the landlord may reasonably require.

With regard to any construction, renovation or remodeling of the Business (if applicable), you may be required to maintain builder's risk insurance and performance and completion bonds in forms and amounts and written by a carrier or carriers satisfactory to us. All of the policies must name us and our affiliates, as additional insureds and must include a waiver of subrogation in favor of all those parties.

All insurance coverage shall be taken out in your name and shall name us an additional insured and be placed with insurers designated by us or acceptable by us. You must furnish us with certified copies of each of the insurance policies described above no later than when your Business is deemed open for operation (as described in Item 6) or no later than 60 days following the date that the Franchise Agreement is executed (whichever comes first). You must purchase "A" rating insurance policies. Each such policy shall provide that it cannot be canceled without 30 days' prior written notice to us and that we shall receive at least 30 days' prior written notice of its expiration or possible earlier termination. You shall promptly refer all claims or potential claims against you or us to each of us and our insurer.

The cost of insurance purchased in accordance with our specifications will represent less than 5% of your total purchases in connection with the establishment of your Business and approximately 2% of your total purchases in connection with the operation of your Business. These percentages do not include workers' compensation insurance that will vary with the payroll amount and category of employees.

ITEM 9 FRANCHISEE'S OBLIGATIONS

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

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
(a) Site selection and acquisition/lease	Sections XII.S, XII.T and XX.C of Franchise Agreement	Items 7, 11 and 12
(b) Pre-opening purchases/leases	Section VIII, IX.B, and XII.S of Franchise Agreement	Item 7 and 8
(c) Site development and other pre-opening requirements	Sections VIII, X.E, XII.T, XX.C of Franchise Agreement	Items 6, 7, 11
(d) Initial and ongoing training	Section XX.A of Franchise Agreement	Item 11
(e) Opening	Section IX.B, and XII.G of Franchise Agreement	Item 11
(f) Fees	Sections IX and X of Franchise Agreement	Items 5, 6 and 7
(g) Compliance with standards and policies (Operations Manual)	Sections XII.A, XII.H of Franchise Agreement	Item 8, 11 and 16
(h) Trademarks and proprietary information	Sections XV and XVI of Franchise Agreement	Items 13 and 14

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
(i) Restrictions on products/services offered	Section XII.I of Franchise Agreement	Items 8 and 16
(j) Warranty and customer service requirements	Section XII.H of Franchise Agreement	Items 8 and 16
(k) Territory development and sales quotas	Section VI of Franchise Agreement	Item 12
(l) On-going product/services purchases	Section XII.I of Franchise Agreement	Item 8
(m) Maintenance, appearance and remodeling requirements	Section XII.E and Section XII.J of Franchise Agreement	Item 11
(n) Insurance	Section XIII of Franchise Agreement	Items 6 and 7
(o) Advertising	Sections X.B, X.C, XII.I, XII.L and XX.J of Franchise Agreement	Items 6, 7, and 11
(p) Indemnification	Section XVIII of Franchise Agreement	Item 6
(q) Owner's participation/management/staffing	Sections XII.F, XII.K of Franchise Agreement	Items 11 and 15
(r) Records/reports	Section XIV of Franchise Agreement	Item 6 and 11
(s) Inspections/audits	Sections XII.Q, XIV.B of Franchise Agreement	Item 6 and 11
(t) Transfer	Section XXII of Franchise Agreement	Item 6 and 17
(u) Renewal	Section VII.B of Franchise Agreement	Item 6 and 17
(v) Post-termination obligations	Section XXIV of Franchise Agreement	Item 17

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
(w) Non-competition covenants	Section XIX.C, XIX.D, and XIX.E of Franchise Agreement	Item 17
(x) Dispute resolution	Section XXV.C and XXV.D of Franchise Agreement	Item 17

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 & TRAINING**

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

Before you open your Business, we will:

- (1) Provide you with written guidelines for site selection. You must on your own initiative and at your own expense, obtain and occupy the site and negotiate the lease for your Business. Whether you choose to operate the Business out of your home or if you choose to open a location (such as a small industrial or retail space), you must select the site for your Business within the protected territory provided in the Franchise Agreement. Currently, we do not generally own the site and lease it back to you; however, we retain the rights in the future to do so. You may not sign a lease for the site (or contract to purchase the premises, if applicable) in which you wish to operate your Business until you have obtained our written acceptance. Additionally, you must not invest any money for the site in which you have not received our written acceptance. We must accept the site if we feel in our total discretion that it meets or exceeds our standards, but our acceptance does not ensure that your Business will be profitable at the accepted location. If we do not accept the site, you will be given a second opportunity to locate a site. If we do not accept the second site, we may terminate the Franchise. The factors that we consider in acceptance of the site include cost, competition, population density, demographics, traffic patterns, freeway access, available parking, neighborhood and physical characteristics of the premises such as size and layout. We evaluate each proposed site and accept, or do not accept, each one on a case-by-case basis and will notify you by email or any other form of written communication of our acceptance or rejection of any proposed site within 30 days after we receive your request (Franchise Agreement, Sections XII.S and XX.C).

Neither we nor any of our employees have special expertise in selecting sites; we make no representations that your Business will be profitable or successful by being located at the accepted site. Any acceptance is intended only to indicate that the proposed site meets our minimum criteria based upon our general business experience.

- (2) Insert the accepted site where you intend to operate your Business in your Franchise Agreement. However, the acceptance of a location and entering it on your Franchise Agreement by us is conditioned upon our determination, in our reasonable judgment, that:
 - (i) The site which you have submitted for the Business is within your allocated territory and is suitable based on criteria we establish periodically; and
 - (ii) You and your Owners are in compliance with the Franchise Agreement.
- (3) Approve your execution of the lease for your Business, if applicable. You must submit the lease to us for our approval at least 10 days before you sign the lease agreement. You must send us a signed copy of the lease within 5 days of both parties signing the lease. We do not offer legal service to you and you should consult your independent legal counsel for a legal review of the lease. The Franchise Agreement does not provide any time period for our approval or disapproval of your lease (Franchise Agreement, Sections XII.S and XX.C).
- (4) Offer you guidance when obtaining licenses, certifications and applying for permits if required by your locality to operate the Business. It is your responsibility to comply with all laws, ordinances and regulations as you are ultimately responsible for obtaining all necessary approvals, certifications, licenses and permits to operate your Business (Franchise Agreement, Sections XII.C, XII.T, and XX.A).
- (5) If you choose to lease a space for your Business, we will inform you of any of our mandatory specifications, architectural and design plans, floor plans, interior and exterior signage, décor, designs and layouts for the Business at the accepted location. We will provide you with guidelines for the design and layout of your Business, and you may need to hire an architect to create a complete set of drawings based on your building size and local permitting requirements. You will be required to confirm that your Business satisfies all state and local zoning ordinances, regulations, fire, health, and building codes. We may, if needed, review your set of drawings. It is your responsibility to comply with all laws, ordinances, regulations, zoning and building codes for your Business (Franchise Agreement, Section XII.T).
- (6) Provide you with a written list of Vehicle appearance standards (which include our vehicle graphic specifications). You are responsible for the cost of the Vehicle in addition to the purchase, installation and cost of all vehicle graphics. We do not install any graphics on your Vehicles (Franchise Agreement, Sections XII.H, XII.I, XII.U, XX.A and XX.H).
- (7) Provide you with: a written list of approved equipment, products, supplies and services you are authorized to use, sell and offer (as described in Item 8); a written list of approved vendors and suppliers to purchase equipment, products, supplies and services from. We will also train you on strategies for purchasing such items for the operation of your Business. You are responsible for the cost, delivery, installation and maintenance of these items as they are necessary for the operation of your Business. You are required to purchase all items listed above either from us, our affiliates and/or our approved vendors (Franchise Agreement, Sections XII.H, XII.I, XX.A, XX.H, and XX.I).
- (8) Provide you with specifications for all technology items (as described in Item 8) necessary to operate the Business. You are obligated to purchase, use and upgrade all technology

items and any third-party software necessary for the operation of your Business. We will deliver the specifications, but not the above items, and you are responsible for purchasing and installing these items (Franchise Agreement Sections XII.H, XII.I, XX.A and XX.H).

- (9) Provide you with recommended guidelines for hiring employees and independent contractors (if you choose to use independent contractors) in addition to general guidance. You are responsible for all day-to-day activities including hiring, training and/or firing your employees and independent contractors. At no time will you, your employees, independent contractors or agents be deemed an employee of ours. You are still responsible for all employees and independent contractors you hire, determining their compensation, determining their benefits, tax withholding social security contribution withholding, medicare withholding, and their behavior during the operation of your Business (Franchise Agreement, Sections IV.B, XII.F, XX.A and XX.E).
- (10) Offer certain training programs designed to assist you and your business management staff in the operation of your Business as further described below. We may provide continuing education to any new manager of your Business. We may require that you, any Owner and any manager(s) of your Business complete supplemental and refresher training programs during the term of the Franchise Agreement.
- (11) Provide you with a self-study program (and related materials) immediately after executing the Franchise Agreement intended to help you prepare for our initial training program. We will provide an initial training program within 60 days after signing the Franchise Agreement, designated to assist you and your management staff in the operation of your Business, at no additional charge. The initial training program is designated for a maximum of three people per Franchise. If more than three people attend the training, we may impose a training fee of the lesser of \$150 per hour per person per day or \$500 for each day of training plus any third-party charges (Franchise Agreement, Sections IX.A, XII.V and XX.A).
- (12) Share with you operating challenges faced by other Access Garage Doors® franchised or company-owned business disclosed by reports submitted to us or inspections made by us. We may furnish to you such guidance and assistance in connection with the operation of your Franchise, as we deem appropriate. Such guidance and advice will include: strategies for ordering products, how to secure customers and accounts, troubleshooting and executing services, suggested pricing for products and rates for services, scheduling and efficiencies to manage high volume, service standards, hiring guidelines and operating procedures utilized by other franchises or company-owned businesses including the introduction of new equipment, products and services; advertising, marketing, promotional and social media strategies; record keeping, accounting methods and general operating procedures. Additional guidance and assistance may be made available to you at your written request and in our sole discretion at fees and charges established by us (Franchise Agreement, Sections XX.A, XX.E, XX.J, and XX.K).
- (13) Loan to you during the term of the Franchise Agreement one copy of our confidential Operations Manual, which may include one or more Manuals and other written materials for the operation of an Access Garage Doors® Business, containing mandatory and suggested specifications, standards and operating procedures required by us and information relative to your other obligations under the Franchise Agreement. We have the right to add to, and otherwise modify, the Operations Manual to reflect changes in

authorized equipment, products and services you can use, sell and offer as well as changes in equipment and product, specifications, standards and operating procedures of an Access Garage Doors® business. You must keep the Operating Manual confidential and current, and may not copy any part of the Operating Manual. The Operations Manual currently contains 227 pages and the table of contents of the Operations Manual that applies to both the Complementary Model and the Standard Model as of our last fiscal year end is included with this Disclosure Document as Exhibit E (Franchise Agreement, Section XX.G).

