

FRANCHISE DISCLOSURE DOCUMENT



PRESERVE SERVICES FRANCHISE
SYSTEMS, LLC
(A Massachusetts limited liability company)
203 Washington Street, #256
Salem, Massachusetts 01970
(866) 250-1610
Email: franchise@preserveservices.com
www.preserveservices.com

As a PRESERVE SERVICES franchisee you will operate a multi-trade construction management company which provides residential painting, roofing, and maintenance exterior carpentry; commercial painting of condominiums, multi-family homes, apartment buildings, and other commercial buildings less than 3 stories; and optional services which include interior painting, power washing, and the installation and replacement of windows, doors, decks and siding (“Franchised Business”). The total investment necessary to begin the operation of a PRESERVE SERVICES Franchised Business is \$93,450 to \$124,650. This includes \$49,600 to \$63,600 that must be paid to the franchisor.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in the 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 Sean O’Connor, Preserve Services Franchise Systems, LLC, 203 Washington Street, #256, Salem, Massachusetts 01970, (866) 250-1610, franchise@preserveservices.com.

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 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 Guide to Buying a Franchise](#),” which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, DC 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance date of this Franchise Disclosure Document: April 30, 2025

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 I.
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 B 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 PRESERVE SERVICES business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a PRESERVE SERVICES franchisee?	Item 20 or Exhibit I lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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 Massachusetts. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Massachusetts than in your own state.
2. **Sales performance required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment
3. **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.
4. **Supplier Control:** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

**NOTICE REQUIRED
FOR PROSPECTIVE FRANCHISEES
BY STATE OF MICHIGAN**

The following is applicable to you if you are a Michigan resident or your franchise will be located in Michigan.

Section 445.1508(1) of the Michigan Franchise Investment Law requires franchisor to give you a copy of the Franchise Disclosure documents earlier of: (i) 10 business days prior to signing the Franchise Agreement; or (ii) 10 business days prior to franchisor's receipt of any consideration.

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, according to the Michigan Department of Attorney General, Consumer Protection Division (the "Division"), the provisions are void and cannot be enforced against you:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided by the Michigan Franchise Investment Law. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This subsection does not require a renewal provision.

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

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

- (i) The failure of the proposed transferee to meet the franchisor's then **current** reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

The fact that there is a notice of this offering on file with the Attorney General of Michigan does not constitute approval, recommendation, or endorsement by the Attorney General.

Any questions regarding this notice should be directed to:

Michigan Department of Attorney General
Consumer Protection Division
Attn: Franchise Registration/Section Franchise Administrator
525 W. Ottawa Street
670 Law Building
Lansing, Michigan 48913
(517) 373-7117

**FRANCHISE DISCLOSURE DOCUMENT
TABLE OF CONTENTS**

ITEMS	PAGE
Item 1	
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES.....	7
Item 2	
BUSINESS EXPERIENCE	10
Item 3	
LITIGATION.....	10
Item 4	
BANKRUPTCY	10
Item 5	
INITIAL FEES.....	10
Item 6	
OTHER FEES	11
Item 7	
ESTIMATED INITIAL INVESTMENT.....	16
Item 8	
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	19
Item 9	
FRANCHISEE'S OBLIGATIONS.....	23
Item 10	
FINANCING	25
Item 11	
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	26
Item 12	
TERRITORY	35
Item 13	
TRADEMARKS.....	38

Item 14	
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	40
Item 15	
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	41
Item 16	
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	42
Item 17	
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	44
Item 18	
PUBLIC FIGURES.....	48
Item 19	
FINANCIAL PERFORMANCE REPRESENTATIONS	49
Item 20	
OUTLETS AND FRANCHISEE INFORMATION	52
Item 21	
FINANCIAL STATEMENTS.....	55
Item 22	
CONTRACTS	55
Item 23	
RECEIPTS.....	56

EXHIBITS:

A. Agent for Service of Process	H. State Specific Amendments to the Franchise Agreement
B. Financial Statements	I. List of Current & Former Franchisees
C. State Specific Addenda	J. Confidential Operations Manual Table of Contents
D. Franchise Agreement	K. Franchise Compliance Questionnaire
E. Non-Disclosure, Non-Solicitation and Non-Competition Agreement	L. General Release
F. Spousal Non-Disclosure and Non-Competition Agreement	M. Receipts
G. Employee Confidentiality Agreement	

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE DISCLOSURE DOCUMENT

Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The Franchisor is Preserve Services Franchise Systems, LLC, a limited liability company organized under the laws of the Commonwealth of Massachusetts on February 16, 2017 with a principal business address located at 203 Washington Street, #256, Salem, Massachusetts 01970. We are owned by our members. We conduct business under our corporate name, under the trade name and service mark “PRESERVE SERVICES”. We have never operated a business similar to the Franchised Business. We have offered franchises for PRESERVE SERVICES businesses since February 28, 2018. We have never offered franchises in any other line of business.

To simplify the language in this Disclosure Document, “we,” “us,” “our” or “Preserve Services Franchise Systems, LLC” means the franchisor, Preserve Services Franchise Systems, LLC. Similarly, “you” or “your” means the person or entity that purchases the right to operate a PRESERVE SERVICES Business as a franchisee. If you are a corporation, a limited liability company, or a partnership, each of your owners must sign a personal guaranty agreeing to comply with all provisions of the Franchise Agreement.

Agents for Service of Process

Our agent for service is disclosed in Exhibit A.

Parent

We do not have a parent.

Predecessor

We do not have a predecessor.

Affiliates

Our affiliate, SRMB Contracting LLC, was formed in Massachusetts on June 12, 2018 and operates a business similar to the franchises offered in this Disclosure Document. SRMB’s principal business address is 203 Washington Street, #256, Salem, Massachusetts 01970.

Our affiliate has never offered franchises of the type being offered in this Disclosure Document or in any other line of business.

Except as provided above, we have no parent, predecessor or affiliates required to be disclosed in this Item 1.

The Franchised Business Offered

We are offering, under the terms of this Disclosure Document, the opportunity to become a franchisee to develop and operate a PRESERVE SERVICES multi-trade construction management company which provides residential painting, roofing, and maintenance exterior carpentry for residential properties; and commercial painting of condominiums, multi-family homes, apartment buildings, and other commercial buildings less than 3 stories. Residential properties are defined as residential structures up to 3 stories and a maximum of 6 units.

Currently, we permit our franchisees to offer interior painting, power washing, and the installation and replacement of windows, doors, decks and siding, as optional services, conditioned on their licensing compliance.

The Franchised Business operates under the trade name and service mark “PRESERVE SERVICES”, uniform resource locators (URLs), domain names, website addresses, email addresses, digital cellular addresses, wireless web addresses and the like and associated logos, designs, symbols and trade dress (collectively, the “Marks”). We may designate other trade names, trademarks and service marks as Marks.

In order to become a PRESERVE SERVICES franchisee, you must sign a franchise agreement (“Franchise Agreement”) and operate your business in accordance with our system standards and specifications.

The PRESERVE SERVICES System

A PRESERVE SERVICES franchised business operates in accordance with a prescribed system of specifications and operating procedures that we have developed and will continue to develop (“System”). The distinguishing characteristics of the System include our proprietary software; our website; the Marks; uniform operating methods, procedures and techniques; vendor relationships; methods and techniques for record keeping and reporting; procedures and techniques for marketing, sales promotion and advertising; customer service standards and methods; and the mandatory and suggested policies, procedures, standards, specifications, rules, and requirements (“System Standards”) set out in our confidential operations manuals (“Operations Manual”). We may change, improve, add to, and further develop the elements of the System from time to time.

Market Competition

The primary target market for services and products of the Franchised Business are residential homeowners. PRESERVE SERVICES also provides construction management services to certain commercial businesses. Your competitors will include big box retailers offering services through contract labor; local painters, roofers, carpenters and contractors; as well as other franchise systems.

PRESERVE SERVICES is a seasonal business, generally operating from April to November, depending on the climate and weather. Your season will vary based on the geographical location of your territory. We consider the market for PRESERVE SERVICES to be developed.

Regulations

You must comply with all local, state and federal laws and regulations that apply to all businesses in general such as workers' compensation, Immigration and Control Act (IRCA), equal protection and workplace safety laws and regulations, including Title VII and the Americans with Disabilities Act requirements. There are laws detailing how to classify workers, for example, whether as independent contractors or employees, or as exempt or non-exempt, for different purposes, such as tax, wage and hour laws, unemployment compensation and workers' compensation.

In addition, you must comply with federal and state licensing and regulatory requirements for the building and construction industry, and residential and commercial painting. The franchise is subject to federal, state and local occupational health and safety regulations, as well as licensing requirements for performing roofing, painting and carpentry work. In some areas you must obtain a home improvement or contractor's license, or other license, to engage in the construction sales and service business. Also, in some areas, some construction documents or drawings must be prepared by an architect or engineer. In addition, many states have now adopted the International Residential Code. There are also worker safety laws with which you will have to comply. Among the federal regulations that are applicable to your franchise are the Federal Hazardous Waste Management laws regulating the handling and disposal of wastewater and Occupational Safety and Health Administration ("OSHA") regulations pertaining to worker safety and health in the workplace. OSHA has also issued regulations pertaining to exposure to airborne concentrations of lead above certain levels. On April 22, 2010, the EPA's Renovation, Repair and Maintenance Final Rule went into effect. This Rule details both information that must be given to certain homeowners, as well as processes and procedures that must be followed in homes and other structures built before 1978. Many states and municipalities also have laws regulating the handling and disposal of hazardous materials, including paint and solvents, as well as laws and regulations pertaining to worker safety and health in the workplace.

You are responsible for obtaining any licenses or permits required by your locality for performing the work of the Franchised Business. Your territory may require that your franchise be bonded. You should investigate these laws before you buy a franchise so that you understand your legal obligations. You are solely responsible to investigate and determine licensing requirements in the area you would like to service before signing the Franchise Agreement. These laws and regulations can vary from state to state and on the federal level and could affect, in some instances materially, the operation of your PRESERVE SERVICES Franchised Business.

Item 2
BUSINESS EXPERIENCE

Managing Member/CEO – Sean P. O’Connor

Mr. O’Connor has been our Managing Member since our formation on February 16, 2017. Since June, 2018, Mr. O’Connor has served as Managing Member of our affiliate, SRMB Contracting LLC. Since March, 1995, Mr. O'Connor has also served as President and CEO of Kyron, Inc., located in Salem, Massachusetts.

Member/COO – Roberta O’Connor

Ms. O’Connor has been a Member and our Chief Operating Officer since our formation on February 16, 2017. Since June, 2018, Ms. O’Connor has served as Managing Member of our affiliate, SRMB Contracting LLC. Since March, 1995, Ms. O'Connor has also served as Treasurer, Secretary and COO of Kyron, Inc., located in Salem, Massachusetts.

Item 3
LITIGATION

No litigation is required to be disclosed in this Item.

Item 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5
INITIAL FEES

Initial Franchise Fee

Your Franchise Fee varies depending on the number of qualified households in the Territory as follows:

Franchise Fee	Qualified Households Up To:
\$45,000	20,000
\$50,000	30,000
\$59,000	40,000 (a standard territory)

You must pay the Initial Franchise Fee in a lump sum upon execution of the Franchise Agreement. If you are creditworthy we may offer to finance of the Initial Franchise Fee. See Item 10 of this Disclosure Document for further details. The Initial Franchise Fee is fully earned and non-refundable when paid.

Negotiated Fees

We may reduce or waive the Initial Franchise Fee for qualified existing employees of ours, our

affiliate or our franchisees or others experienced in the field who seek to purchase a PRESERVE SERVICES franchise. We do not, however, reduce or waive the Franchise Fee in all circumstances. If we do negotiate or reduce the Initial Franchise Fee, the discounts will range from 0% to 100%.

Other Fees Paid To Franchisor Prior To Opening

In addition to the Initial Franchise Fee, you must pay us an Initial Package Fee of \$4,600; the Initial Package will consist of a laptop pre-loaded with our proprietary software and Microsoft Office with Access, Excel and Word. The Initial Package will also include one iPhone; 100 branded t-shirts; 4 branded jackets; 4 branded polo shirts; 2 branded long sleeve shirts; 100 lawn signs; and 1,000 business cards. The Initial Package Fee is uniform to all franchisees, must be paid in a lump sum upon execution of the Franchise Agreement and is non-refundable.

You pay us or our affiliates no other fees or payments for services or goods before your Franchised Business opens.

Referral Fees

We pay a referral fee to current franchisees and other individuals for each candidate referred to us who meets our qualifications and signs a franchise agreement. Currently the referral fee is \$10,000 after the incoming franchise produces \$100,000. We reserve the right to change, modify or discontinue this program at any time. Those who are eligible to participate in this referral program and who refer prospective franchisees are not acting as our agent and do not speak for us, despite the receipt of a referral fee. We do not control what franchisees and individuals say, and we cannot guarantee the accuracy of any statement made by them, to you or any other prospective franchisee.

Item 6 OTHER FEES

TYPE OF FEE¹	AMOUNT	DUE DATE	REMARKS
Royalty Fee	5% of Gross Sales ²	Weekly on the day of week we periodically designate by automatic debit /Electronic Funds Transfer (EFT) based on Gross Sales	You must pay a weekly royalty fee to us in an amount equal to 5% of your Gross Sales for the preceding week. Interest is charged on late payments. Royalty Fees will begin from the date the Franchised Business is opened.
Marketing Fund Fee	2% of Gross Sales	Same as Royalty	You must pay us a weekly Marketing Fund Fee in an amount equal to 2% of your Gross Sales for the

TYPE OF FEE¹	AMOUNT	DUE DATE	REMARKS
			preceding week. Interest is charged on late payments.
Technology Fee ³	Currently 1%, but can be increased to 1.5% of Gross Sales	Same as Royalty	To cover smartphone service and our software licenses. If we establish an inbound telemarketing program the fee will be increased to 1.5%. We reserve the right to adjust this fee after the first 12 months based on a change in circumstance.
Refresher Training	\$500/day	As incurred	We periodically, but no more often than 2 times per year, may require you, or your owners to attend and complete to our satisfaction any supplemental or refresher training. You are responsible for all travel and living expenses related to this training.
Warranty Fund ⁴	.005 % of Gross Sales	Same as Royalty	To a maximum of 2.5% of the highest annual sales in previous 4 calendar years, to be placed in an escrow account for the purpose of Warranty compliance.
Customer Complaints ⁵	Actual cost to satisfy your customers	As incurred	If we step in to resolve a complaint from one of your customers, you must pay us for our time and any compensation (i.e., replacement product provided to customer).

TYPE OF FEE¹	AMOUNT	DUE DATE	REMARKS
Product /Supplier Review/Approval Costs	\$500 plus any travel and living expenses incurred by us	As incurred	If you desire to purchase or lease items to be used in the Franchised Business that have not been previously approved, or wish to purchase from suppliers we have not previously approved, you will pay us this fee to cover our costs to conduct each review.
Failure to Maintain Insurance	Cost of insurance and, if not obtained by you, our procurement expense	As required and as incurred	Payable upon your failure to comply with the Franchise Agreement.
Replacement Manual Fee	\$100 for each replacement manual	As incurred	You will be loaned one copy of our Operations Manual; if you require a replacement copy, this fee will be due when requested.
Drafting Fee	Actual costs	As incurred	We reserve the right to institute a drafting service to provide blue prints for deck projects.
Annual Conference	\$1,000 to \$3,000 per person	As incurred	This fee includes lodging and all conference fees, but does not include your travel, transportation or related expenses which you must pay.
Audits	Cost of audit plus interest on underpayment	As incurred	Payable only if audit shows understatement is willful or if 5% or more of Gross Sales for any month.
Interest	18%	As incurred	Interest rate will be 1.5% per month or if the maximum interest rate permitted by state law is less, then interest will be charged at the lesser allowed rate. Maximum interest

TYPE OF FEE¹	AMOUNT	DUE DATE	REMARKS
			permitted in California is 10% annually. Interest begins from the date payment was due.
Late Fee	\$50	On demand, but only if you are delinquent in your payments to us or otherwise violate an obligation under the Franchise Agreement	Payable the day after payment or other event (Ex: a required report) is due, in addition to the interest.
Insufficient Funds	\$33 per occurrence	As incurred	Payable to reimburse us bank charges. Not to exceed \$30.00 in Minnesota.
Transfer, Assignment	\$10,000	At time of transfer	Payable if you sell your franchise. No fee charged if you transfer franchise to a corporation or other entity you control.
Renewal	Cost of legal fees incurred	As incurred	No charge to renew if you are in compliance with all terms of the Franchise Agreement including minimum sales requirements; however, if we incur legal fees as a result of the renewal, you must reimburse us.
Costs and Attorneys' Fees	Cost of collection and attorneys' fees	As incurred	Payable upon your failure to comply with the Franchise Agreement.
Indemnification	Actual cost of liability	As incurred	You must indemnify and hold us harmless against any claims, losses, costs, expenses, liabilities and damages, including costs and attorneys' fees arising from the operation of your Franchised Business.

TYPE OF FEE¹	AMOUNT	DUE DATE	REMARKS
Liquidated Damages ⁶	The actual amount of fees that would have been paid.	If Franchise Agreement is terminated as a result of your default	A lump sum equal to the value of the Royalty, Marketing and Technology Fees that you would have paid for the remainder of the term.

NOTES:

(1) All fees are uniformly imposed by and payable only to us and are payable through Electronic Funds Transfer. You must authorize your bank to accept automatic withdrawals for all fees to us through EFT of the stated amount from your bank into our bank account when due. You must provide us with all documents necessary to direct your bank to honor these pre-authorized bank debits. (See Franchise Agreement, EFT Authorization). All fees are non-refundable.

(2) The term “Gross Sales” will mean and include the total of all revenue and income from the sale of services and products to customers of the Franchised Business or any other source, whether or not sold or performed at or from the Franchised Business and whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received), or otherwise. You will deduct from your Gross Sales (but only if they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if the taxes are separately stated when the customer is charged and if the taxes are paid to the appropriate taxing authority. You will also be permitted to deduct up to 5% of your Gross Sales refunds, charge backs, credits and allowances you give in good faith to customers. You will also be permitted to deduct, with our prior written approval, up to 2.5% of your Gross Sales on any documented allowances you give in good faith to Family Members for providing any PRESERVE SERVICES products or services. Family Members are defined as you, your owners, and owners’ spouses, siblings, children, grandchildren, and parents. All barter and/or exchange transactions to which Franchised Business furnishes services and/or products in exchange for goods or services to be provided to Franchised Business by a vendor, supplier or customer will, for the purpose of determining Gross Sales, be valued at the full value of the goods and/or services so provided to Franchised Business.

(3) The Technology Fee will provide you with the following: five end user licenses to our proprietary software which must be used to run your Franchised Business (Addendum G to the Franchise Agreement); one assigned local telephone number with unlimited domestic service and voicemail. The assigned telephone number must be used for all of your PRESERVE SERVICES business communications. You will receive one smartphone from us as part of your Initial Package. A smartphone service plan will be provided as part of the Technology Fee which will include required phone numbers, unlimited domestic talk, text, landline access and data. Current maximum tethered data for each phone plan is 10 GB; you will be responsible for any additional data use. Additional telephone numbers and smartphone service plans will be provided as

specified in the Operations Manual. You are responsible for the cost of the additional smartphones as needed.

(4) You are solely responsible for all of your warranty obligations during the term of your Franchise Agreement. You must pay into an individual warranty escrow fund controlled and managed jointly by you and us. The sole purpose of the Warranty Fund is to be a financial resource to assist you in underwriting a specified portion of the cost of performing warranty work, as further described in Item 16 of this Disclosure Document.

(5) You must maintain high standards of quality and service. You will cooperate with us by maintaining high standards in the operation of the franchise and you must, at all times, give prompt, courteous and efficient service to your customers. All Franchised Business work must be performed competently and in a workmanlike manner. The Franchised Business must, in all of its dealings, adhere to the highest standards of honesty, fair dealing and ethical conduct. If we feel that you did not fairly handle a customer complaint, we may intervene and satisfy the customer. You must reimburse us either directly or through a deduction from the Warranty Fund for all our costs associated with satisfying your customer.

(6) Royalty Fees, Marketing Fund Fees and Technology Fees will be calculated based on the Franchised Business' average monthly Gross Sales for the 12 months preceding the termination date. If you have not operated your Franchised Business for at least 12 months preceding the termination date, Royalty Fees, Marketing Fund Fees and Technology Fees will be calculated based on the average monthly Gross Sales of franchised businesses operating under the same trademark during our last fiscal year.

Except as provided above, there are no provisions for any of these fees to increase during the term of your Franchise Agreement. We do not finance any fee except as provided in Item 10 of this Disclosure Document.

Item 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	LOW ESTIMATED AMOUNT	HIGH ESTIMATED AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee ¹	\$45,000	\$59,000	Lump sum	At signing of Franchise Agreement	Us
Initial Package	\$4,600	\$4,600	Lump sum	At signing of Franchise Agreement	Us
Travel & Living Expenses while Training ²	\$2,500	\$3,500	As incurred	During training	Airlines, hotels, restaurants and car rental

TYPE OF EXPENDITURE	LOW ESTIMATED AMOUNT	HIGH ESTIMATED AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Equipment & Furniture ³	\$500	\$1,200	As incurred	Before opening	Various vendors
Business Class Internet Set Up and Initial Service	\$150	\$350	As incurred	Before and after opening	Internet Service Provider
Contractor Licenses & Permits ⁴	\$1,000	\$2,500	As incurred	As incurred	State/local/EPA agencies and training companies
Grand Opening Marketing ⁵	\$26,500	\$26,500	As incurred	Before and after opening	Various vendors
Insurance ⁶	\$1,200	\$3,500	As arranged	Before and after opening	Insurance Agent or Carrier
Vehicle ⁷	\$2,000	\$4,000	As arranged	Before opening	Dealership, Leasing Company, Lender
Vehicle Signage ⁷	\$500	\$1,000	As arranged	Before opening	Dealership, Auto Detailer
Professional Fees ⁸	\$2,000	\$3,500	As arranged	Before opening	Professional advisors
Additional Funds ⁹ (4 months)	\$7,500	\$15,000	As incurred	Before and after opening	
TOTAL¹⁰:	\$93,450	\$124,650			

Notes:

(1) The Initial Franchise Fee is: (a) \$45,000 for a territory of up to 20,000 qualified households; (b) \$50,000 for a territory of up to 30,000 qualified households; or (c) \$59,000 for a territory of up to 40,000 qualified households.

We do not offer financing to you for any items except for the Initial Franchise Fee to qualified candidates. See Item 10 for financing terms. Otherwise, we do not offer any direct or indirect financing for any item listed above.

(2) This estimate is for the cost for each person who attends Initial Training. You are responsible for the travel and living expenses, wages, and other expenses incurred by the trainees during Initial Training. The actual cost will depend on your point of origin, method of travel, class of accommodations, and dining choices.

(3) We presume that you will operate your PRESERVE SERVICES Franchised Business from your home. This figure is an estimated cost for: phone, desk, chair, and miscellaneous office items. You may already own some or all of these required items.

(4) The EPA, and most states and localities, require you to obtain a painting license before you begin operating your franchise. Then, over the following 12-36 months, additional licensing may be required as a home improvement contractor, roofer and in order to offer and perform carpentry projects. You are responsible for obtaining any permits or service licenses as well as any other business licenses required in your locality and are also responsible for any and all costs incurred in connection with compliance with federal and state laws relating to the operation of the Franchised Business. You should consult your attorney and/or your local city, county and state authorities about the specific legal requirements for payment of sales tax and business licenses and related types of expenses.

(5) You are required to spend \$26,500 during your first 4 months of operation on an initial direct mail program that kicks off your first spring season. This amount may vary depending on the time of year you open your franchise. See Item 11 for detailed information.