- (14) Approve or disapprove samples of all local advertising, marketing and promotional materials not prepared or previously approved by us which are submitted by you (Franchise Agreement, Sections XII.H, XII.L and XX.J).
- (15) Deliver to you a website for your Franchise operations that will include scheduling functionally and access our intranet system that houses our proprietary educational platform along with different operational, advertising and marketing materials to support your Business (Franchise Agreement, Sections IX.A and XX.B).
- (16) Approve or disapprove any promotions, edits, changes or updates to your website. All modifications to your website must be performed by us, our affiliates or approved vendors, and you will be responsible for all related costs (Franchise Agreement Sections X.F, XII.L and XX.B).
- (17) Provide up to three days of either pre-opening or grand opening assistance to you and your staff at your Business. Such assistance will be provided to you as part of our initial franchise training program and at our cost (Franchise Agreement Section XX.A).

During your operation of the Business, we may:

- (1) Provide additional on-site supervision and assistance as we deem necessary and in our discretion. Additional visits are for the purpose of advising you with respect to our: products, service standards, operational and sales matters related to an Access Garage Doors® Business. You will be responsible for the transportation, room and board and miscellaneous expenses incurred by our personnel during the visits, which will take place per the terms of the Franchise Agreement, or at your request, and at times and dates selected by us (Franchise Agreement, Section XX.A).
- (2) Provide to you and your personnel, Access Garage Doors® Franchise continuing education meetings at locations designated by us, which we expect to be at our headquarters with a fee not to exceed the lesser of \$150 per hour per person per day or \$500 per person per day and our expenses and any third-party charges which can vary from area to area. We reserve to increase the per day fee a reasonable amount based on reasonable criteria (Franchise Agreement, Section XX.A).
- (3) Conduct quarterly meetings or an annual convention at such place as shall be designated by us (Franchise Agreement, Section XX.A).
- (4) Establish a franchisee elected peer group whose main purpose is to mentor and support each other.

During your operation of the Business we will:

- (1) Continue to consult with you at no additional charge regarding: equipment and product specifications and usage in addition to approved equipment, products and services you are authorized to purchase, use, sell and offer; operational strategies, methods and techniques; industry developments, employee relations, sales, advertising and marketing. We will offer assistance, advice, guidance and experience to you to resolve operational problems that you may encounter outside the scope of the Operations Manual (Franchise Agreement, Sections XII.W and XX.A).
- (2) Provide you with updated and approved lists of: equipment, products and services that you are authorized to use, sell and offer in your Business (as described in Item 8); approved vendors and suppliers that you are allowed to purchase such items from; and updated Vehicle appearance standards (including updated vehicle graphic specifications). We will provide you with such specifications and guidelines, but not the actual items as you are responsible for purchasing these items. We will continue to review and approve or disapprove any piece of equipment, product, supply, service, vendor or supplier you wish to use, sell or offer in the operation of your Business (Franchise Agreement, Sections XII.H, XII.I, XX.H and XX.I).
- (3) Provide you with a list of updated minimum inventory requirements (currently not in effect) and you with suggested pricing for products and rates for services. We will establish minimum and maximum prices you can charge to the extent allowed by law. We will continue to research and develop new equipment, products and services for the System as we deem necessary (Franchise Agreement XX.K).
- (4) Provide a dedicated telephone line, only for our franchisees, to answer questions and help troubleshoot jobs from you or your management (during regular business hours Eastern Time Zone). You will be able to contact us for questions, suggestions and guidance (Franchise Agreement, Sections VII.W and XX.A).
- (5) Review and approve all advertising, marketing and promotional materials in addition to any promotions, edits, changes or updates to your website that you submit to us (Franchise Agreement, Section XII.H, XII.I, XII.L, VII.W, XX.B and XX.J).
- (6) Provide continuing education to you and we may provide continuing education to any new manager of your Business as noted in paragraph 13 (iii) below. We may require that you, any Owners and any manager(s) supplemental and refresher training programs during the term of the Franchise Agreement (Franchise Agreement, Sections XII.W and XX.A).
- (7) Offer assistance in establishing and using administrative, record keeping and accounting procedures in accordance with our Operations Manual, and various policies communicated by us to you in writing from time to time (Franchise Agreement, Sections XIV.A and XX.A).
- (8) Provide you with all update and upgrade requirements for your technology items (as described in Item 8) and related software or changes in our policies that are communicated to you in writing. You are required to purchase such items to operate your Business. The costs for such items are approximately \$500 to \$3,800 (see Item 7). We estimate that the annual cost of technology items and related software and/or hardware upgrades to be approximately \$250 per year. If we develop proprietary software in the future, we will provide you with update and upgrade requirements; however, we are not obligated to

provide any upgrades to any third-party software programs. We are not obligated to provide maintenance or repairs to any technology item, hardware or software that you use in the operation of your Business. We do not install any software that you purchase or license. We reserve the right to have independent access to all information that you store in any computer, laptop, tablet, phone system or software used for the Business (Franchise Agreement, Sections XII.H, XII.I, XX.A and XX.H).

(9) Reserve the right at our discretion to institute, maintain, and administer a System Advertising Fund (referred to as the “Fund”) to support the development of ongoing technology, new equipment, products or services to be made available to all franchisees, and such national advertising (including media production costs) as we, in our sole discretion, may deem appropriate to promote Access Garage Doors® name to benefit all franchised businesses as described in Item 6. But, we do not use any monies in the Fund to solicit new franchisees. We will direct all such programs and will have sole discretion over the creative concepts, materials and endorsements and media used in such programs, and the placement or allocation of such programs. The source of the advertising will come from our in-house advertising department or may in the future from a national or local advertising agency. We reserve the right to determine in our sole discretion the composition of all geographic territories and market areas for the implementation and development of such programs. The advertising programs may be either national, regional or local at our sole discretion. We are not obligated to spend a specific dollar amount on advertising in your Territory (Franchise Agreement, Section X.B).

- (i) You will pay us ½ % of Gross Revenues per calendar month for the Fund contribution, paid to us, as designated in the Franchise Agreement. We may raise, discontinue or reduce the contribution, but your total contribution will not exceed 3% of your Gross Revenue per month in any calendar year for the term of the Agreement. Contributions are due by the tenth day of the month (for the prior month) which will start immediately once your Business is deemed open for operation then continues for the term of your franchise (as described in Item 6). Refer to Item 6 for the definition of Gross Revenue.
- (ii) The contributions to the Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration of the Fund and its programs, including conducting evaluation of new technologies, products, equipment, services, market research, media production costs, preparing advertising, promotion and marketing materials, and collecting and accounting for contributions to the Fund. Usage of the Fund will include ongoing development of the national website and development of new equipment, products, supplies and services to be made available to franchisees. The media in which advertisements may be disseminated include print ads, signs, billboards, internet, radio and television and may be conducted on a regional or national basis. We may spend, on behalf of the Fund, in any fiscal year an amount greater or less than the aggregate contribution of all Access Garage Doors® franchises in that year, and the Fund may borrow from us or others to cover deficits; or invest any surplus for future use.

- (iii) The fund spent 53% of its income on the production of advertisements and other promotional materials, 0% on media placement, 2% on general and administrative expenses and 45% on other expenses.
- (iv) In the future, we may form a franchisee-elected Franchisee Advisory Council or cooperative whose sole purpose is to advise on Fund usage and advertising policies. We retain all operational and decision-making authority concerning advertising and the Franchise Advisory Council will serve only in an advisory capacity. The membership of any Franchise Advisory Council will be national in scope. The Franchise Advisory Council will not be separately incorporated and, therefore, it will not have any written entity organizational documents. If one is formed, we will have the power to select and approve the members and to form, change, dissolve or merge the Franchise Advisory Council as described below.
- (v) Neither we nor any Franchisee Advisory Council undertake any obligation to ensure that expenditures by the Fund in or affecting any geographic area are proportionate or equivalent to contributions to the Fund by franchisees operating in such geographic area or that you or your Business will benefit directly or in proportion to your contribution to the Fund. Neither the Fund nor we shall be liable to you with respect to the maintenance, direction, or administration of the Fund, including without limitation, with respect to contributions, expenditures, investments or borrowings, except for acts constituting willful misconduct. When the Fund is established and activated, all Access Garage Doors® businesses owned by us, or any Owners must contribute to the Fund in the same proportion as all franchisees.
- (vi) Any businesses we own will vote in the same manner as franchisee members. We administer the Fund, which is not audited. If contributions paid into the Fund are not spent in the fiscal year in which they accrue, we can use the remaining amounts for the same purposes in future years. All interest earned on monies contributed to the Fund may be used to pay advertising and technology development costs before other assets of the Fund are expended. Fund contributions are not used to sell additional franchises. We will prepare an annual un-audited statement of monies collected and costs incurred by the Fund and furnish it to you upon written request. All financial statements will be available one hundred twenty (120) days after the end of our fiscal year. We reserve the right not to spend all of the funds in the Fund in any one year and such funds may be accrued into the next year. The Fund has not been established before the date of this Disclosure Document.
- (vii) We expect to receive advertising and promotional allowances and fees from third party vendors and advertisers who enter into cooperative advertising programs with franchisees and us. For example, suppliers may pay promotional allowances for joint advertising promotional material. We may disclose the identity of vendors who pay the promotional allowances to you upon request. In addition, if we require you to buy items from a vendor who pays these allowances, we may place the funds in the Fund or spend it on related promotions. Our obligation to provide advertising and marketing will be limited in cost to the amount of contributions and promotional allowances from third parties actually paid into the Fund.