(6) Estimated cost of down payment required to activate policy coverage plus 3 months of payments. See Item 8 for detailed information. The actual cost may be more than shown here. You will need to check with your insurance carrier for actual premium quotes and costs, and for the actual amount of deposit. Insurance costs can vary widely, based on the area in which your business is located, your experience with the insurance carrier, the loss experience of the carrier, the amount of deductibles and of coverage, and other factors beyond our control. You should obtain appropriate advice from your own insurance professional before signing any binding documents or making any investments or other commitments, whether to us or anyone else.

(7) Franchised Businesses must begin operation with one vehicle that meets our System Standards and specifications. Our current standard requires you to have one pick-up truck or van (5 years old or newer) in good condition, dent and rust-free, in the required shade of grey, with PRESERVE SERVICES logos, services, and phone numbers professionally applied. We reserve the right to revise the standard for any future purchases/leases at any time. If you do not own a vehicle which meets our standards you must purchase or lease the vehicle. The cost of purchasing and outfitting a vehicle typically costs around \$36,000, plus applicable taxes. When leasing, the amount of the deposit will vary depending upon supplier pricing strategies, promotions, and willingness to provide startup businesses with more advantageous pricing than they typically offer individuals leasing a single vehicle. The high estimate provided is a three month lease price of \$600 per month, a \$2,000 down payment, plus registration.

(8) This estimate is for legal, accounting, and miscellaneous other professional fees that you may incur before you open for business, including (among other things) to assist you in reviewing the Franchise Agreement. Your actual costs may vary, for example, depending on the degree to which you rely upon your advisors. The hourly rate for advisors, accountants, and legal professionals will also vary.

(9) This is an estimate of the amount of additional funds over and above those included in the table in this Item that may be incurred during the first 4 months of the Franchised Business' operations. These expenses include normal operating costs for sales and business operations.

This estimate for Additional Funds does not include your salary, draw, or your personal expenses.

(10) Except as otherwise described in the notes above, this table provides an estimate of your initial investment for a new single PRESERVE SERVICES business and the costs necessary to begin operation of your Franchised Business. All costs listed in the table are estimates only. We relied on our affiliate's 7 years of experience and our principal's 28 years of prior experience in the field of construction management to compile these estimates. Although we have tried to be as accurate as possible in our estimate of your initial investment, you should review these figures carefully with a skilled business advisor before you decide to purchase the franchise. We cannot guarantee that you will not have additional expenses in starting your business. Your actual costs will depend on factors which include the time of year you open, location of your PRESERVE SERVICES Franchised Business; how much you follow PRESERVE SERVICES' recommended methods and procedures; your overall management and business skills; local economic conditions; competition; the prevailing local rate for subcontractors; and the amount and effectiveness of your advertising and promotion.

All payments to us are non-refundable. Any refund of payments made to various vendors will depend on the terms you arrange with those vendors.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To insure that the highest degree of quality and service is maintained, you must operate the Franchised Business in strict conformity with the methods, standards and specifications as we may periodically prescribe in the Operations Manual or otherwise in writing; and you must refrain from deviating from these methods, standards and specifications without our prior written consent. We may revise the contents of the Operations Manual, and you must comply with each new or changed standard and specification. You must at all times insure that your copies of the Operations Manual are kept current and up to date.

The Franchise Agreement restricts the sources of products and services you utilize in establishing and operating a PRESERVE SERVICES Franchised Business in three ways. Some items can be purchased only from us or our affiliates, some only from suppliers we have approved, and others only in accordance with our specifications and standards.

Purchases from Us or Our Affiliate

You may be required to purchase certain products, equipment or services directly from us or our affiliates. Currently, we are the only approved supplier of the proprietary PRESERVE SERVICES software as well as the items included in the Initial Package. We will provide you with one laptop computer that you must use to run your PRESERVE SERVICES Franchised Business. This laptop will come pre-loaded with our proprietary software and Microsoft Office. You are responsible for maintaining an active license for Microsoft Office. You must use the computer software and hardware components and accessories that we require.

Your Technology Fee will also provide you with an additional 4 end user licenses for our proprietary software. The PRESERVE SERVICES proprietary software manages the sales, production, and financial management of the Franchised Business. You are required to use the software to run the Franchised Business.

We may require you to maintain service support contracts and/or maintenance service contracts and implement and periodically make upgrades and changes to the computer hardware and software, and credit and debit card programs and other non-cash payment systems. We may designate the vendor(s) for these support service contracts and maintenance service contracts.

We are also the only approved supplier of your local telephone numbers and service plan, smartphone number(s) and smartphone service plans which are included in your Technology Fee.

We and/or our affiliate will earn revenue on your purchase of PRESERVE SERVICES branded products, software and services, however, as of the date of this Disclosure Document we do not have history with which to calculate what percentage of our revenues this will represent.

Except as described above, currently you are not required to purchase any other products or services from us or our affiliates. However, we reserve the right to designate ourselves and/or any of our affiliates as an approved supplier, and we may also designate ourselves or an affiliate as the sole supplier of one or more items, in which case you would have to buy those items from us or our affiliate at our or their then-current price.

Purchases according to Our System Standards

You must operate the Franchised Business according to our System Standards which include mandatory specifications, standards, operating procedures, and rules that we periodically prescribe for the development and operation of the PRESERVE SERVICES Franchised Business. System Standards may regulate, among other things, the types, models and brands of required hardware, software, vehicles, building materials and supplies to be used in operating the Franchised Business; required or authorized products and product categories; and designated or approved suppliers of such items (which may be limited to or include us or our affiliates). We do not make any express or implied warranties with respect to any products or goods we recommend for your use. Our System Standards may impose minimum requirements for quality, cost, performance, design and appearance, delivery capabilities, financing terms, and ability to service our Franchise System as a whole. We will notify you in our Operations Manual or other forms of communication of System Standards and/or names of approved suppliers.

We will inspect your Franchised Business as often as we deem necessary to ensure that our System Standards are maintained. If we find anything that does not meet our System Standards, you will be required to correct it within 30 business days. If you fail to take corrective action, we may close the Franchised Business until the corrective action is taken or otherwise terminate your Franchise Agreement.

Purchases from Approved Suppliers

In addition to the above, we may require that you, at your expense, enter into agreements with suppliers approved by us. Currently, you are required to purchase marketing materials including business cards, clothing, lawn signs, direct mail services, vehicle signage and branded materials only from suppliers designated as required, recommended or approved by us. We may change approved and required suppliers from time to time. Except for us and our affiliates disclosed in the Disclosure Document, none of our officers own an interest in any of our approved suppliers.

We will provide you with a current list of approved suppliers (including required and recommended suppliers) through updates to the Operations Manual or other forms of communication.

Proportion of Purchases Subject to Specifications

We estimate that the cost to purchase and lease all equipment and other items and services that we require you to obtain from us or our affiliates, from designated suppliers, or in accordance with our specifications ranges from 56% to 78% of the total cost to purchase and lease equipment, inventory, and other items necessary to establish a PRESERVE SERVICES Franchised Business and 18% to 41% of the total cost to purchase and lease equipment, inventory, and other items to operate a PRESERVE SERVICES Franchised Business.

Approval of Alternate Suppliers

If you desire to purchase, lease or use any products, services or other items from a supplier we have not pre-approved, you must submit to us sufficient written information about the proposed new supplier to enable us to approve or reject either the supplier or the particular item(s). At our request, you must submit to us samples of the proposed product(s) for our examination so that we can determine whether they meet our quality standards. We also have the right to require that our representatives be permitted to inspect the proposed supplier's facilities, or to conduct appropriate testing of the proposed new service, at your expense. We do charge a fee for evaluating alternative suppliers, services and products; you must pay us \$500 to conduct each review, plus travel and living expenses, if necessary. If we have not responded in writing within 30 days of our written receipt of such information or product samples from you, then the request will be deemed rejected by us. In providing such approval we may consider not just the quality standards of the products or services, but the delivery capabilities, financing terms and ability of the supplier to service our Franchise System as a whole.

We formulate and modify System Standards imposed upon franchisees by evaluating several factors including but not limited to the market acceptance of products and the financial stability of suppliers. We do not have to issue our System Standards to franchisees and/or approved suppliers, nor are criteria for supplier approval made available to franchisees.

We may terminate the use of any products or services, or any supplier of such items or services, that does not meet our then-current System Standards by giving you written notice. If we do so, you must immediately stop purchasing from such supplier or using such products or services in

your Franchised Business unless we notify you that such supplier or such products or services meet our quality standards. If we revoke an approved supplier, we will provide notice to that supplier and notify you in our Operations Manual or other forms of written communications.

We may limit the number of approved suppliers with whom you may deal, designate sources that you must use and/or refuse any request for alternative suppliers for any reason, including that we have already designated an exclusive source (which may be us or our affiliates) for any particular item or service if we believe doing so is in the best interest of our Franchise System.

Insurance

You must obtain and maintain insurance, at your expense, as we require, in addition to any other insurance required by law or otherwise. Currently, required coverages include, without limitation, casualty, liability and workers' compensation.

You must purchase workers' compensation in the minimum amount required by state law without exclusion of principal officers who actively work in the Franchised Business; general liability insurance, including broad form contractual liability, products and completed operations in the aggregate amount of \$2,000,000; \$1,000,000 per occurrence, excess insurance of \$1,000,000 per occurrence, business automobile liability insurance of \$1,000,000 combined single limit per occurrence. Some states may require a deposit for workers' compensation insurance.

The policies must be written by an insurance company reasonably satisfactory to us with a Best rating of "A-" or better and include the types, risks, amount of coverage and deductibles as stated in our Operations Manual. We may periodically change the types and amounts of coverage required under the insurance policies, based on changes in circumstances, if the changes apply to all PRESERVE SERVICES Franchised Businesses. If you fail to purchase the mandatory insurance, we may obtain insurance for you, and you must reimburse us for its cost, which might be higher than the cost of insurance you could obtain for yourself. You must also reimburse us for any expenses we incur procuring this insurance. All insurance policies must name us and any affiliates that we designate as additional insureds and your coverage must be primary and non-contributory for all additional insureds. Your insurer must agree to give us at least 30 days' prior written notice of termination, amendment, or cancellation. You must provide us with certificates of insurance evidencing your insurance coverage no later than 10 days before your Franchised Business opens and annually as prescribed in our Operations Manual.

Revenue from Franchisee Purchases

Currently, except for your purchases of the proprietary PRESERVE SERVICES products and services, we and our affiliate have not received any other payments or other benefits like rebates, discounts, and allowances from authorized suppliers based upon their dealings with you and other franchisees. However, we and our affiliate reserve the right to do so in the future, and we may use the monies we receive without restriction for any purpose we deem appropriate or necessary. Rebate, discount or allowance programs vary depending on the supplier and the nature of the product or service. Suppliers may pay us based upon the quantities of products our

franchisees purchase from them. We may receive fees from a supplier as a condition of our approval of that supplier. Not every supplier pays rebates to us. We do not provide material benefits to franchisees (for example, renewal of existing or granting of additional franchises) based on their use of designated or approved suppliers. We may negotiate supply arrangements with suppliers for the benefit of franchisees. Neither we nor our affiliate received any revenue from franchisees' required purchases from approved or designated suppliers in the fiscal year ending December 31, 2024.

Cooperatives

There are currently no purchasing or distribution cooperatives.

Item 9 FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Section 4	Items 6, 7 and 11
b. Pre-opening purchases/ leases	Sections 7, 9 and 15	Items 7 and 8
c. Site development and other pre-opening requirements	Sections 4, 9 and 14	Items 5, 7 and 11
d. Initial and ongoing training	Sections 9 and 13	Items 6, 7 and 11
e. Opening	Sections 9 and 14	Item 11
f. Fees	Section 7	Items 5, 6 and 7
g. Compliance with standards and policies/ operating manual	Sections 11 and 17	Item 11
h. Trademarks and proprietary information	Sections 3, 10, 18, 19, 25, 26 and 27	Items 13 and 14
i. Restrictions on products/	Section 10	Items 8 and 16

Obligation	Section in agreement	Disclosure document item
services offered		
j. Warranty and customer service requirements	Section 17	Items 15 and 16
k. Territorial development and sales quotas	Sections 4 and 17	Item 12
l. Ongoing product/service purchases	Sections 9 and 15	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Sections 14 and 15	Item 11
n. Insurance	Section 23	Items 6 and 7
o. Advertising	Section 21	Items 6, 7, 11 and 12
p. Indemnification	Section 23	Item 13
q. Owner's participation/management/staffing	Sections 17 and 24	Item 15
r. Records and reports	Sections 7 and 22	Item 6
s. Inspections and audits	Sections 14 and 22	Items 6 and 11
t. Transfer	Sections 28 and 29	Items 6 and 17
u. Renewal	Section 6	Items 6 and 17
v. Post-termination obligations	Section 35	Item 17
w. Non-competition covenants	Sections 25 and 27	Item 17
x. Dispute resolution	Sections 34 and 37	Item 17
y. Other: Guaranty of franchisee obligations	Section 24 and Addendum C	Item 15
z. Other: Spousal Non-Disclosure and Non-Competition Agreement	Not Applicable	Item 15 and Exhibit F

Item 10

FINANCING

Except as stated below, we, our agents, and our affiliates offer no financing arrangements, and we, our agents, and our affiliates do not receive payment or other consideration for the placing of financing nor do we guaranty any note, lease or obligation you enter into for your PRESERVE SERVICES Franchised Business.

We may offer financing the Initial Franchise Fee to qualified credit worthy prospective franchisees. Financing is not offered for any other purpose either in connection with the establishment or the operation of a PRESERVE SERVICES franchised business.

If you qualify and accept financing from us, you must sign the Promissory Note and the Security Agreement attached as Addendum I to the Franchise Agreement. The Promissory Note will provide for an annual interest rate of 10%. In no event will we charge an interest rate that exceeds the maximum allowed by law. The Promissory Note must be paid by electronic funds transfer in scheduled monthly installments of not more than 12 months. The Promissory Note may be prepaid at any time without penalty. You and your spouse or domestic partner must personally guaranty the Promissory Note. We will retain a security interest in your Franchised Business or other assets. It is not our practice or intention to sell, assign or discount to a third party all or part of the financing arrangement.

Under the Promissory Note, you waive: (1) the right to claim or enforce any right of offset, counterclaim, recoupment or breach in any action brought to enforce your obligations under the Note (Section 7); (2) the right to demand, presentment for payment, notices of nonperformance or nonpayment, protest and notice of protest, notice of dishonor, diligence in bringing suit and notice of acceleration (Section 8); (3) questions of governing law, personal jurisdiction and convenience of forum and venue (Section 14 and 16); (4) trial by jury (Section 15); and (5) all claims that you may have against us and any persons and entities related to us, other than our obligations under the Franchise Agreement accruing on or prior to the date of the Promissory Note (Section 18). If any of the events of default described in Section 5 of the Note occur, the entire unpaid principal and accrued interest of the Note will become immediately due and payable without further notice. Under Section 9 of the Note, you agree to pay all of our expenses and costs of collection, including attorneys' fees and expenses, court costs, costs of sale and costs of maintenance and repair we incur in connection with the enforcement of the Note, collection of amounts due and sale or other disposition of any collateral.

Under the Security Agreement, you waive: (1) questions of governing law, personal jurisdiction and convenience of forum and venue (Sections 7.3 and 7.5); and (2) trial by jury (Section 7.4).

A default under the Franchise Agreement or any other agreement with us constitutes a default under the Promissory Note (Section 5) and the Security Agreement (Section 5). A default under

the Promissory Note or the Security Agreement constitutes a default under the Franchise Agreement, which gives us the right, among other remedies, to terminate the Franchise Agreement. We require you to sign a Personal Guaranty to the Franchise Agreement. We may assign or discount any Promissory Note you sign.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance. Before you open your business, we will:

- (a) License to you the non-exclusive right to use the Marks and PRESERVE SERVICES System necessary to operate your PRESERVE SERVICES Franchised Business. (Franchise Agreement - Sections 2 and 3)
- (b) Designate your territory within which you will open a single PRESERVE SERVICES Franchise. (Franchise Agreement - Section 4 and Addendum A)
- (c) Provide you with the Initial Package, which contains the items you will need to set up your Franchised Business (laptop computer, smartphone, software and branded items). (Franchise Agreement - Section 7)
- (d) Provide you with up to 5 licenses to our proprietary PRESERVE SERVICES software which you will use to run your business. Anyone with access to our proprietary software must sign an end user license agreement prior to being granted access. (Franchise Agreement - Section 9 and Addendum G)
- (e) Provide you with one smartphone service plan that includes unlimited talk, text and data and phone service plan with unlimited domestic service and voicemail. We are the only approved supplier of your local telephone number and your smartphone number(s) and service plans. (Franchise Agreement - Section 9)
- (f) Loan you a copy of our Operations Manual, which may be a series of manuals, which contains mandatory and suggested specifications, standards, methods, reporting and procedures. The Operations Manual will be in paper or any other medium capable of conveying the Operations Manual's contents. The Operations Manual is confidential and remains our property. We may amend, modify, or supplement the Operations Manual at any time, so long as such amendments, modifications, or supplements will, in our good faith opinion, benefit us and our existing and future franchisees or will otherwise improve the System. You must comply with revised System Standards and procedures within 30 days after we transmit the updates. You must ensure that the Operations Manual is kept current at all times. In the event of any disputes as to the contents of the Operations Manual, the terms of the master copy maintained by us at our home office will be controlling. (Franchise Agreement - Section 9).

The Operations Manual was most recently updated in December, 2023. The Table of Contents of the Operations Manual appears as Exhibit J to this Disclosure Document. The total number of pages in our Operations Manual is 385.

(g) Give you general assistance in the opening of your business. We will also make our personnel available to help you plan pre-opening promotional programs. You will need to give us at least 30 days' notice of the planned opening date of your business if you wish us to provide you with pre-opening assistance. (Franchise Agreement - Sections 9 and 14)

(h) Train you and your owners in our system. See Training below in this Item (Franchise Agreement - Section 13)

During the operation of your business, we will

(a) Continue to loan you the Operations Manual, and furnish you with any and all updates and other Manuals and training aids that are developed in the future. Any training media we make will be made available to you at our cost. (Franchise Agreement - Section 9)

(b) Provide you with a Field Supervisor for 3 days to assist you, as needed, in our sole opinion, during your first 30 days of operation. (Franchise Agreement - Section 9)

(c) If we deem it necessary or advisable, give you individual or group guidance and assistance, by personal visit or telephone, or by newsletters, brochures, reports or bulletins or electronically. This help may include advice on maximizing sales and profits, marketing, sub-contractor management, customer service, vendor relations, or any operating problems you may be experiencing. (Franchise Agreement - Section 9)

(d) Allow you to participate in programs that may be developed and offered by us on a system-wide basis to our franchisees. (Franchise Agreement - Section 9)

(e) Provide you with copies of our available advertising material, at our current rate. You may also develop and use your own advertising material, but samples of all advertising, promotional and marketing materials or plans that we have not prepared or previously approved must be submitted for our approval before you use them. Any plans or materials submitted by you to us that have not been approved or disapproved, in writing, within 15 days of receipt by us, will be deemed disapproved. You may not use any advertising or promotional materials that we have disapproved. (Franchise Agreement - Section 21)

(f) Provide you with additional training programs that we may develop in the future. There is no charge for programs you attend, but you must pay the travel-related costs and expenses for yourself and anyone attending with you. (Franchise Agreement - Section 13)

(g) As we deem appropriate, test new products, services, equipment or technologies, and if

they meet our System Standards, we will make them available to you. (Franchise Agreement - Section 9)

(h) We will host a minimum of one page on the PRESERVE SERVICES Internet website with contact and other information specific to your Franchised Business, and provide you with no less than one e-mail address, which you must use as the Franchised Business' e-mail address. (Franchise Agreement - Section 9)

(i) Provide you with limited support and updates when you are licensed to use our proprietary software. (Franchise Agreement - Section 9)

Advertising/Marketing

We provide a national or regional marketing program. We charge you a 2% royalty to fund it. The Marketing Fund is administered by our members.

We and our designees will have the sole authority to direct all advertising, marketing, and promotional programs of the Marketing Fund and will have sole discretion over all aspects of those programs, including the concepts, materials, and media used and the placement and allocation of them.

The Marketing Fund will be used, in our discretion, to pay for developing and conducting activities that we believe will enhance the goodwill associated with the Marks and the image of the PRESERVE SERVICES System and to pay for the administration of the Marketing Fund and its programs. The purpose of the Marketing Fund is to pool promotional money from franchised businesses and PRESERVE SERVICES affiliates so as to achieve greater benefits for all in promoting the trade name and Marks.

For this reason, the Marketing Fund is not obligated to make expenditures for you or any other franchisee which are equivalent or proportionate to your or another franchisee's contribution, or to ensure that any particular franchisee benefits directly or *pro rata* from the marketing or promotion conducted by the Marketing Fund.

Although the Marketing Fund may not be used to directly solicit the sales of franchises, as a result of such advertising and promotion for the franchised businesses, people may become interested in owning franchises. However, the development of marketing campaigns and websites may detail available franchises within the System, and this is not considered to constitute direct franchise marketing efforts.

The Marketing Fund may elect to assist in the marketing of franchises in otherwise weak markets, and to assist franchises that are slow to ramp up by providing additional marketing dollars.

The Marketing Fund may be used to pay for market research, media space, branding, public relations, sponsorships, partnerships, charitable giving and other activities designed to promote

the organization, the trade name and the Marks, as well as to pay for administrative time and expenses; travel and related miscellaneous expenses; print, radio, television, direct mail, or other promotions; conducting Internet-based advertising campaigns; utilizing social and business networking media sites and other emerging media or promotional tactics; information collection; developing, maintaining, and updating our Website on the Internet; hiring public relations agencies; providing promotional and other marketing materials and services to the businesses operating under the PRESERVE SERVICES System, or any combination of these. We will direct all programs financed by the Marketing Fund, with sole discretion over the creative concepts and materials. We will exclusively control all advertising and marketing for commercial services.

We will not use any contributions to the Marketing Fund to defray our general operating expenses, except for reasonable administrative costs and overhead we incur in activities reasonably related to the administration of the Marketing Fund or the management of Marketing Fund-supported programs (including the pro-rata amount of salaries of our personnel who devote time to Marketing Fund activities and retainers and fees for outside agencies).

In our most recent fiscal year, 2024, we collected fees for the Marketing Fund which were spent as follows: Direct Mail 84% and Online 16%.

All franchisees will contribute to the Marketing Fund on the same basis, and the expenditure of funds will be limited to advertising, promoting and marketing the goods and services offered by our System and the PRESERVE SERVICES brand. If you are not yet contributing to the Marketing Fund you may be excluded from receiving benefits from the activities of the Marketing Fund. Our affiliates may but are not required to contribute to the Marketing Fund.

We will maintain separate bookkeeping accounts for the Marketing Fund and may, but will not be required to cause Marketing Fund contributions to be deposited into one or more separate bank accounts. The Marketing Fund will not be audited, however the Marketing Fund will prepare income and expense statements annually. Income and expense statements will be available to you upon written request. Excess funds not spent in any given fiscal year will be carried forward to the next fiscal year. Although once established the Marketing Fund is intended to remain in existence, we reserve the right to terminate the Marketing Fund only after all monies have been spent for advertising and promotion.