(10) We do not now, but may require you to join, participate in and pay into, one or more franchisee marketing councils for your region, determined by the penetration area of local advertising media used (for example, the area of a regional newspaper's circulation). Because we have not yet formed any franchisee marketing councils, we do not know how the area or the membership of any franchisee marketing council will be determined, nor have we determined whether or not any of our company-owned businesses will be contributing to any advertising spent by any franchisee marketing council. In the event that we choose to establish a franchisee marketing council, we will be responsible for administering it. If we do create any franchisee marketing councils, they must operate in accordance with bylaws (or an operating agreement if it is a limited liability company), and the franchisee marketing council will prepare annual financial statements that you can review. We will have the right to form, dissolve, and merge any specific franchisee advisory council. Even though we have not yet formed any franchisee marketing councils, we may require that all franchisees within close proximity to a consumer show, convention or exhibition where health or mobility-related products and services are being sold or offered to participate in the cost and benefit of the event.

(11) You must spend a minimum of \$1,500 per calendar month on local advertising and promotion for your Business, in addition to the $\frac{1}{2}$ % per month System Advertising Fee contribution you pay to us. Your local advertising requirement starts immediately after you complete the initial training program. You must report your local advertising expenditures to us by the tenth day after the end of each month, or at times, on forms, and in a manner we determine.

You will not use any independent advertising or sales promotion programs in any media (including electronic) without our prior review and written approval. We will approve the materials you submit to us within 30 days, if we do not respond within such period all such materials will be deemed automatically disapproved. You will make reasonable efforts to participate in and cooperate with all advertising programs selected by us or by any approved group of franchisees, except that you need not follow or maintain any sales price or suggested pricing. You are responsible for any expenses of this independent advertising.

Unless we approve otherwise in writing, you may not establish a separate Website, and you will only have one Website, as we designate and approve, within our website. The term "Website" includes: anything on the Internet as well as other electronic sites (such as business citations, Google and Bing business listings, social networking sites like Facebook, Twitter, LinkedIn, Pinterest, Yelp, blogs and other applications, etc.). You must comply with our requirements regarding selling, advertising, discussing or disseminating any information, or otherwise having a presence on a Website, regarding the Business. If we approve a separate Website for you (currently franchisees are authorized to participate in Facebook, Twitter, Instagram and Yelp), we will provide you with guidelines for establishing and maintaining such Websites and each of the following provisions will apply: (i) you may neither establish nor use any Website without our prior written approval; (ii) before establishing any Website, you must submit to us, for our prior written approval, a sample of the proposed Website, including its domain name, format, visible content (including, without limitation, proposed screen shots), and non-visible content (including meta-tags), in the form and manner we may require and all such work (except for social networking sites) must be performed by us, our affiliates or approved vendors (as described in Item 8); (iii) you must not use or modify a Website (except for social networking sites)

without our prior written approval; (iv) you must comply with the standards and specifications for Websites that we may periodically prescribe in the Operations Manual or otherwise in writing; (v) if we require, you must establish hyperlinks to our website and other Websites; and (vi) we may revoke our approval at any time by providing written or email notice to you of such revocation.

(12) Your Business is deemed open for operation the day after completing our initial training program which must be completed within 60 days of signing the Franchise Agreement. Factors that may affect this length of time include: obtaining any licenses, certifications or permits as required by your state to operate your Business (as described in Item 1), securing a location for your Business that is approved by us, negotiation of a lease agreement (if applicable), construction and build-out (if you choose to lease a space rather than operate from home), time of year you open the Business, completion of our initial training program by you (or your Owners) and availability of equipment, products and supplies necessary for you to begin operating your Business. If you choose to open a location (such as a small industrial or retail space) for your Business, you must acquire or lease, at your expense, commercial real estate that is properly zoned for the use of your Business under the Franchise Agreement within the timeframe mentioned above (not applicable if home-based). If opening a location, must submit to us, in the form we specify, a copy of the location plan and other such information or materials we may require, together with an option contract, letter of intent, or other evidence satisfactory to us which confirms your affirmative prospects for obtaining the location. We will have 30 days following receipt of this information and materials from you to approve or disapprove the proposed location of your Business and will notify you of the same by e-mail or other form of written communication. Failure to open your Business for operation within 60 days from signing the Franchise Agreement (as mentioned above) will constitute a default under the Franchise Agreement, for which we may terminate the Franchise Agreement. Such default notice, under which we may terminate the Franchise Agreement, shall be given to you in writing.

(13) Before the opening of your Franchise, yourself, any Owner and proposed manager you designate are required to attend our ten-day Franchisee training program at our corporate headquarters in Hixson, Tennessee unless headquarters is moved. We maintain a regular calendar for the training program and the trainings are held approximately six to twelve times per year (or more frequent if needed). The training program is included in your Initial Franchise Fee for up to three individuals. You are responsible for all costs associated with attending the program such as travel, room and board.

(i) If any proposed manager does not satisfactorily complete our training program, we will notify you and you may then select and enroll a substitute manager in our training program. If, during the training program we determine, in our sole discretion, that you (or your managing partner, member or shareholders) are not qualified to manage an Access Garage Doors® Business, you can appoint someone else to be trained at your expense. If that person does not satisfactorily complete our training, we have the right to terminate the Franchise Agreement. The criteria that we will use to determine whether or not we deem you (or your managing partner, member or shareholders) qualified to manage an Access Garage Doors® Business includes, but is not limited to, lack business experience, if it is determined that personality makes it difficult for you to obtain customers and/or accounts; or you are unable to obtain the appropriate licenses, permits or certifications to

operate an Access Garage Doors® business. We will send you a written termination notice upon our determination of qualification.

- (ii) After the completion of our training program by you and your management team, we can upon your request provide training to any new manager of your Business for which an additional training fee of up to the lesser of \$150 per hour per person per day or \$500 per person per day plus any third- party charges may be required. The trainee(s) will be responsible for all costs related to attending training such as travel, room and board. In addition, we have the right to require that you (or such managing partner, member or shareholder) and any manager(s) complete supplemental and refresher training programs during the term of the Franchise Agreement, to be furnished at our corporate headquarters (currently in Hixson, Tennessee). There may be an additional cost for a supplemental and refresher training program. You are responsible for all costs associated with attending such training opportunities we may provide for you such as travel, room and board.
- (iii) After the opening of your Business, we will provide to you and your personnel, access to information and support through our intranet system. Support may also be available from our professionals, and we may provide refresher training or continuing education programs either through phone, web based (“webinars”), video or at locations designated by us (most likely at our headquarters). Such refresher or continuing education sessions (other than by phone, webinars or video) may have a registration charge to you which will not exceed more than the lesser of \$150 per hour per person per day or \$500 per person per day plus our expenses and third-party charges. You are responsible for costs associated with you attending the programs such as travel, room, board and related expenses or our expenses if we come to you. The programs will normally not exceed two (2) days and we expect to have quarterly programs subject to special need. The content will cover particular aspects including but not limited to: new products or services; sales methods; processes, procedures and techniques when performing services; best practices for hiring employees and independent contractors (if you choose to hire independent contractors); service standards, trends in the industry, operational guidelines, safety, website and software developments, advertising, marketing, and administration. We may conduct an annual convention at such place as shall be designated by us for all franchisees but will most likely be at our headquarters. A registration fee for each participant may be required which we will work in good faith to maintain at our cost and you will be responsible for costs associated with attending the convention such as travel, room and board. The registration fee for conferences will not exceed \$500 per person. The fees charged above may be increased a reasonable amount based on the increase of actual costs incurred by us.
- (iv) We will immediately schedule our initial training program and you must complete our initial training program within 60 days after signing the Franchise Agreement,. We will provide training for you as noted in the following training schedule. This training curriculum is fully detailed in the Operations Manual and will change periodically. Our training team will include directors from our Hixson corporate office, members of our website development team, members from our approved suppliers and service providers.

TRAINING SCHEDULE: AT CORPORATE OFFICES

Access Garage Doors® Franchise Training Program includes an Operations Manual, hands-on training, video presentations and demos. This training curriculum is fully detailed in the Operations Manual and will change periodically.

Training Program

The Operations Manual will detail all aspects of Franchise operations presented in training and serve as an ongoing reference. Updates to the Operations Manual will be made available to you through various means including online. All of the training sessions will be taught by a combination of Aaron Jesse Cox who has over 25 years of sales, business management and garage door experience; David Neal who has over 17 years of administrative and bookkeeping experience; Chris Evans who has over 15 years of business operations and management experience, all of whose backgrounds are described in Item 2. Occasionally, different guest speakers may make an appearance at the training program to provide information about various products, supplies and services used and offered by us. For example, some speakers may be our employees, franchisees, vendors or industry experts.