The Marketing Fund is not a trust, and we are not a fiduciary or trustee of the Marketing Fund or the monies in the Marketing Fund. However, we may, in our discretion, separately incorporate the Marketing Fund or create a Marketing Fund trust, over which we may be the trustee, into which Marketing Fund contributions may be deposited. We may place additional advertising at our own expense, but we are not obligated to do so. (Franchise Agreement - Section 21)

Local Advertising

For a standard Territory with up to 40,000 qualified households, you are required to spend 7% of Gross Sales up to Gross Sales of \$650,000 per year on local advertising and promotion ("Local

Ad Budget”). During your initial opening period \$26,500 of your Local Ad Budget must be spent on the Grand Opening Marketing program, a direct mail campaign that kicks off your spring season. Depending on the time of year you open the Franchised Business, expect to spend anywhere from \$5,000 to \$26,500 during your first 4 months of operation for your Grand Opening Marketing program. The required Local Ad Budget will be reduced proportionally based on the size of the territory. For example, if a territory has 20,000 qualifying households, the local advertising spend requirements would be reduced to 7% of the first \$325,000 of Gross Sales. (Franchise Agreement - Section 21)

You may develop your own marketing and promotional materials and programs provided they are submitted to us in advance for review and approval. You must obtain our prior written approval of all advertising and promotional plans and materials that you desire to use at least 30 days before the implementation of such plans, unless such plans and materials have been previously approved by us. You may not use such plans or materials until they have been approved by us in writing and will promptly discontinue use of any advertising or promotional plans and materials upon our request. Any plans or materials submitted by you to us that have not been approved or disapproved, in writing, within 15 days of receipt thereof by us, will be deemed disapproved.

You agree that upon termination, transfer, or expiration of this Agreement, you will immediately remove all advertising that you control and notify all advertising sources that your advertising must be removed and/or canceled immediately. For advertising that cannot be immediately canceled, you are responsible for any and all costs related to such advertising until such time as it can be canceled or it expires. (Franchise Agreement - Section 21)

We currently do not have an advertising council composed of franchisees to advise us on our advertising policies. We may decide to implement an advertising council in the future.

We currently do not have any advertising cooperatives and have no plans to form such cooperatives in the immediate future. However, you must join and actively participate in any organizations or associations of franchisees or advertising cooperatives that we establish or that are established at our direction for the purpose of promoting, coordinating, and purchasing advertising in local, regional, or national areas where there are multiple PRESERVE SERVICES businesses. Your contributions to the cooperative will be credited to your local advertising requirement.

You may have as many telephone directory listings for your PRESERVE SERVICES business as you choose. However, we will own all rights to the telephone listings, and you must transfer them to us on the expiration, termination, repurchase or transfer of your Franchised Business, at your expense. You must sign an authorization that grants us the right to change, transfer or terminate your telephone listings, your email addresses, domain names, Social Media accounts, and comparable electronic identities, on your behalf upon expiration, termination, repurchase or transfer of your franchise. The Digital Media Listing Agreement appears in Addendum H to the Franchise Agreement.

Computer System

To run your business, you will need the following PC hardware and software system:

As part of your Initial Package, you will be given one laptop computer that you must use to run your PRESERVE SERVICES Franchised Business. This laptop computer system will come pre-loaded with our proprietary software and Microsoft Office. You are responsible for renewing licenses annually, as required.

The computer system manages your sales activities and general business operations. You must maintain your computer system and keep it in good repair. The laptop computer hardware is not proprietary and the Technology Fee includes require maintenance, upgrades or updates, support or service contracts. There is no limit on our ability to require you to upgrade the system, add components and software to the system and replace components and software of the system.

You must subscribe to high-speed business class Internet access through cable or DSL that we designate in our Operations Manual. The cost varies geographically from \$100 to \$200 to set-up and \$50 to \$150 per month. Your subscription to the on-line computer network will permit you to connect with our corporate office to share information, exchange ideas and transfer data. We have the right to remotely access your records to monitor your productivity and we have no limitations on our ability to do so. (Franchise Agreement- Section 10)

Internet/e-commerce

We restrict, designate, and have the right to approve, or control all of your electronic media, including Internet activities, and e-mail marketing correspondence, digital content, and electronic communications if any. This includes any websites and all Social Networking and Marketing activities, including Twitter, Facebook, Foursquare, LinkedIn or any social media outlets. This also includes any group or social buying platforms, promotions or campaigns. You must follow the most recent rules and regulations published in our Operations Manual or other manuals we have created regarding the upkeep and communications sent out via these channels.

You are not permitted to establish a website on the Internet using any domain name containing the words PRESERVESERVICES.com, .net, .biz, .org or any other top level domain or variation thereof. We maintain the preserveservices.com Internet Website and provide you with access to our website and a page contained within the PRESERVE SERVICES Internet Website for your Franchise. We have the final decision concerning all information and functionality that appears on the PRESERVE SERVICES Internet Website and will update or modify the PRESERVE SERVICES Internet Website according to a schedule that we determine. By posting or submitting to us information or materials for the PRESERVE SERVICES Internet Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party's rights. You must notify us whenever any information about you or the Franchise Business on the PRESERVE SERVICES Internet Website changes or is not accurate. We may require that you utilize e-commerce products or services designated by us.

Any digital or electronic content published must be within brand communication standards and is subject to our approval. All digital imagery bearing our Marks are subject to our approval.

Due to the speed of electronic communication, all instructions by us which are deemed to restrict, designate or control e-commerce activities must be responded to within 24 hours.

We also reserve the right to restrict, designate and have the right to approve or control any existing or future (not yet developed) Fan Page or other advertising or social networking services of the Franchised Business, including the sending of bulk e-mail, other than in accordance with the guidelines in the Operations Manual or otherwise as we specify in writing.

Site

We presume that you will operate your PRESERVE SERVICES business as a home-based business. We do not provide specifications for leased office space nor restrict the location of your office, as long as it complies with local zoning requirements and is within 25 miles of your Territory.

Franchise Agreement

When you sign a Franchise Agreement, we will designate your Territory (see Addendum A to the Franchise Agreement). The length of time between signing your Franchise Agreement and actually opening for business should not exceed 4 months. This time period is generally determined by the time of year that you purchase your franchise, how long it takes you to complete training, initiate marketing, and local requirements for permits, certifications and licenses. You must open your PRESERVE SERVICES Franchised Business within 9 months of signing your Franchise Agreement. If you fail to open your PRESERVE SERVICES Franchised Business within 9 months of signing the Franchise Agreement, we have the right to (a) terminate the Franchise Agreement; or (b) operate or permit others to operate within your Territory.

Initial Training

Anyone who attends the Initial Training program must complete the program to our satisfaction. We may extend the training program for anyone who fails to successfully complete it. There is no charge for Initial Training of up to two of your owners, but you must pay all the travel and living expenses for the attendees.

Training will last for 7-10 days, and will be conducted at our office in Salem, Massachusetts, virtually online and at local job sites. Training programs are scheduled and run as needed. Yours will be scheduled so that you complete it 4 to 12 weeks before opening your business. We reserve the right to modify the length, location, and timing of Initial Training. We may waive a portion of Initial Training or alter the training schedule if we determine that your attendees have sufficient prior experience or training.

The primary instructor conducting training is Sean O'Connor identified in Item 2. Mr. O'Connor has 8 years of experience with us and 28 years of previous experience in the field of construction management.

The instructional material used in the Initial Training program is our confidential Operations Manual.

An outline of the Initial Training program is as follows:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Preserve Services System	1-2	0	Online instruction
Setting Up Your Business	1-2	0	Online instruction
Painting, Basic Carpentry & Roofing Systems	8-12	0	Online instruction
Computer Software	6-8	0	Online instruction, and Salem, Massachusetts, and/or other location
Estimating	8-10	10-15	Online instruction, and Salem, Massachusetts, and/or other location
Marketing & Selling	4-6	2-4	Online instruction, and Salem, Massachusetts, and/or other location
Production	4-6	6-8	Online instruction, and Salem, Massachusetts, and/or other location
Business Management	6-8	0	Online instruction
TOTAL:	38-54 hours	18-27 hours	

NOTES:

(1) Initial Training will cover exterior painting, basic carpentry that does not require a building permit, and roofing. Additional training will be required prior to your offering and providing siding, window, door and deck installation services. We will provide this training monthly, weather permitting, at no additional cost. In addition to training, some states require you to secure a license prior to performing these services.

(2) It is the nature of the Business that all aspects of training are integrated, that is, there are no definitive starting and stopping times.

Each person who must attend training will be identified in the Notice of Key Employees, attached as Addendum B to the Franchise Agreement. Each person who owns or directly controls a 10% or more interest in you, if you are owned by a group of individuals or a corporation, limited liability company, partnership, unincorporated association or similar entity must attend training. Except to the extent prohibited by the laws of the state where the Franchised Business is located or where the employee lives or works, anyone required to attend training cannot have an interest in or business relationship with any business competitive with the PRESERVE SERVICES concept and they must also sign our then-current form of Non-Disclosure, Non-Solicitation and Non-Competition Agreement if they are not a party to the Franchise Agreement prior to attending training.

Continuing Education

As set forth in our Operations Manual, to maintain our System Standards you are required, at your expense, to complete a minimum of twenty hours per year of courses in personal and business development. A minimum of five hours must be spent in each of the following two categories: Health and Wellness, and Construction Business Management. Courses may be taken in person or online and do not require pre-approval by us. We may periodically offer classes which may or may not be mandatory, but will contribute toward your Continuing Education requirement. If offered you will not be charged a fee for you to attend these classes, but you must pay all the travel and living expenses for the attendees.

Employment Policies

You must maintain a competent, conscientious, and trained staff who have successfully completed the designated training program and any additional training as we specify in the Operations Manual. We will assist you in the recruiting of your employees. You must take those steps as are necessary to ensure that your employees preserve good client relations; render competent, prompt, courteous and knowledgeable service; and meet our minimum standards, as we may establish periodically in the Operations Manual. You and your employees must handle all client complaints, refunds and other adjustments in a manner that will not detract from our name and goodwill. If we feel that you did not fairly handle a customer complaint, we may intervene and satisfy the customer. You must reimburse us for all our costs associated with satisfying your customer.

Any materials, guidance or assistance that we provide concerning the terms and conditions of employment for your employees, employee hiring, firing and discipline, and similar employment-related policies or procedures, whether in the Operations Manual or otherwise, are solely for your optional consideration and use. Those materials, guidance and assistance do not form part of the mandatory System Standards. You will determine to what extent, if any, these materials, guidance or assistance should apply to your employees.

You will have sole responsibility for your employees and all acts of your employees, and all employment-related decisions including, but not limited to wages, benefits, hours of work, scheduling, hiring, firing, discipline, supervision, record keeping, taxes and withholdings, social security contributions, Medicare contributions, unemployment fund contributions and all other

terms and conditions of employment. (Franchise Agreement – Section 8)

We do not exercise control and do not have the authority to control any of the essential terms and conditions of your employees' employment with you listed below:

(1) Wages, benefits, and other compensation; (2) Hours of work and scheduling; (3) The assignment of duties to be performed; (4) The supervision of the performance of duties; (5) Work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) The tenure of employment, including hiring and discharge; and (7) Working conditions related to the safety and health of your employees.

You must disclose to each of your employees in writing, in a form approved by us in advance, that you are the sole employer with total control over the terms and conditions of your employee's employment and that we are not a "joint employer" for the reasons cited above.

Annual Conference

We may periodically but not more than once every year conduct an Annual Conference. You are required to attend the Annual Conference, and to pay travel related expenses incurred in connection with attending the event including transportation costs, meals, and living expenses. The duration, curriculum and location of the Annual Conference will be determined by us. Because the planning and funding of the Annual Conference must be done well in advance and requires a substantial financial commitment, we have the right to charge you a \$1,000 to \$3,000 Annual Conference Registration Fee for you to attend this event. This fee includes all lodging and conference costs. We may charge this registration fee up to one year in advance invoiced and paid via EFT as part of your standard weekly billing. This fee is not refundable and will be collected even if you do not attend the Conference. If you do not attend the Annual Conference, we will do our best to make available to you the substantive training materials that were presented at the Conference.

Item 12 TERRITORY

Depending upon the size territory you purchase, you will receive a territory defined by zip code ("Territory" or "Designated Territory") with a maximum number of qualified single family households ranging between 20,000 and 40,000, as further described in Item 5, which meet income, home ownership, and other criteria which we may determine from time to time. If the Territory encompasses more than one municipality, the borders must be contiguous. The number of households in the Territory will be identified by data from the U.S. Department of Commerce, Bureau of Census' then most current year available.

You may operate the business office for the Franchised Business from any location, including your home, if zoning permits, and do not need our permission before relocating the business office; however, you must live in close proximity to the Territory, which we define as a 25 mile drive distance from your residence. You must maintain a mailing address for your Franchised

Business within your Territory, and this is the exclusive address which you will use for marketing, promoting and listing your Franchised Business.