Subject	Level 2: Interactive Virtual Classroom Hours	Level 3: Hands On Training Hours	Instruction	Location
Overview, Culture, Philosophy, Standards and Introduction*	1 Hour	1 Hour	Presentation, demos and examples	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Approved Products, Services, Ongoing Maintenance Programs, Service Guarantee and Warranty Programs	2 Hours	1 Hour	Operations Manual, Presentation and Various Speakers	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Approved Equipment, Specification and Maintenance	1 Hour	0 Hours	Operations Manual, Presentation and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify

Subject	Level 2: Interactive Virtual Classroom Hours	Level 3: Hands On Training Hours	Instruction	Location
Approved Vendors, Suppliers, Purchasing, Inventory and Controlling Costs	2 Hours	1 Hour	Operations Manual, Presentation and Various Speakers	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Designing Garage Door Systems	2 Hours	1 Hour	Operations Manual, Presentation and Various Speakers	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Sales Presentations, Estimating Jobs and Pricing Guidelines	2 Hours	2 hours	Operations Manual, Presentation, Demos, Various Speakers and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Technical Knowledge, Troubleshooting and Repair Basics	16 Hours	4 Hours	Operations Manual, Presentation, Demos, Various Speakers and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Customer Service, Managing Expectations, Scheduling and Routing	1 Hour	6 Hours	Operations Manual, Presentation, Various Speakers and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Daily Operations, Performing Services and Installations	2 Hours	16 Hours	Operations Manual, Presentation, Various Speakers and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify

Subject	Level 2: Interactive Virtual Classroom Hours	Level 3: Hands On Training Hours	Instruction	Location
Vehicle Setup and Appearance Standards	1 Hour	0 Hours	Operations Manual, Presentation, Demos and Various Speakers	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Safety, Security and Quality Control	1 Hour	3 Hours	Operations Manual, Presentation, Various Speakers and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Technology and Website and Software Training**	1 Hour	3 Hours	Operations Manual, Various Speakers and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Building Referrals, Advertising and Marketing Your Business	4 Hours	1	Marketing Plan Creation, Presentations, Operations Manual and Various Speakers	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Recommendations for Hiring and Managing Employees	2 Hours	0 Hours	Presentation, Operations Manual and Various Speakers	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Record Keeping and Administrative Responsibilities	1 Hour	2 Hours	Operations Manual, Presentation and On the Job Training	Corporate headquarters in Hixson, Tennessee, Virtual or as we otherwise specify
Total Hours***	41 Hours	44 Hours		

*Prior to attending our initial training program, you are expected to complete approximately 40 hours of Level 1 self-study at your own pace utilizing materials we send to you in addition to viewing videos in our proprietary educational platform.

**Additional software and record keeping training may be provided to you and performed by our approved vendors after the initial training above is completed.

***The actual hours of classroom and on-the-job training may vary. For example, it may take less time to cover a subject in a smaller class than in a larger class and depending on your experience.

Additional Assistance:

In addition to the initial training program mentioned above, we will provide up to three days of either pre-opening or grand opening assistance and guidance to you at your location for sales, marketing and operational assistance at our cost. For your second and subsequent Business that you open, we will (at your option) provide the same type of assistance and guidance at your location; however, you will be responsible for all costs and expenses incurred by us, including, but not limited to, compensation for our staff and travel expenses. We will provide you with invoices for amounts you owe us, and we may require you to pre-pay all or a portion of our expenses.

Ongoing Training:

We will provide you with announcements and/or newsletters that will contain ongoing training relating to your Business. We will also provide you with access to additional or refresher training programs that may be conducted through the telephone, webinars or video training at no cost to you. In very rare instances, we may periodically require that you or your Owners (if you are an entity) complete additional training or refresher training programs to correct, improve and/or enhance the operations of your Business. Such additional or refresher training programs may be conducted through the telephone, webinars, video training or at annual conferences. Anyone attending additional or refresher training programs (training other than by telephone, webinars or video training) will be subject to an additional training fee and all costs associated with attending the training program such as travel, room and board (as described in paragraph 13 (iv) above).

No Technician Training: Franchisee is responsible for training its own employees. The initial training program is designed to train franchisee managers and owners.

ITEM 12 **TERRITORY**

You must operate your single Access Garage Doors® Business within the specific location identified in your Franchise Agreement. You will not receive an exclusive territory. You may face competition from other franchises, from outlets that we own, or from other channels of distribution or competitive brands we control. You are awarded a protected territory ("Territory") of a defined population as much as 600,000 persons which means it may be less than such amount. We reserve the right to grant a territory that is larger or smaller than the population area defined above, in order to account for more densely or sparsely populated areas. We will determine your Territory based on the most recently published data from the U.S. Census Bureau (or other sources as we may indicate to you), for the zip codes listed in the Franchise Agreement. You will have the only Access Garage Doors® Business within your Territory. You

can sell products and perform services to anyone who comes from anywhere so long as the products you sell are from your Business and the services you perform are within your Territory and such sales and services do not result in any Target Marketing activities by you (as defined below). You can also conduct business at special events (such as: community events, home shows, trade shows, expos, etc.) to sell products and promote services as long as such events are within your Territory. You may conduct business at special events and perform services in other geographical areas outside your Territory provided there is not another Access Garage Doors® franchise or company owned location in that area only after providing notice to us and after obtaining our written approval. We shall approve or deny your request, which approval is in our sole discretion, within three business days of receipt of your written request and will respond by email or any other form of written communication (as described below). If we approve your request to conduct business at special events or perform services in another geographical area, you must be prepared to immediately refrain from performing services and lose any accounts you have established when that area is purchased and immediately refrain from conducting business at such special events. You can directly market and solicit for customers only within the accepted Territory that has been entered in your Franchise Agreement or made part of by an addendum attached to your Franchise Agreement. You may also sell and ship products to anyone located outside your Territory so long as your sales do not result from any Target Marketing (as defined below) activities by you.

We cannot establish either a company-owned business, franchise nor license another to locate an Access Garage Doors® business within your Territory identified in your Franchise Agreement during the term of the Franchise Agreement.

Your licensed Territory is determined by population, household incomes, demographics of the surrounding area, competition, our own assessment of business potential (such as: number of residential homes, number of multi-family homes, age of residential homes and amount of new construction in the area), market penetration or other conditions important to the successful operation of an Access Garage Doors® Business, as we deem appropriate and as identified in your Franchise Agreement. Your licensed Territory is determined by us once a location is chosen and will not be altered even if there is a population increase or decrease. It will also not be affected by your number of customers, revenue, sales volume or market penetration. Certain locations, such as major metropolitan areas may have smaller protected territories of densely populated areas. Whether you operate out of your home or a small industrial or retail space, we must have consented to the location for the Access Garage Doors® Business within your defined Territory in writing before you begin operating the Business. You have no rights to operate your Business out of any other location other than the location accepted by us (however your salespersons are authorized to operate out of their home office as described below). You may not relocate your Business without our written consent, which we will not unreasonably withhold or delay. We base our approval of your proposed relocation using the same factors used described above.

Establishment of additional Access Garage Doors® Businesses requires our written acceptance. If other geographical areas are unassigned, we have the right to sell or assign it, or part of it, at any time, without notice to you and you might not have the right of first refusal or option to buy the territory that was formally unassigned. You must submit a separate application for each Franchised Business to be established by you. You must pay the fee for each additional acquisition mentioned in Item 5 and must be in compliance with all of the terms and conditions of the Franchise Agreement. We will evaluate your proposed location of any additional Access Garage Doors® Business based on the criteria mentioned in Items 11 and 12 above.

The Territory described above will affect where you and our other franchisees may solicit business, sell products and promote services. You are encouraged to directly advertise and market for customers within your Territory. You can sell products and provide to anyone from anywhere so long as your sales do not result from any direct solicitation activities by you, the products that you sell are sold and shipped from

your Business and/or sold at special events as described below and the services you provide are being performed within your Territory. We, other franchisees and company-owned businesses reserve the same right to sell products to anyone from anywhere and provide services to anyone within its respective territories without compensation to you. If you asked to perform services in geographical areas in which there is another franchise or company-owned business, you must immediately refer that request to the Access Garage Doors® business in that geographical area. If the other franchisee or company-owned business gives you permission to perform such services because it is in the best interest of the person or business, then you can then immediately proceed. If there is not an Access Garage Doors® business in the geographical area in which the person or business wants services then you must submit a request to us asking permission to perform services and upon our written approval you can proceed. We shall approve or deny your request to perform services in other areas not owned by other franchisees or us, which approval is in our sole discretion, within three business days of your written request. Our response to your request will be made by email or any other form of written communication. Approval may be revoked in our sole discretion. However, you must be prepared to immediately refrain from performing services in that other geographical area when that unassigned area is purchased. We and other franchisees must refer persons and businesses who request services and are within your Territory to you and also reserve the same right to provide services to persons or businesses that are within your defined Territory if it is determined to be in the person's or business's best interest. You are prohibited from soliciting and marketing in general to anyone by any means outside of your respective Territory and you must not specifically engage in target marketing ("Target Marketing") within the Territory of another Access Garage Doors® business (franchise and/or a company/affiliate owned business). Target Marketing means a concerted effort by a franchisee to solicit and obtain customers and/or accounts through any type of advertisement or marketing, directed at all or a portion of another franchisee's territory. We will use commercially reasonable efforts to enforce this requirement regarding Target Marketing if you or any other franchisee violates it.

If you asked to conduct business at special events in geographical areas in which there is another franchisee or company owned business, you must refer that request to the Access Garage Doors® business in that geographical area. Whether the other Access Garage Doors® business is a franchise or company-owned business, you must not conduct business at special events in that geographical area unless the other Access Garage Doors® business consents in writing for you to conduct business at such special event. If the other franchise or company-owned business gives you permission to conduct business at such special events, then you must immediately inform us in writing and you can then proceed to conduct business at such special event. If there is not an Access Garage Doors® business in that geographical area, then you must submit a written request to conduct business at such special event to us and upon our written approval you can proceed. We shall approve or deny your request to conduct business at special events in other geographical areas not owned by us, our affiliates or other franchisees, which approval is in our sole discretion, within three business days of your written request. Our response to your request will be made by email or any other form of written communication. Approval may be revoked in our sole discretion. However, you must be prepared to immediately cease conducting such events in that other geographical area when that unassigned area is purchased. We may allow you and other franchisees or company-owned businesses to sell products and promote services through an alternative channel of distribution (such as on the Internet or Websites, but not telemarketing or direct mail as we consider that to be Target Marketing). If you are granted permission to sell products or promote your services through an alternative channel of distribution, per our written approval, you may sell products to anyone without compensation to the other franchisee or company-owned business. However, all products must be sold and shipped from your Business; and all services must be performed within your Territory. We, other franchisees and company-owned businesses reserve the same right to sell and ship products to anyone without compensation to you.

If during the time of the Franchise Agreement, you are unable to promptly and properly provide products or services to any of your customers and/or accounts, you must refer that customer or account to another franchise in the System, company-owned location or to us. If you fail to refer special events or customers and/or accounts as set forth herein, we will have the right to terminate the Franchise Agreement. For any default of the Franchise Agreement, as an alternative to termination, we may modify or completely eliminate any rights that you may have with respect to your protected status of the Territory, effective ten (10) days after delivery of written notice to you. In addition, we may modify or completely eliminate the Territory (Franchise Agreement Sections VI, XII.H and XXIII.F).

Your salespersons are authorized to have a home office. A salesperson's home office is defined as a secondary workspace located in a salesperson's principal residence from which the salesperson conducts business and communications. Your salesperson's home office is not considered a Business location or site so long as the salesperson does not advertise the home office in any way as an authorized Access Garage Doors® location and does not meet any customer and/or third party at their home. Your salespersons, unless otherwise approved by us, are prohibited from listing their respective mobile phone number on their business cards, stationery and other business forms. However, your salespersons will be required to have your Business telephone number and your Business address on their business cards, stationery and other business forms as a direct contact so long as such information meets our standards and guidelines.

We encourage all Access Garage Doors® businesses, when owned by different individuals, to work out a referral relationship and an advertising strategy if they are within close proximity of each other (defined as being within a twenty (20) mile radius of each other). We must be notified of all such arrangements.

We have the exclusive right to negotiate and enter into agreements or approve forms of agreements to sell products and perform services to any business or organization which owns, manages, controls or otherwise has responsibility for locations in more than one area whose presence is not confined within any one particular franchisee's territory regardless of the contract amount of products to be provided or services to be performed (a "National Account"). After we sign a contract with a National Account, we may, at our option, provide you the option to provide products or perform services to businesses under the National Account contract. If we choose, or if you choose not to provide products or perform services to the National Account, we may direct the National Account to seek such products and services from another franchisee or company-owned location even if the National Account is located within your Territory without compensation to you.

We reserve the right to issue binding policies to coordinate marketing councils and/or advertising cooperative programs. For example, we may require that all franchisees within close proximity to a home show, consumer show, convention or exhibition where home improvement-related products or services are being offered or sold to participate in the cost and benefit of the show. We intend to direct and coordinate all franchisee Internet advertising. All such programs and policies are our proprietary trade secrets. In such programs, we may require the customer and/or account that is acquired through such programs, to be served by the closest or other franchisee and you will not be charged or receive any type of referral fee.

Any rights not expressly granted to you are reserved to us. Such rights reserved to us include, but are not limited to the right to:

- (1) Advertise, market and sell Access Garage Doors® branded and trademarked products, services and equipment (if we choose to develop equipment in the future) in your Territory;

- (2) Advertise, offer and promote products, services or equipment (if we choose to sell equipment in the future) in an effort to promote the System through the Internet and/or other similar venues no matter where the person is based to fulfill the demand in your Territory;
- (3) Offer, sell or distribute anywhere products, services or equipment (if we choose to sell equipment in the future) to anyone through any alternative or other channel of distribution, other than local business operations (franchised or owned by us) providing products and services under the Marks and System and on any terms and conditions we deem appropriate. We have this right whether or not we are using the Marks or System or are acting inside or outside the Territory designated on your Franchise Agreement;
- (4) Develop, manufacture, produce and distribute any labeled product or piece of equipment (if we choose to develop equipment in the future) that has been branded with our Mark or logo or different branded products and equipment through any outlet located anywhere regardless of its proximity to your Business (including, by way of illustration, home improvement stores, discount retail stores, over the Internet and/or electronic media and similar venues) and on any terms and conditions we deem appropriate. If we decide to distribute products or equipment, you will receive no compensation from us for such sales inside your Territory unless agreed otherwise in writing by us;
- (5) Implement advertising cooperative programs which may allow us or others to solicit or sell to anyone located anywhere. We also reserve the right to issue mandatory policies to coordinate such advertising cooperative programs;
- (6) Own and/or operate ourselves or authorize others to own and/or operate (a) any business located outside the Territory as designated on your Franchise Agreement, whether or not using the Marks and/or System, (b) any business anywhere, whether using the Marks and/or System or not, which is not substantially similar to the business franchised to you under the Franchise Agreement and/or (c) any business anywhere which does not use the Marks; and
- (7) Acquire, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere, including arrangements in which we are acquired, and/or company-owned, franchised or other businesses (including your own Access Garage Doors® Business) are converted to another format, maintained under the System or otherwise. If we acquire or merge with a business similar to an Access Garage Doors® business within your Territory, we will make commercially reasonable efforts to maintain the protected status of your Territory. You will fully participate in any conversion subject to any person/entity merging with, or acquiring us or when we acquire, reimbursing you for reasonable costs directly related to the conversion.

We are not responsible for paying any compensation to you concerning the sale of our services, products or equipment (if we choose to sell equipment in the future) by us over the Internet or other similar venues, by alternative means of distribution, advertising cooperative programs, outlets, businesses that are not substantially similar to the Franchised Business or any business that does not use the Marks. For clarity, the Franchise Agreement grants you no rights to sell and/or distribute products or equipment or offer services through any alternative channels of distribution (other than our approved list of channels of distribution) without our permission or share in any of the proceeds from our activities through alternative channels of distribution unless otherwise agreed upon by us.

We have not established, and do not presently intend to establish, other franchises or company-owned businesses except as disclosed in Item 1 of this Franchise Disclosure Document, that sells similar products or offers services under a trade name or trademark different from Access Garage Doors® Marks.

ITEM 13 **TRADEMARKS**

Under the Franchise Agreement, we grant you the nonexclusive right to use the Marks in connection with the operation of your Franchise. Our principal trademark is "Access Garage Doors" along with the design, as it appears on the first page of this Disclosure Document. We have the right to use and to license others to use the Marks and under any other trade name, trademarks, service marks and logos currently used or that may hereafter be used in the operation of the Business. You must use the Marks only for the operation of your Franchise and in the manner authorized by us.

The design and word mark "Access Garage Doors®" is registered on the Principal Register of the USPTO bearing the registration number 6197951 dated November 17, 2020 owned by Aaron Jesse Cox and is licensed to us to sublicense to you. The word mark "Access Garage Doors®" is registered on the Principal Register of the USPTO bearing the registration number 6197950 dated November 17, 2020 also owned by Aaron Jesse Cox and licensed to us to sublicense to you. The word mark "Access Garage Doors 'Garage Doors. . . It's What We Do.™'" is registered on the Principal Register of the USPTO bearing the registration number 6670478 dated March 15, 2022 also owned by Aaron Jesse Cox and licensed to us to sublicense to you. The word mark "Don't Stress. Call Access.®" is registered on the Principal Register of the USPTO bearing the registration number 7088512 dated June 20, 2023 also owned by Aaron Jesse Cox and licensed to us to sublicense to you. We also claim common law rights in our trademarks based on our prior use.

There are no presently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor any other pending infringement, opposition or cancellation proceeding or material litigation involving the Marks.

There are no agreements that limit our right to sublicense you the Marks, other than a perpetual, exclusive, non-transferable, worldwide, royalty free license to use, sub-license, and display the Marks from Aaron Jesse Cox pursuant to an intellectual property license agreement. The intellectual property license agreement may be modified or terminated if we fail to follow the operating, merchandising and advertising policies and such other quality standards that are established by Aaron Jesse Cox. In addition, Aaron Jesse Cox has the right to substitute alternative trademarks for license at any time. Therefore, you may have to change the trademarks that you use in operating your franchise business at your expense. The intellectual property agreement will remain in effect for as long as we offer franchises, unless we are in default of the intellectual property license agreement.

Upon termination of the intellectual property license agreement for any reason, we and franchisees must discontinue all use of the Marks in any form, remove the Marks from our website and any of our franchisees websites, modify any and all identification of the Franchised Business with, or reference to, the Marks, and refrain from making any subsequent representation, advertisement or published statement or product sales using or in reference to the Marks, or the business previously conducted using the Marks, and take such action as shall be necessary to change any corporate name, assumed name or equivalent registration which mentions or refers to the Marks, or any mark similar thereto.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Marks or claim by any person of any rights in any Mark or any similar trade name, trademark or

service mark of which you become aware. We have the sole discretion to take such action as we deem appropriate and the right to exclusively control any litigation, USPTO proceeding or other administrative proceeding.

We are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or protect you against claims of infringement or unfair competition with respect to them. The Franchise Agreement does not require that we participate in your defense or indemnify you for expenses or damages if you are a party to a judicial or administrative proceeding involving one of the Marks or if the proceeding gets resolved unfavorably to you. Although we are not contractually obligated to protect the Marks of your right to use them, as a matter of corporate policy, we intend to defend the Marks vigorously (Franchise Agreement Section XV.B).

You may not, without our written consent which is in our sole discretion, commence or prosecute, or seek leave to intervene in, any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of any of the Marks or unfair competition.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Mark, and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions with respect to a reasonable time after notice by us. You, in connection with the use of a new or modified Mark, may be required, at your own expense, to remove existing signs from your Business and to purchase and install new signs including all signage and graphics on your Vehicles in addition to all marketing and advertising materials. We have no liability to you.

There are no infringing uses actually known to us as of the Issuance Date of this Disclosure Document that could materially affect your use of the Marks in the State of Tennessee or in any other state. You should understand that there could be other businesses using trademarks, trade names or other symbols similar to our Marks with superior rights to our rights. Before starting business, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your business name.