During the term of the Franchise Agreement, provided you are not in default under the Franchise Agreement, we will not operate, or license others to operate, a PRESERVE SERVICES business using the System and the Marks within your Territory to provide services under the PRESERVE SERVICES brand for which you are properly licensed to perform and choose to perform. In the event a sales lead or work opportunity is generated by you, us or another franchisee for work within your Territory, which you either choose not to perform or you may not perform due to licensing restrictions, then, in accordance with the territorial policy in our Operations Manual, that opportunity will be offered by us to other PRESERVE SERVICE franchisees or affiliates without compensation to you.

As long as you are in compliance with the Franchise Agreement, your rights in the Territory will not be modified for any reason, except by mutual written agreement signed by both parties.

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

If your area lies within the reach of media sources that serve other franchisees or company- or affiliate-owned PRESERVE SERVICES businesses, we can require you to advertise cooperatively with those franchisees or company- or affiliate-owned businesses. The terms of the cooperative advertising will be established by us at that time. Except when advertising cooperatively, or through media that, in addition to your Territory also includes territory of another franchisee, you cannot advertise or solicit business outside of your Territory. We can advertise and solicit business within your Territory, which we will offer to you for services you are properly licensed to perform and choose to perform. You may accept referrals for residential and commercial services outside of your Territory as long as the referral is not located in a territory owned by another franchisee who is licensed to perform the requested services and elects to do so (See Item 16 for details).

Reserved Rights

Among other things, we and our affiliates have the right to (a) establish or license franchises and/or company-owned businesses or other businesses offering similar or identical products or services, using the System or elements of the System (i) under the Marks anywhere outside of the Territory or (ii) under names, symbols, or marks other than the Marks anywhere, including inside and outside of the Territory; (b) sell or offer, or license others to sell or offer, any products using the Marks or other marks through any alternative distribution channels, including, without limitation, through e-commerce, in retail stores, via recorded media, via online videos, or via broadcast media, anywhere, including inside and outside of the Territory; (c) advertise, or authorize others to advertise, using the Marks anywhere, including inside and outside of the Territory; and (d) acquire, be acquired by, or merge with other companies with existing construction related businesses anywhere (including inside or outside of the Territory) and, even

if such businesses are located in the Territory, (i) convert the other businesses to the PRESERVE SERVICES name, (ii) permit the other businesses to continue to operate under another name, and/or (iii) permit the businesses to operate under another name and convert existing businesses to such other name. We will not compensate you for any of our activities in your Territory, even if they have an impact on your business.

As of the date of this Disclosure Document, we have not established other franchises or company-owned outlets or another distribution channel offering or selling similar products or services under a different trademark. Neither we nor our affiliate have established, or presently intend to establish, other franchised or company-owned businesses that offer construction management or similar services or products under a different trade name or trademark, but we reserve the right to do so in the future without your consent.

Restriction on Rights

You do not have the right to open additional franchises nor do you have any rights of first refusal on any other territory. However, you may purchase additional franchises, if available and you are in compliance with the terms of your current franchise agreement(s).

You do not have the right to use the Marks or the System in any other Territory or in any wholesale, e-commerce, or other channel of distribution. Any media advertising or direct mail marketing that you conduct must be predominantly focused within your Territory, unless we agree otherwise.

There are no territorial restrictions from accepting business from customers that reside or are otherwise based inside of your Territory, as long as the services provided are within the defined scope of services offered by PRESERVE SERVICES and you are properly licensed to do so. You may accept referrals or leads generated by our marketing activities for residential and permitted commercial services outside of your Territory as long as the referral is not located in a territory owned by another franchisee. If you are servicing a customer outside of your Territory and we grant a franchise to another with a territory that includes the referred customer, you must provide to us, immediately upon your receipt of our written request, a list of all customers for whom you have (i) provided a written estimate; (ii) contracted with to provide service; and (iii) performed and completed contracted services within that sold territory. You will be permitted to retain those customers and potential customers but you must cease all future active marketing and selling of services in the sold territory. You may only perform up to 2 new referral projects generated through passive marketing per year in a territory owned by another franchisee. You must inform that franchisee of that designated territory in writing prior to contracting the work. You may not market your business in that designated territory owned by another franchisee when performing referral work. The owner of that designated territory has exclusive rights to market and advertise including placing a lawn sign at the referral project.

Relocation of the Territory

If you would like to relocate your Territory, you must receive our written consent. Our approval will not be unreasonably withheld, provided (i) the new territory is satisfactory to us; (ii) the new

territory will not, as determined in our sole discretion, materially and adversely affect the Gross Revenue of any other franchisee; (iii) you have fully performed and complied with each provision of the Franchise Agreement within the last three years prior to, and, as of the date we consent to such relocation (the “Relocation Request Date”); (iv) you are not in default, and no event exists which with the giving of notice and/or passage of time would constitute a default, as of the Relocation Request Date; and (v) you have met all of our then-current training requirements.

Minimum Sales Performance

The grant of your Designated Territory is expressly conditioned upon your successful penetration of the market in the Territory. You must promote actively and aggressively the products and services of your PRESERVE SERVICES Franchised Business within your Designated Territory.


For a standard Territory of approximately 40,000 households, you must sell a minimum of \$150,000 in Gross Sales between March and December during your first full fiscal year; \$350,000 in Gross Sales during your second full fiscal year; \$500,000 in Gross Sales during your third full fiscal year; \$600,000 in Gross Sales during your fourth full fiscal year; and \$850,000 in Gross Sales during your fifth full fiscal year and each year thereafter. The required Minimum Sales Performance will be reduced proportionally based on the size of your Designated Territory.

In exceptional cases, we may reduce or otherwise modify the minimum sales performance standard of an existing franchisee to better suit the individual territory or waive it entirely. However, if you are not achieving the minimum sales performance standard, you will be in default of the Franchise Agreement. Other than due to a force majeure, unless a written waiver is provided by us temporarily suspending this obligation, failure to take adequate steps to cure the default could result in termination of the Franchise Agreement. (Franchise Agreement - Sections 17 and 32)

Item 13 TRADEMARKS

You will be granted the non-exclusive right, and undertake the obligation, under the terms of the Franchise Agreement, to establish and operate a PRESERVE SERVICES Franchised Business under the Proprietary Marks and System. You may also use other current or future Marks that we may designate to identify the goods and services associated with the PRESERVE SERVICES System.

We will license to you the following trademarks which have been registered with the United States Patent and Trademark Office (the “USPTO”) as indicated:

Mark	Registration No.	Registration Date	Principal or Supplemental Register
Preserve Services (Word)	5,305,903	October 10, 2017	Principal
 (Composite)	5,321,712	October 31, 2017	Principal

We plan to file all required affidavits and renewals with the USPTO.

There are presently no effective material determinations by the USPTO, Trademark Trial and Appeal Board, or any state trademark administrator or court; and any pending infringement, opposition, or cancellation proceedings; or any pending material litigation involving our Marks.

There are no agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to the Franchise, nor are there any superior rights or infringing uses actually known to us which would materially affect your use of the Marks. However, there is always a possibility that there might be one or more businesses, similar to the business covered by the Franchise Agreement, operating in or near the area(s) where you may do business, using a name, trademark and/or trade dress similar to the Marks and with superior rights to the name and/or trademark. We strongly urge you to research this possibility, using telephone directories, local filings and other means, before you pay any money, sign any documents or make any binding commitments. If you do not research the possibility of other trademarks in this business, you may be at risk.

We will take all steps that we deem reasonably appropriate to preserve and protect the ownership and validity of the Marks. Any decision to protect your right to use these Marks or to protect you against claims of infringement will be made by us. Should we elect to protect the Marks or protect you against claims of infringement, we will have the right to control any administrative proceeding or litigation. If litigation involving the Marks is filed or threatened against you, or you become aware of any infringement by a third party, you must tell us promptly and cooperate with us fully in pursuing, defending or settling the litigation.

You must sign all documents requested by us or our counsel that are necessary to protect our Marks or to maintain their validity and enforceability. We may substitute different Marks to identify the business conducted under the PRESERVE SERVICES System if we can no longer use or license the Marks, or if we decide that substitution of different Marks is beneficial for the System.

If that happens, we will reimburse you for your tangible costs of complying (for example,

changing signs or advertising materials). You must not directly or indirectly contest our right to our Marks, trade secrets or business techniques that are part of our business.

Your Franchise Agreement provides that any use of the Marks that is not authorized is an infringement. You may not use the Marks as part of your corporate or other legal name, website address, e-mail address, domain name or other identification in any print, electronic or other medium, or with any prefix, suffix or other modifying word, term, symbol or design without our consent. All rights in, and goodwill from, the use of the Marks accrue solely to us.

You must display in a conspicuous location in or upon the Franchised Business or in a manner that we specify a sign containing the following notice or an alternative notice that we specify: "This business is owned and operated independently by [name of franchisee] who is an authorized licensed user of the trademark "PRESERVE SERVICES", which is a registered trademark owned by Preserve Services Franchise Systems, LLC." You must include this notice or other similar language that we specify on all forms, advertising, promotional materials, business cards, receipts, letterhead, contracts, stationery, and other written materials we designate.

Because your telephone listings will be associated with the Marks, we will own all rights to the telephone listings, and all goodwill generated from the use of the telephone listing will inure to our benefit. See Items 9 and 11.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patent Rights

We own no rights in, or licenses to any patents or patent applications.

Copyrights

We do not own any rights in, or to, any registered copyrights that are material to the franchise.

Proprietary Information

In order to protect our reputation and goodwill and to maintain high standards of operation under the System, you must operate the Franchised Business in accordance with the standards, methods, policies, and procedures in our confidential Operations Manual or otherwise in writing. Prior to your Initial Training program, we will loan you one copy of the Operations Manual, or if available electronically, provide it to you through a password protected website, for your use during the term of your Franchise Agreement.

You must treat the Operations Manual, and any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained in the Operations Manual, as confidential, and you must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part, or otherwise make them available to any unauthorized person. The

Operations Manual is and will remain our sole property and must be kept in a secure place at the Franchised Business.

You must not, during the term of the Franchise Agreement or after its term, communicate, divulge, or use for the benefit of any other person, partnership, association, or business entity any confidential information, knowledge, or know how concerning the methods of operation of the business franchised under the Franchise Agreement, including the Operations Manual, and other proprietary information which may be communicated to you or of which you may be apprised by virtue of your operation under the terms of the Franchise Agreement.

Except to the extent prohibited by the laws of the state where the Franchised Business is located or where the employee lives or works, we require your managers to sign our then-current form of Non-Disclosure, Non-Solicitation and Non-Competition Agreement, attached as Exhibit E to this Disclosure Document. We must receive a copy of this signed written Agreement within 48 hours of hire. You must immediately inform us of any changes in the management or operation of your Franchise. We require your employees to sign our then-current form of Confidentiality Agreement, attached as Exhibit G to this Disclosure Document.

You may compile and maintain customer lists for your Franchised Business, however, all customer lists are our proprietary information and may only be used for the normal conduct of the Franchised Business during the term of the Franchise Agreement.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must directly supervise your PRESERVE SERVICES Franchised Business at all times. You must maintain business times and hours as we may specify in the Operations Manual. You must successfully complete our training program (described in Item 11) and, after completion of the training, must devote full time, energy and best efforts to the operation of the Franchised Business.

If you as the franchisee are a corporation, limited liability company, or other business entity instead of an individual, you must appoint an individual owner as your Operating Principal who must have authority over all business decisions related to your Franchised Business. Your Operating Principal must have at least a 10% ownership interest in your business entity. You must provide us with written notice of your Operating Principal at least 30 days prior to opening and may not change your Operating Principal without our prior written approval.

If you own more than one franchise, you must hire a general manager for your business. We have the right to approve your general manager (if not an owner) based on our review of their competency and relevant experience to determine if he/she meets our current qualifications and requirements. The general manager is not required to have an equity interest in the franchise. You must inform us of any changes in the management or operation of your franchise.