All your usage of the Marks granted under the Franchise Agreement is nonexclusive, and we retain the right, among others: (a) to use the Marks in connection with selling products and offering services; (b) to grant other licenses for the Marks, in addition to those licenses already granted to existing franchisees; (c) to develop and establish other systems using the same or similar Marks, or any other proprietary marks, and to grant licenses or franchises in those systems without providing any rights to you as described Item 12.

All your usage of the Marks and any goodwill you establish are to our exclusive benefit and you retain no right or rights in the Marks on the termination or expiration of your Franchise Agreement. You may not use the Marks as a part of any corporate or trade name, nor may you use any trade name, trademark, service mark, emblem or logo other than the Marks, as we may designate periodically. You must prominently display the Marks on such items and in the manner we designate. You must obtain such fictitious or assumed name registrations as we require or under applicable law. You must also prominently display in your Business that we are not a joint employer of you and that you are solely responsible for all employment-related decisions and matters. You must identify yourself as the owner of your Franchise by placing your name on the Business and on all Vehicles, checks, invoices, receipts, contracts and other documents that bear any of the Marks, and on all printed materials your name must be followed by the phrase "A franchise of Access Garage Doors®" or such other phrase as we occasionally direct.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any registered patents or copyrights or have any pending patent or copyright applications which are material to this Franchise; however, we claim common law trade secret and copyright protection for several aspects of our System, products, services, methods, strategies, techniques, forms and operational procedures; our equipment, product and supply specifications, business procedures, photographs, video presentations, website, our proprietary educational platform, third-party software, design, décor, signage, Vehicle appearance standards and graphics contained on your Vehicle; Operations Manuals, workbooks and all related materials including advertising and promotional materials although such materials may not have been registered with the United States Copyright Office. If we do obtain copyright registration on any of the above materials, we intend to renew our registrations. These materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in your Franchise Agreement. We reserve the right to register any of our copyrighted materials at any time we deem appropriate.

There currently are no effective determinations of the United States Copyright Office or any court regarding any of the copyrighted materials. There are no effective agreements that limit our right to sublicense you the copyrights and trade secrets, other than a sublicense to use the intellectual property for our educational platform that has proprietary training modules and courses (all housed within our intranet system and owned by Aaron Jesse Cox) from Aaron Jesse Cox. The license agreement with Aaron Jesse Cox may be terminated if we fail to follow the quality standards of Aaron Jesse Cox. Our rights to use and sublicense to you our educational platform will be terminated in 90 days, if we fail to follow the operating policies and such other quality standards that are established by Aaron Jesse Cox. Other than as provided in the previous sentence, our agreement with Aaron Jesse Cox can only be terminated in writing, if agreed to by us and both parties. In addition, Aaron Jesse Cox has the right to substitute alternative copyrights and/or other intellectual property for license at any time. Therefore, you may have to change some, most, or all of the copyrights and/or other intellectual property that you use in operating your Franchise Business at your expense. The intellectual property license agreement with Aaron Jesse Cox will remain in effect for as long as we offer franchises, unless we are in default of the intellectual property license agreement.

There are no infringing uses actually known to us, which could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend any patent, trade secret, copyright or to participate in your defense or indemnify you.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of our copyrighted materials or trade secrets or claim by any person of any rights in any copyright or trade secret which you become aware. We have the sole discretion to take such action, as we deem appropriate and the right to exclusively control any litigation, United States Copyright Office proceeding or other administrative proceeding. We may require you to discontinue use or modify any materials that may in our opinion infringe on the copyright, trade secret, or patent rights of any other person or business.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any copyrighted materials or trade secrets, and/or use one or more additional or substitute copyrighted materials or trade secrets, you must comply with our directions with respect to such modification, substitution, or discontinuation within a reasonable time after notice by us. We have no liability to you concerning substitution or modification of copyrighted materials or trade secrets.

We possess certain confidential information including knowledge of our: products, privately labeled products (which are products that carry our brand) and services offered in addition to specific

operational strategies, methods, processes and techniques when performing services; specifications for all equipment, products and supplies used; proprietary service guarantee program and warranty programs, purchasing strategies, vendor and supplier relationships, cost and pricing strategies, inventory management and proprietary tracking processes and formulas; service standards, operational procedures to manage high volume, procedures for safety and quality control; strategies for site acquisition, build out and design specifications with unique décor, color scheme, floor displays and signage (if operating out of a location); guidelines for hiring, training and retaining employees and independent contractors (if you choose to hire independent contractors) and proprietary educational platform that houses our video library of proprietary training modules and courses (which includes curriculum, lesson plans and workshops) to complement your ongoing training efforts; Vehicle appearance standards (including our vehicle graphic specifications), website, intranet system, third-party software, Operations Manual, photographs, video presentations, forms, contracts, record keeping and reporting methods; proprietary sales presentations, customer and account acquisition programs; advertising, marketing, social media and promotional strategies and materials; systems and knowledge of, and experience in, the operation and franchising of Access Garage Doors® business (the “Confidential Information”). We will disclose Confidential Information to you during our initial franchise training program, seminars, workshops, continuing education sessions (see Item 6 and Item 11) and conventions sponsored by us; in our Operations Manual, and in guidance furnished to you during the term of your Franchise Agreement.

If you or your partners, members, managers, directors, shareholders, employees, agents or independent contractors, develop or create any new service, product, piece of equipment, program, video presentation, photograph, concept, technique, formula, method, process or improvement in the operation or promotion of your Business, you are required to promptly notify us with all necessary related information, without compensation. However, as a matter of corporate policy, we may create an incentive program to reward you, your partners, members, managers, directors, shareholders, employees, agents or independent contractors for any new service, product, piece of equipment, program, video presentation, photograph, concept, technique, formula, method, process or improvement that we implement throughout the System. You and if you are an Entity, then one of your Owners acknowledges that any such new service, product, piece of equipment, program, video presentation, photograph, concept, technique, formula, method, process or improvement will become our property and we may use or disclose such information to other franchisees as we deem appropriate.

The Franchise Agreement provides that you will not acquire any interest in the Confidential Information other than the right to utilize it in the development and operation of your Access Garage Doors® Business during the term of your Franchise Agreement, and that the use or duplication of the Confidential Information in any other business would constitute unfair competition. You also agree that the Confidential Information is proprietary to us and is disclosed to you solely on the condition that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of your Franchise Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written or electronic form; and (4) will adopt and implement all reasonable procedures required by us to prevent unauthorized use or disclosure of the Confidential Information, including without limitation, restrictions on disclosures to employees and independent contractors of your Franchise and any other business(es) owned by you and if you are an Entity any of your Owners, and the use of nondisclosure and noncompetition clauses in employment agreements with your employees, independent contractors and Owners where enforceable under state law.

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

The Franchise Agreement provides that your Business must at all times be under your direct, day-to-day, full-time supervision (or if you are an Entity such as a limited liability company, partnership or corporation, then a managing Owner of such Entity, approved by us) or the non-owner manager of your Business who is approved by us. This person must have successfully completed our training program and must use his/her best efforts in the operation of an Access Garage Doors® Business.

You are required to retain a manager (“Operations Manager”) for the operation and management of your Business, and you must retain a minimum of one full-time salesperson within thirty (30) days once your Business is deemed open for operation. You must have such Operations Manager and a minimum of one full-time salesperson on staff for the entire term of the Franchise Agreement. The Operations Manager and salesperson may, but need not, be you or one of the Owners of the Business. The Operations Manager must meet all of our standards and criteria for such positions as set forth in the Operations Manual. The Operations Manager need not have any set percentage of the equity of the Franchised Business. Your Operations Manager must devote all of his or her time and effort to the personal supervision of the Business. These individuals and their replacements must also satisfy the applicable training requirements as outlined in the Franchise Agreement (Franchise Agreement Section XII.F).

If we, in our sole discretion, find that your Operations Manager is not properly performing his or her duties, we will advise you and you must immediately take steps to correct the situation. However, we are not responsible for the hiring, discipline, or termination of any Operations Manager that you employ. Upon termination of employment of your Operations Manager or salesperson, you must appoint a successor Operations Manager within 60 days and a successor salesperson within 30 days. Any replacement Operations Manager (who we may disapprove in our sole and absolute discretion) and salesperson must be trained by you in accordance with our standards. To clarify, any replacement Operations Manager and salesperson is to be trained by you at your expense.

Our approval of an Operations Manager other than you is conditioned upon the Operations Manager entering into a confidentiality and restriction of like business agreement containing provisions like those contained in the Franchise Agreement and Schedule 8 of the Franchise Agreement against engaging in competing businesses and use/disclosure of our confidential business information during the tenure of employment with you and for a period of three years following employment by you. You will provide us with executed copies of the same upon request.

If you are an Entity, each of your Owners that holds more than 10% interest in the Franchise Business must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement, agree to be bound by the confidentiality provisions and non-competition provisions of the Franchise Agreement and agree to certain restrictions on their ownership interests. The required Guaranty of Obligations is attached as Schedule 5 of the Franchise Agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Due to the differing nature of markets across the United States, and because climate and geographic areas will vary, you will have a wide variety of possible locations in which to conduct business operations with our approval. You may not use the Access Garage Doors® Business for any other purpose than the

operation of an Access Garage Doors® business, unless otherwise approved by us in writing. Alternative operation sites that may be approved can include for example incorporating your Business operations within the premises of an existing business.

You must comply with all of our standards and specifications relating to: selling products and offering services; purchasing equipment, products, supplies, uniforms, Vehicle, vehicle graphics, technology items, software, signage, advertising and marketing materials, promotional items, miscellaneous forms and other items to be used, offered or sold in the Business (See Item 8).

You are required to sell only approved products, offer and perform only our approved services as specified by us which include: onsite consultation and garage door design services, a wide selection of pre-fabricated garage doors for sale from a variety of different manufacturers, custom-made garage door solutions, a large selection of electric garage door opener products, garage door automation systems, installation and repair services performed by professionally trained technicians, garage door equipment and parts for sale (such as: motors, controllers, rollers, springs, tracks, etc.) in conjunction with our privately labeled products (such as lubricants) in addition to our warranty and proprietary ongoing maintenance and service guarantee programs and other garage door-related products or services as expressly authorized by us in writing or in the Operations Manual, or developed by us as a result of your pre-market entry study to meet the needs of your unique market, and any updates to be incorporated in the Operations Manual periodically. You must not deviate from our standards and specifications without first obtaining our written consent. We will provide you with a written list of products you are authorized to sell and list of services you are authorized to offer and perform during our initial training program. You must sell the products and offer and perform only the services we specify; and you acknowledge that we allow you to sell products offer services to anyone so long as such sales do not result in Target Marketing, all products are sold from your Business or special events and all are performed within your Territory (as described in Item 12). We, other franchisees and company-owned businesses reserve the same right to sell products to anyone without compensation to you and are also prohibited from performing services outside their respective territories. You acknowledge that this may create competition and you will not receive any compensation from us, other franchisees or company-owned businesses if products are sold within your Territory.

You can sell products and provide services at any price and/or rate you establish; however, we will suggest pricing and rate strategy and will establish minimum and maximum prices and/or rates at which you may sell products and provide services to the extent allowed by federal and state laws. You may offer additional products and services that are unique to your area in an effort to blend in with your community; however, you must obtain our written approval before such products or services offered and the time to approve or deny your request is thirty (30) days (as described in Item 8). You must discontinue using, selling, offering and performing any product or service we may disapprove in writing at any time, whether such product or service is currently in use. We may change and/or modify the types of products and services we authorize at any time. There are no limits on our right to do so. We will inform you by email or by any other form of written communication of such changes and/or modifications. You may not sell any products or offer any services that has not been specifically approved by us in writing. You may not independently act as an exclusive distributor for any third-party vendor or secure any exclusive rights to sell any type of product or piece of equipment for any manufacturer or vendor inside or outside your Territory without our written consent.

In addition, you acknowledge that we may, in our discretion, allow you and other franchisees or company-owned businesses to sell products and promote services through an alternative channel of distribution (such as on the Internet or Websites) provided you adhere to our standards. You acknowledge that this may create competition and you will not receive any compensation from such sales made by other franchisees or company-owned locations. If we authorize you to sell products and promote services through

alternative channels of distribution, all products must be sold and shipped from your Business or sold at special events within your Territory and all services must be performed within your Territory. Unless otherwise approved by us in writing, you are not authorized to promote services or sell any products or equipment (if we authorize you to sell equipment in the future) on the Internet or in any other media, whether known or hereinafter invented.

You must participate in any gift certificate or gift card program or rewards and/or loyalty program we establish. You may not create or issue your own gift certificates or cards unless otherwise approved by us.

You must maintain all proper certifications, permits and licenses to operate an Access Garage Doors® Business to sell products and provide services in your area. You must not engage in any trade, practice or other activity that is harmful to our goodwill or reflects unfavorably on our reputation, that constitutes deceptive or unfair competition, or that is in violation of any applicable law or regulation.

You are encouraged to directly advertise and market to promote your Business, sell products and offer services to anyone located within your Territory. We place no restrictions upon your ability to sell products and provide services to anyone provided you: sell all products either from your Business and/or at special events within your Territory and all services are performed within your Territory, in accordance with our standards. However, you are prohibited from performing services and from conducting business at special events in any other geographical area or through any alternative channels of distribution without our permission (see Item 12).

ITEM 17

**RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP**

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

Provision	Section in the Franchise Agreement	Summary
a. Length of the Franchise Term.	FA Section VII.A.	FA – five (5) years
b. Renewal or extension of the term.	FA Section VII.B.	FA – up to two (2) five (5) year renewal terms if you meet certain term requirements.
c. Requirements for franchise to renew or extend.	FA Section VII.B	FA – Written notice for you to renew, full compliance, not in default under Franchise Agreement, performance standards satisfied, satisfied monetary obligations, sign then current form or new Agreement, execute general release, satisfy any then current qualifications and training requirements, upgrade Business and pay renewal fee.
d. Termination by you.	Section XXIII.D	FA – If we have materially failed to comply with terms of the Franchise Agreement after thirty (30) days’ notice.
e. Termination by us without cause.	Not Applicable	We cannot terminate your FA without cause.
f. Termination by us with cause.	FA -Section XXIII.B and XXIII.C	FA - We can terminate if you breach a material provision of the FA or fail to open the Business.
g. “Cause” defined; curable defaults.	FA – Section XXIII.B	FA-Violation of health or safety laws upon seventy-two (72) hrs. notice; five (5) days for failure to pay amounts owed; thirty (30) days for all other defaults.

Provision	Section in the Franchise Agreement	Summary	
h.	“Cause” defined; noncurable defaults.	FA- Section XXIII.C	Failure to open the Business, you fail to attend and satisfactorily complete the initial training program; you fail to submit financial statements, tax returns, you use our names or marks on the internet without our prior written consent; you engage in unfair business practices; abandonment or surrender of control of Business; misrepresentation or omission in application; felony conviction; unauthorized assignment or improper assignment upon death or disability; loss of possession of Business; failure to pay taxes or liens; dishonest or unethical conduct; assignment for benefit of creditors; you fail to satisfy a final judgment within thirty (30) days; and bankruptcy.
i.	Your obligations on termination / non-renewal	FA – Section XXIV	FA - Cease operating franchised business; cease use of confidential information and Marks; deliver property containing the Marks; cancel assumed or similar name registrations; pay outstanding amounts and damages; deliver manuals; assign phone numbers; comply with covenants.
j.	Assignment of contract by us.	FA – Section XXII.C.	No restriction on our right to assign.
k.	“Transfer” by you-defined.	FA – Section XXII.B.	Includes transfer of the contract and business assets by you.
l.	Our approval of transfer by you.	FA – Section XXII.B. and XXII.E	FA – We have the right to approve all transfers by you.
m.	Conditions for our approval of transfer.	FA – Section XXII.C and XXII.E.	FA – Full compliance; transferee qualifies; all amounts due are paid in full; completion of training by transferee; transfer fee paid; transferee agrees to be bound by all terms of Franchise Agreement; you sign and deliver other required documents, including a release.

Provision	Section in the Franchise Agreement	Summary
n. Our right of first refusal to acquire your business.	FA – Section XXII.C and XXII.E.	FA – We have the right to match any offers.
o. Our option to purchase your business.	FA – Section XXIII.G and XXIV.F.	FA – Purchase for fair market value determined by appraisal if parties are unable to agree.
p. Your death or disability.	FA – Section XXII.D.	FA – Franchise must be assigned to approved buyer within six (6) months.
q. Non-competition covenants during the term of the Franchise.	FA – Section XIX.B, XIX.C and XIX.D	FA – No involvement in any competitive business anywhere within ten (10) miles of any company-owned business or other franchises.
r. Non-competition covenants after the franchise is terminated or expires	FA – Section XIX.B.	FA – No interest in competing business for two (2) years within twenty (20) miles of any company owned business or other franchises.
s. Modification of the Agreement.	FA – Section XXV.J.	FA – No modification except by written agreement. Operations Manuals are subject to change.
t. Integration / merger clause.	FA – Section XXV.J.	FA – Only terms of the Franchise Disclosure Document and Franchise Agreement are binding subject to state law. Notwithstanding the prior sentence, nothing in the Franchise Agreement or any related agreement is intended to disclaim any representations Franchisor has made in the entire Franchise Disclosure Document. Any representations made outside of the disclosure document or the franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation.	FA – Sections XXV.C and XXV.D.	FA – Arbitration and mediation in Hamilton County, State of Tennessee (subject to State law).
v. Choice of forum.	FA – Section XXV.G.	FA – Litigation in Hamilton County, State of Tennessee (subject to state law) or the United States District Court of Tennessee.

Provision	Section in the Franchise Agreement	Summary
w. Choice of law.	FA – Section XXV.G.	FA – State of Tennessee laws apply (unless prohibited by laws of state where Franchise is located).
x. Liquidated Damages	FA – Section XXIV.H	FA – If the Franchise Agreement is terminated prior to its expiration date, you shall be obligated to pay within thirty (30) days of termination or expiration of the Franchise Agreement, a sum determined by adding together the average Royalty Fee payments and average System Advertising Fund Fee payments that was paid to us during the previous twelve (12) months for either the remaining term (or renewal term) of the Franchise Agreement or two (2) years (whichever comes first). If you have not made twelve (12) months of payments to us, then the number of payments you have made will be used to calculate the average of such Royalty and System Advertising Fund Fee payments.

ITEM 18 **PUBLIC FIGURES**

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

ITEM 19 **FINANCIAL PERFORMANCE REPRESENTATIONS**

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

There were seven franchisees operating in the Access Garage Doors® system in 2023 which still remain in the system as of January 1, 2024. Any franchisee who left the system has been omitted from this Item 19 for 2023 reporting. Any unit with less than one year of operating history has been omitted. Only five of those seven franchisees were operating for one year or more as of January 1, 2024. Franchisor's

affiliate operates one Access Garage Doors® territory consisting of Chattanooga, Tennessee and surrounding areas. The area served by the affiliate may be larger than areas serviced by some franchisees.