If you purchase the Franchised Business as an individual, the Franchise Agreement may be assigned to a business entity that only operates the PRESERVE SERVICES Franchised Business and only if the business entity is newly organized by you and you own all of the equity and control the voting power of the stock of the corporation or business entity. An assignment is made by executing an assignment agreement in a form approved by us in which you, individually, and the business entity must be bound jointly and severally by all the provisions of the Franchise Agreement and must provide information and documentation concerning the formation of the business entity, its articles, bylaws, resolutions, stockholders, members, directors and officers to us. Further, all issued and outstanding share certificates of this corporation must bear a legend stating that the shares are bound by the terms of the Franchise Agreement. Even if the franchise is assigned to a business entity, you must continue to participate in the day-to-day operation of the Franchise. All owners of the Franchisee must personally guaranty the Franchisee's obligations to us (see Guaranty, Addendum C to the Franchise Agreement). If you are owned by a trust, or if your owners are owned by one or more trusts, the trusts and the beneficiaries of the trusts must sign the Guaranty.

We do not require your spouse or domestic partner to sign the Franchise Agreement or Personal Guaranty but we do require that your spouse or domestic partner sign a Spousal Non-Disclosure and Non-Competition Agreement, subject to state law; our current form is attached as Exhibit F to this Disclosure Document.

We require you to complete a Principal Owners' Statement, attached as Addendum D to the Franchise Agreement. The Principal Owners' Statement describes all of your owners and their interests in you. Under the Owners' Statement, we require you to identify one owner/person who has full authority to enter into agreements with us on your behalf and with whom we may direct our efforts to communicate.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must (1) sell or offer for sale only those products and services as we have expressly approved for sale in writing; (2) sell or offer for sale all types of products and services we specify and as permitted by local licensing and other regulations; (3) refrain from any deviation from our standards and specifications without our prior written consent; and (4) discontinue selling and offering for sale any products and services which we may, in our discretion, disapprove in writing at any time. You must sell all products at retail and not sell these products at wholesale or for re-sale. All products sold or offered for sale at the Franchised Business must meet our then-current standards and specifications, as established in the Operations Manual or otherwise in writing.

Currently, you must offer and sell exterior painting, roofing, and maintenance exterior carpentry. Our current list of optional services which you may provide, conditioned on licensing compliance, is interior painting, power washing, and the installation and replacement of

windows, doors, decks and siding.

You must obtain permission from us to offer any products and services that we have not approved. You may not engage in any business activities that compete with the services offered by the PRESERVE SERVICES System.

We have the right to establish minimum and maximum prices for the products and services you offer and sell. You must strictly adhere to the prices we establish. We retain the right to modify the prices from time-to-time in our reasonable discretion.

We have the right to add products and services, or to delete existing ones. There are no limits on our right to do so except that we cannot make any changes that will unreasonably increase your obligations, or place an excessive economic burden on your operation. You will be notified of changes in approved products and services through our Operations Manual or otherwise in writing.

You must comply with all applicable laws and regulations and obtain all appropriate governmental approvals for the Franchised Business including obtaining applicable licenses and permits, if required by your locality.

You must comply with all of our policies regarding advertising and promotion. You must comply with all of our policies regarding acceptance of credit and debit cards.

You may not advertise or market your PRESERVE SERVICES Franchised Business outside of your Territory. You may not advertise or market PRESERVE SERVICES commercial services inside or outside of your Territory. You may accept referrals or leads generated by our marketing activities for permitted residential and commercial services outside of your Territory as long as the referral is not located in a territory owned by another franchisee, except as provided for in Item 12.

If you are servicing a customer outside of your Territory and we grant a franchise to another with a territory that includes the referred customer, you must provide to us, immediately upon your receipt of our written request, a list of all customer for whom you have (i) provided a written estimate; (ii) contracted with to provide service; and (iii) performed and completed contracted services within that sold territory. You will be permitted to retain those customers and potential customers but you must cease all future selling of services in the sold territory.

You must offer and honor a warranty on all materials and workmanship performed by your Franchised Business for each of your customers, as the terms of such warranty may be established by us from time to time. You must promptly report all warranty claims to us and undertake all warranty work under the Marks.

You are solely responsible for all of your warranty obligations during the term of your Franchise Agreement and for any warranty period remaining after termination or expiration of your

Franchise Agreement. You must pay into an individual warranty escrow fund (“Warranty Fund”) controlled and managed jointly by you and us. The sole purpose of the Warranty Fund is to be a financial resource to assist you in underwriting the first \$10,000 of the cost of performing warranty work which exceeds a cost \$10,000 per instance; it may not be used for warranty work that is less than \$10,000, nor may you draw more than \$10,000 at a time from the Warranty Fund. You will contribute at the rate of .005% of Gross Sales each week until you reach a maximum of 2.5% of your highest grossing calendar year’s sales for the previous 4 calendar years, which will establish your base level. Once the base level is reached, if drawn upon, it must be replenished over a specified period of time to the base level. Warranty claims below \$10,000 that occur during the operation of your Franchised Business must be underwritten by you. If there is less than 12 months remaining on the term of your Franchise Agreement, no draws on the Warranty Fund will be permitted. Upon termination or non-renewal of your Franchise Agreement, any future warranty work required as a result of your operation of the Franchised Business will be performed by us or our designee at market rate and drawn from your Warranty Fund. After the termination or non-renewal of your Franchise Agreement, any remaining balance in your Warranty Fund will be returned to you 24 months after the expiration of your last warranty period. Guidelines and requirements for the Warranty Fund are included in the Operations Manual. (Franchise Agreement - Sections 7 and 17)

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Section 5	Term is 10 years.
b. Renewal or extension of the term	Section 6	If you are in good standing, you can renew for 2 additional 10 year terms.
c. Requirements for franchisee to renew or extend	Section 6	Give timely notice, not in default, has not received 3 or more default notices in prior term, provide proof of current licenses, sign new agreement which may have materially different terms and conditions, including

Provision	Section in franchise or other agreement	Summary
		territory and royalty, sign release, refresher training if required by us, reimburse us our legal fees and costs, if any.
d. Termination by franchisee	Section 32	We haven't cured breach within 30 days after notice (subject to local state law).
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	Section 32	Failure to cure material breach within 15 days (subject to local state law).
g. "Cause" defined-curable defaults	Section 32	Having interest in a competitor, failure to make payments, failure to maintain Franchised Business according to standards, failure to submit reports, failure to obtain and maintain all required permits, certifications and licenses, failure to follow Operations Manual, failure to get permission when needed, default in other terms and covenants not separately identified.
h. "Cause" defined-non-curable defaults	Section 32	Cessation of business for 3 consecutive business days, misuse of trademark or licensed rights, repeated defaults even if cured,

Provision	Section in franchise or other agreement	Summary
		abandonment, deliberate understating of sales, bankruptcy, creditors attach or foreclose business property, conviction or "no contest" plea to a felony, false statements on franchise application, unauthorized transfer, failure to maintain independent contractor status with us.
i. Franchisee's obligations on termination/non-renewal	Section 35	Payment of all amounts due, complete de-identification, cease using Marks and proprietary information, return of Operations Manual, assignment of telephone listings, e-mail address, etc. to us (See also Item "r" below).
j. Assignment of contract by franchisor	Section 28	We may assign to anyone we believe is able to carry out terms of contract and change our ownership or form without restriction.
k. "Transfer" by franchisee - defined	Section 28	Includes transfer of contract or assets or ownership change.
l. Franchisor approval of transfer by franchisee	Section 28	We must approve all transfers, but will not unreasonably withhold approval.
m. Conditions for franchisor approval of transfer	Section 28	You must not be in default at time of transfer, you agree to remain liable for all obligations under the Franchise Agreement and

Provision	Section in franchise or other agreement	Summary
		for all warranties offered by you to your customers, you must sign a release, the proposed transferee must meet new franchisee qualifications, sign the then-current franchise agreement and complete training, and pay the then-current transfer fee.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 31	We have 30 days to match bona fide offers for your business.
o. Franchisor's option to purchase franchisee's business	Section 35	If your Franchise Agreement is terminated, we may, but are not obligated to, buy inventory, supplies and equipment, at fair market value.
p. Death or disability of franchisee	Section 29	May transfer franchise to spouse, heirs or relatives if they are qualified. Otherwise, your estate has 6 months to transfer to a qualified buyer.
q. Non-competition covenants during the term of the franchise	Section 27	No involvement with competing business is allowed anywhere in the United States (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	Sections 27 and 35	Two year restriction on competing residential and commercial construction management business within 50 mile radius of towns included in original franchise agreement. Permanent restriction on

Provision	Section in franchise or other agreement	Summary
		using licensed rights (subject to state law).
s. Modification of the Agreement	Section 49	No modification generally unless agreed to in writing by both parties, but we may modify the System.
t. Integration/merger clause	Section 49	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any other promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 37	The parties must first submit the dispute to non-binding mediation (except for injunctive relief). Except for certain disputes, claims related to the Franchise Agreement will be settled by arbitration under the rules of the American Arbitration Association (subject to state law).
v. Choice of forum	Section 37	Arbitration must be in the county nearest our home office at the time (subject to state law).
w. Choice of law	Sections 37 and 48	Federal Arbitration Act and Massachusetts law applies (subject to state law).

Item 18 PUBLIC FIGURES

We do not use any public figures to promote our franchises.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information and 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 that 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.

Background

This financial representation includes certain historical sales information for the PRESERVE SERVICES affiliate-owned business, SRMB Contracting, LLC, which operates under the mark “PRESERVE SERVICES” in Salem, Massachusetts, and two franchises which meet the criteria below. The PRESERVE SERVICES affiliate-owned business is substantially similar to and does not materially differ from the single unit franchise offered.

We believe that the following financial data has been compiled using generally accepted accounting principles, but the data is unaudited and no assurance can be offered that the data does not contain inaccuracies that an audit might disclose.

In this Item, because business maturation for our business model can take up to 12 months, we are reporting only on those businesses open for 12 months or more and which provided reports for the period.

The following is an historic financial representation for the period of January 1, 2024 to December 31, 2024 of PRESERVE SERVICES affiliate-owned business operating under the PRESERVE SERVICES Mark for a minimum of 12 months. As of December 31, 2024, of our seven franchises open, we had seven franchise units which were open for 12 months or more under the same ownership. The affiliate-owned business in this financial representation is a mature PRESERVE SERVICES business which has been operating consistently under the same ownership since 2018.

AFFILIATE

The table below sets forth the Gross Sales and related information for the PRESERVE SERVICES affiliate-owned business for the fiscal year ending 2024. Gross Sales is defined as the business’s total sales billed to the customer for all completed sales.

Fiscal Year	Gross Sales*	COGS**	Gross Profit	Gross Margin %
2024	\$3,870,485	\$2,589,942	\$1,280,543	33%

Notes:

*Gross Sales includes income from the sale of carpentry, painting and roofing services, less sales, use or service taxes, customer refunds and adjustments.

** Cost of Goods Sold (COGS) includes labor, material, permits, trash removal and the affiliate's disclosure adjusted to allocate for the payment of 5% Royalties, 2% Marketing Fund fees and 1% Technology Fee.

2024 Revenue by Percent Per Service Category		
Carpentry 54%	Painting 42%	Roofing 6%

2024 Sales Data		
Number of Estimates - 1072	Number of Contracts - 488	Sales Conversion 45%

FRANCHISES

The table below sets forth the Gross Sales and related information for the two PRESERVE SERVICES franchised businesses as defined above for the fiscal year ending 2024. Gross Sales is defined as the business's total sales billed to the customer for all completed sales.

Franchises	Gross Sales*	COGS**	Gross Profit	Gross Margin %
#1	\$508,272	\$309,618	\$198,654	39%
#2	\$640,433	\$437,283	\$203,150	32%
#3	\$1,070,110	\$755,076	\$311,960	29%
#4	\$764,390	\$510,556	\$253,834	33%
#5	\$655,062	\$463,759	\$191,303	29%
#6	\$488,425	\$301,334	\$183,811	38%
#7	\$777,780	\$545,990	\$231,790	30%

Notes:

*Gross Sales includes income from the sale of carpentry and painting services, less sales, use or service taxes, customer refunds and adjustments.