The average gross sales of the five franchised units reported in 2023 was \$889,093.36. Two franchisees (or 40%) met or exceeded the average gross sales. The average gross sales of the four franchised units reported in 2022 was \$800,316.08. Two franchisees (or 50%) met or exceeded the average gross sales. The average gross sales of the five franchised units reported for 2021 was \$223,570.14. Two franchisees (or 40%) met or exceeded the average gross sales. The average monthly gross sales of the four franchised units for 2023 was \$74,091.11. The average monthly gross sales of the four franchised units for 2022 was \$66,693.00. The average monthly gross sales of the five franchised units for 2021 was \$19,733.25. This monthly average is based on the actual number of months operating. Two franchisees (or 40%) met or exceeded this average in 2023. Two franchisees (or 50%) met or exceeded this average in 2022. Two franchisees (or 40%) met or exceeded this average in 2021. The median gross revenues for franchised units in 2023 was \$464,450.67, 2022 was \$740,643.21, and 2021 was \$158,719.95; and the median monthly was \$38,704.22 in 2023, \$61,720.27 in 2022, and \$13,225.67 in 2021. Two franchisees (or 40% in 2023, 50% in 2022, and 40% in 2021) met or exceeded the median annual gross sales and median monthly average gross sales. The highest annual gross sales among franchisees were \$1,621,401.32 in 2023, \$1,555,676.09 in 2022, and \$537,409.20 in 2021; and the lowest were \$352,363.61 in 2023, \$164,301.83 in 2022, and \$14,639 in 2021. The highest monthly gross sales were \$135,116.78 in 2023, \$129,639.67 in 2022, and \$44,784.10 in 2021, and the lowest were \$29,363.63 in 2023, \$13,691.82 in 2022, and \$2,091.29 in 2021.

The average annual gross sales for the affiliate were \$5,288,656.99 in 2023, \$4,619,986.80 in 2022, \$3,631,091.11 in 2021 and \$3,250,156.74 in 2020. The average monthly gross sales for the affiliate were \$440,721.42 in 2023, \$384,998.91 in 2022, \$302,590.93 in 2021, and \$270,846.39 in 2020. Given that only one territory is reported, the one territory matched the average in 2023, 2022, 2021 and 2020. The median gross sales were \$5,288,656.99 in 2023, \$4,619,986.80 in 2022, \$3,631,091.11 in 2021, and \$3,250,156.74 in 2020; and the one territory reported matched the median gross sales in 2023, 2022, 2021, and 2020. Company owned outlets do not pay a royalty. Franchisees are subject to a royalty fee of 4-5% per month. In the case of both the average and median gross sales above, both would be subject to the royalty fees if operated by a franchisee. The company owned outlet does pay a system advertising fee of 1/2% like franchisees. These adjustments to the above company owned operations at a 5% royalty fee would make the average annual gross sales and median gross sales from a franchisee's perspective \$5,024,224.14 in 2023, \$4,388,987.46 in 2022, \$3,449,536.55 in 2021, and \$3,087,648.90 in 2020; and it would make the average monthly gross sales \$440,721.42 in 2023, \$365,748.96 in 2022, \$287,461.38 in 2021, and \$257,304.07 in 2020.

Table 1

COMPANY OUTLETS (1)		
	Gross Sales	Monthly Average
2023	\$5,288,656.99	\$440,721.42
2022	\$4,619,986.80	\$384,998.91
2021	\$3,631,091.11	\$302,590.93
2020	\$3,250,156.74	\$270,846.39

Table 2

FRANCHISED OUTLETS (2023)		
Unit #	Gross Sales	Monthly Average
1	\$1,621,401.32	\$135,116.78
2	\$ 432,158.63	\$ 36,013.22
3	\$1,575,092.59	\$ 131,257.72
4	-	-
5	\$ 352,363.61	\$ 29,363.63
6	\$464,450.67	\$38,704.22
All Units Average	\$ 889,093.36	\$ 74,091.11
All Units Median	\$ 464,450.67	\$ 38,704.22
FRANCHISED OUTLETS (2022)		
Unit #	Gross Sales	Monthly Average
1	\$1,555,676.09	\$129,639.67
2	\$ 339,192.29	\$ 28,266.02
3	\$1,142,094.12	\$ 95,174.51
4	-	-
5	\$ 164,301.83	\$ 13,691.82
All Units Average	\$ 800,316.08	\$ 66,693.00
All Units Median	\$ 740,643.21	\$ 61,720.27
FRANCHISED OUTLETS (2021)		
Unit #	Gross Sales	Monthly Average
1	\$537,409.20	\$44,784.10
2	\$158,719.95	\$13,226.67
3	\$351,394.98	\$29,282.92
4	\$ 14,639.00	\$ 2,091.29
5	\$ 55,687.55	\$ 9,281.26
All Units Average	\$223,570.14	\$19,733.25
All Units Median	\$158,719.95	\$13,225.67

Some outlets have sold this amount. There is no assurance you'll do as well. If you rely upon our figures, you must accept the risk of not doing as well.

We have complied product costs, advertising spend and average unit volume using data provided by franchisees which has not been audited by us. We excluded any units not currently in operation for one year or more as of close of our fiscal year end. Unit 4 is omitted from the 2022 and 2023 numbers reported in Table 5 below because it is no longer open.

Table 3

COST OF GOODS SOLD	
2023	
Unit Average COGS Expenses*	\$409,225.66
Unit Average COGS* (Percentage)	47%

***Only includes units open one (1) year or more as of December 31, 2023.**

Table 4

UNIT AVERAGE SALES - 2023	
All Units Open 1 year+	\$889,093.36

Table 5

AVERAGE UNIT VOLUME – FRANCHISED UNITS ONLY	
FIRST YEAR OF OPERATION	\$335,255.33
SECOND YEAR OF OPERATION	\$847,331.53
THIRD YEAR OF OPERATION	\$1,209,550.85

Bases

These sales figures are derived from the actual historical performance of company owned operations. The sales figures, costs and advertising spend provided for franchisees were provided by franchisees and have not been audited by franchisor. These sales figures were achieved over calendar years

2023, 2022, 2021, and 2020 for the company affiliate reported, and the sales figures for the franchised outlets reported were achieved in 2023, 2022, and 2021.

Assumptions

Our study measured Access Garage Doors® company owned outlet operated by an affiliate in Chattanooga, Tennessee and surrounding areas. The market where your Access Garage Doors® franchised location is located, however, may be in a smaller urban or suburban area. Accordingly, the results achieved by this company owned outlet may not be typical for those in your area.

Further, the company owned outlet studied has been in business since 2005. The sales figures for the company owned outlet were derived from our own financial books and records.

We have relied on gross sales figures provided by our franchisees for any figures reported by franchisees and have not audited those figures.

Our study and other financial information that forms the bases for our financial performance representation are available to you upon reasonable request.

Other than the preceding financial performance representation, Franchisor does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting [name, address, and telephone number], the Federal Trade Commission, and the appropriate state regulatory agencies.

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

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
System wide Outlet Summary
For Fiscal Years 2021 thru 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	5	6	+1
	2022	6	5	-1
	2023	5	11	+6
Company-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	6	7	+1
	2022	7	6	-1
	2023	6	12	+6

Table 2
Transfers of Outlets from Franchisees to New Owners (other than Franchisor)
For Fiscal Years 2021 thru 2023

State	Year	Number of Transfers
TN	2021	0
	2022	0
	2023	0
Total	2021	0
	2022	0
	2023	0

Table 3
Status of Franchise Outlets
For Fiscal Years 2021 thru 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
AL	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
AZ	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
CO	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
FL	2021	0	1	0	0	0	0	1
	2022	1	1	1	0	0	0	1
	2023	1	0	0	0	0	0	1
KS	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
KY	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
MN	2021	0	1	0	0	0	0	1
	2022	1	0	1	0	0	0	0

	2023	0	0	0	0	0	0	0
MS	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
NJ	2021	0	1	1	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
NC	2021	1	0	1	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
OH	2021	1	0	1	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
PA	2021	0	1	1	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
SC	2021	0	1	0	0	0	0	1
	2022	1	0	1	0	0	0	0
	2023	1	0	1	0	0	0	0
TN	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
UT	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1

	2021	5	5	4	0	0	0	6
	2022	6	1	2	0	0	0	5
Total	2023	5	6	0	0	0	0	11

Table 4
Status of Company-Owned Outlets*
For Fiscal Years 2021 thru 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
TN	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Totals	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

*“Company-Owned Outlets” includes one non-franchised business location operated by our affiliates. These business locations are not part of the franchise system. They may be sold to others or to a franchisee in the future.

** Our fiscal year end is December 31. As of the December 31, 2023, our affiliates operated one non-franchised business at the locations listed below:

Access Garage Doors®
7335B Hixson Pike
Hixson, Tennessee 37343

Table 5
Projected Openings
as of December 31, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Current Fiscal Year	Projected New Company Owned Outlets in the Current Fiscal Year
Florida	0	1	0
Georgia	0	1	0
Mississippi	0	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Current Fiscal Year	Projected New Company Owned Outlets in the Current Fiscal Year
Nevada	0	1	0
New Jersey	0	1	0
Pennsylvania	0	1	0
Texas	0	1	0
Totals	0	7	0

A list of the names of all franchisees and the addresses and telephone numbers of their Access Garage Doors® business are listed as Exhibit G to this Disclosure Document. A list of the name and last known home address and telephone number of every franchisee who has had their franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during last Fiscal Year or who has not communicated with us within 10 weeks of our application date is attached as Exhibit H.

If you buy this Franchise, your contact information may be disclosed to other buyers while you are a franchisee and when you leave the franchise system.

At this time, there are no previously owned Access Garage Doors® franchised outlets for sale.

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

At this time, there are no trademark specific franchisee organizations representing Access Garage Doors® franchisees, and no such trademark specific franchisee organization has asked us to be included in this Disclosure Document.

ITEM 21 **FINANCIAL STATEMENTS**

Our certified, independent and audited financial statements for the period from January 1, 2021 to December 31, 2021, January 1, 2022 to December 31, 2022, and January 1, 2023 to December 31, 2023, are attached to this Disclosure Document as Exhibit I. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document:

Franchise Agreement – Exhibit A

 Schedule 1 – Authorization for Pre-Arranged Payments

 Schedule 5 – Individual Guaranty

 Schedule 7 – Collateral Assignment of Lease

 Schedule 8 – Confidentiality and Non-Compete Agreement

State Addenda – Exhibit D

Option Agreement – Exhibit F

ITEM 23
RECEIPTS

Included as the last document of this Disclosure Document (Exhibit J) and/or as a separate executable form, is a Receipt to be signed by you. This Receipt must be signed and dated and delivered to us at least 14 calendar days before signing of the Franchise Agreement or payment of any fee by you.