** Cost of Goods Sold (COGS) includes labor, material, permits, trash removal, 5% Royalties, 2% Marketing Fund fees and 1% Technology Fee.

2024 Revenue by Percent Per Service Category			
Franchise	Carpentry	Painting	Roofing
#1	47%	54%	0%
#2	54%	46%	0%

#3	56%	42%	2%
#4	60%	40%	0%
#5	30%	70%	0%
#6	46%	51%	3%
#7	54%	46%	0%

2024 Sales Data			
Franchises	Number of Estimates	Number of Contracts	Sales Conversion
#1	290	153	52%
#2	134	46	39%
#3	327	116	36%
#4	221	92	41%
#5	180	70	39%
#6	261	54	21%
#7	193	75	34%

The above figures do not reflect the costs of sales, operating expenses or other costs and expenses that must be deducted from the gross revenue or gross receipt figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your PRESERVE SERVICES Franchised Business. Franchisees listed in the Disclosure Document, may be one source of this information.

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

Written substantiation of the data used in preparing the earnings claim will be made available to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any 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 our Managing Member, Sean O'Connor, Preserve Services Franchise Systems, LLC, 203 Washington Street, #256, Salem, Massachusetts 01970, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2022 TO 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	3	6	+3
	2023	6	8	+2
	2024	8	7	-1
Company-Owned*	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	4	7	+3
	2023	7	9	+2
	2024	9	8	-1

* We do not operate any Company-Owned outlets. The Company-owned Outlet reflected in the above chart is owned and operated in Massachusetts by our affiliate, as described in Item 1.

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Number of Transfers
MA	2022	0
	2023	0
	2024	1
Totals	2022	0
	2023	0
	2024	1

Table No. 3

STATUS OF FRANCHISE OUTLETS
FOR YEARS 2022 TO 2024

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at the End of the Year
MA	2022	3	2	0	0	0	0	5
	2023	5	1	0	0	0	0	6
	2024	6	0	1	0	0	0	5
NC	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
NH	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Totals	2022	3	3	0	0	0	0	6
	2023	6	2	0	0	0	0	8
	2024	8	0	1	0	0	0	7

Table No. 4

**STATUS OF COMPANY-OWNED OUTLETS*
FOR YEARS 2022 TO 2024**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of the Year
MA	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Totals	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1

* We do not operate any Company-Owned outlets. The Company-owned Outlet reflected in the above chart is owned and operated in Massachusetts by our affiliate, as described in Item 1.

Table No. 5

**PROJECTED OPENINGS
AS OF DECEMBER 31, 2024**

Col. 1 STATE	Col. 2 FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPEN	Col. 3 PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	Col. 4 PROJECTED NEW COMPANY- OWNED OUTLETS IN THE NEXT FISCAL YEAR
MA	1	0	0
TOTALS	1	0	0

The names, addresses and telephone numbers of our current franchisees, as of December 31, 2024, are listed in Exhibit I to this Disclosure Document. This list includes any franchisees who signed a franchise agreement prior to our last fiscal year end but had not opened their PRESERVE SERVICES franchise as of that date.

Also listed in Exhibit I is the name, city and state, and current business telephone number, or if unknown the last known home telephone number, of the franchises that were transferred, terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business with us during the most recently completed fiscal year or have not communicated with us within 10 weeks preceding the date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all franchisees will be able to communicate with you.

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

We have not created, sponsored or endorsed any trademark-specific franchisee organization nor have any independent franchisee organizations asked to be included in this disclosure document.

We are not aware of any trademark-specific franchisee organizations associated with our franchise system.

Item 21

FINANCIAL STATEMENTS

Our audited financial statements for the periods ending December 31, 2024, December 31, 2023 and December 31, 2022 are attached as Exhibit B. Our fiscal year ends December 31st. We were formed on February 16, 2017.

Also attached are our unaudited financial statements for the interim period ending June 30, 2025.

Item 22

CONTRACTS

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

Franchise Agreement (with exhibits and addenda) is attached as Exhibit D.

Form of Non-Disclosure, Non-Solicitation and Non-Competition Agreement is attached as Exhibit E.

Form of Spousal Non-Disclosure and Non-Competition Agreement is attached as Exhibit F

Form of Confidentiality Agreement is attached as Exhibit G.

Form of Franchise Compliance Questionnaire is attached as Exhibit K.

Form of General Release is attached as Exhibit L.

Item 23
RECEIPTS

The last two pages of this Disclosure Document, attached as Exhibit M, are detachable documents acknowledging receipt of this Disclosure Document. Please sign and date both receipts and return one to us.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

AGENT FOR SERVICE OF PROCESS AND STATE FRANCHISE ADMINISTRATORS

Our registered agent in the Commonwealth of Massachusetts:

Sean O'Connor

Preserve Services Franchise Systems, LLC

203 Washington Street, #256, Salem, Massachusetts 01970

STATE	AGENCY	PROCESS, IF DIFFERENT
California Toll-free (866) 275-2677 Email: Ask.DFPI@dfpi.ca.gov www.dfpi.ca.gov	Department of Financial Protection and Innovation Los Angeles 320 West 4th Street, Suite 750 Los Angeles, CA 90013 Sacramento 651 Bannon Street, Suite 300 Sacramento, CA 95811 San Diego 1455 Frazee Road, Suite 315 San Diego, CA 92108 San Francisco 1 Sansome Street, Suite 600 San Francisco, CA 94104	Commissioner of Financial Protection and Innovation Los Angeles 320 West 4th Street, Suite 750 Los Angeles, CA 90013 Sacramento 651 Bannon Street, Suite 300 Sacramento, CA 95811 San Diego 1455 Frazee Road, Suite 315 San Diego, CA 92108 San Francisco 1 Sansome Street, Suite 600 San Francisco, CA 94104
Hawaii	Securities Examiner 335 Merchant Street, Room 203 Honolulu, HI 96813	Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Division Office of Attorney General 500 South Second Street Springfield, IL 62706	
Indiana	Franchise Section Indiana Securities Division Secretary of State, Room E-111 302 W. Washington Street Indianapolis, IN 46204	Administrative Office of the Secretary of State 201 State House Indianapolis, IN 46204
Maryland	Office of Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2021	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2021

STATE	AGENCY	PROCESS, IF DIFFERENT
Michigan	Consumer Protection Division Antitrust and Franchise Franchised Business Michigan Dept of Attorney General 670 G. Mennen Williams Building 525 West Ottawa Lansing, MI 48933	
Minnesota	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198	Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198
New York	New York State Dept of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 212-416-8222	Secretary of State State of New York One Commerce Plaza 99 Washington Avenue Albany, NY 12231-0001
North Dakota	Office of Securities Commissioner 600 East Boulevard, 14 th Fl. Bismarck, ND 58505	
Oregon	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310	
Rhode Island	Division of Securities Department of Business Regulations Bldg. 69 1st Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, RI 02920	
South Dakota	Department of Labor and Regulation Division of Securities 124 S Euclid, Suite 104 Pierre, SD 57501	
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street 9th Floor Richmond, VA 23219	Clerk of the State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219
Washington	Washington State Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760

STATE	AGENCY	PROCESS, IF DIFFERENT
	(360) 902-8760	
Wisconsin	Securities and Franchise Registration Division of Securities 4 th Floor 345 W. Washington Ave Madison, WI 53703	

EXHIBIT B TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
INTERIM UN-AUDITED FINANCIAL STATEMENTS

For the Period
January through June 2025

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

8:23 PM
07/01/25
Accrual Basis

Preserve Services Franchise - Main
Balance Sheet
As of June 30, 2025

	Jun 30, 25
ASSETS	
Current Assets	
Checking/Savings	
10007 · NSB Main Acct #9225	70,747.78
Total Checking/Savings	70,747.78
Total Current Assets	70,747.78
Fixed Assets	
15010 · Computer	
15011 · Computers	23,801.46
15012 · Accumulated Depreciation	-17,750.84
Total 15010 · Computer	6,050.62
15020 · Furniture & Equipment	1,186.55
19000 · Web-Design	
19001 · Web Design	6,600.00
19002 · Amortization - Web Design	-2,814.00
Total 19000 · Web-Design	3,786.00
Total Fixed Assets	11,023.17
Other Assets	
18000 · Start Up Costs	3,000.00
18001 · Amortization-Start up Costs	-833.00
Total Other Assets	2,167.00
TOTAL ASSETS	83,937.95
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
20006 · Credit Card at American Express	33,673.85
Total Credit Cards	33,673.85
Other Current Liabilities	
20010 · Member Loan - Sean O'Connor	65,000.00
Total Other Current Liabilities	65,000.00
Total Current Liabilities	98,673.85
Total Liabilities	98,673.85
Equity	
30000 · Opening Balance Equity	6,558.00
30400 · Sean - Capital Investment	14,453.09
30401 · Sean - Draw	-578,458.66
30500 · Roberta O'Connor Equity	23,693.10
30501 · Roberta - Draw	-2,354.64
32000 · Retained Earnings	517,093.30
Net Income	4,279.91
Total Equity	-14,735.90
TOTAL LIABILITIES & EQUITY	83,937.95

8:19 PM

07/01/25

Accrual Basis

Preserve Services Franchise - Main
Profit & Loss
 January through June 2025

	Jan - Jun 25
Ordinary Income/Expense	
Income	
40000 - Income	
40001 - Franchise Income	31,556.22
40004 - Royalty	95,136.20
Total 40000 - Income	126,692.42
Total Income	126,692.42
Gross Profit	126,692.42
Expense	
60000 - Advertising and Promotion	
60002 - Franchise Recruitment	23,970.00
60003 - Mktg Business to Consumer	10,000.00
60004 - Software Subscriptions	4,826.23
60000 - Advertising and Promotion - Other	8,628.32
Total 60000 - Advertising and Promotion	47,424.55
60110 - Annual Conference	5,240.00
60200 - Automobile Expense	
60300 - Gas	230.85
Total 60200 - Automobile Expense	230.85
60400 - Bank Service Charges	162.00
61700 - Computer and Internet Expenses	1,942.21
62500 - Dues and Subscriptions	1,119.95
62600 - Education & Training	250.00
62650 - Filing Fees	1,000.00
64300 - Meals and Entertainment	3,130.33
64900 - Office Supplies	1,721.52
66500 - Postage and Delivery	112.25
66510 - Printed Material	
66512 - Training Materials	3,000.00
66510 - Printed Material - Other	578.15
Total 66510 - Printed Material	3,578.15
66700 - Professional Fees	
66702 - Legal Fees	13,075.60
66703 - Web Design	959.00
Total 66700 - Professional Fees	14,034.60
68100 - Telephone Expense	19,000.73
68110 - Answering Service	8,269.75
68400 - Travel Expense	
68404 - Parking & Tolls	191.50
Total 68400 - Travel Expense	191.50
Total Expense	107,408.39
Net Ordinary Income	19,284.03
Other Income/Expense	
Other Expense	
80000 - Ask My Accountant	15,004.12
Total Other Expense	15,004.12
Net Other Income	-15,004.12
Net Income	4,279.91



Independent Auditor's Report

Preserve Services Franchise Systems, LLC

Opinion

We have audited the financial statements of Preserve Services Franchise Systems, LLC, which comprise the balance sheets as of December 31, 2024, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Preserve Services Franchise Systems, LLC as of December 31, 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Preserve Services Franchise Systems, LLC's ability to continue as a going concern for one year from the date that the financial statements are issued.

Auditor's Responsibilities/or the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Optimus Financials, Inc.

Optimus Financials, Inc.
Oakland, MD
March 8, 2025

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
BALANCE SHEETS
AS OF DECEMBER 31, 2024, 2023 and 2022

ASSETS

	<u>2024</u>	<u>2023</u>	<u>2022</u>
CURRENT ASSETS			
Cash	\$ 99,383	\$ 175,332	\$ 196,502
Accounts Receivable	-	593	593
TOTAL CURRENT ASSETS	<u>99,383</u>	<u>175,925</u>	<u>197,095</u>
OTHER ASSETS			
Property and Equipment	6,218	5,356	6,374
Intangible Assets	5,314	5,954	6,594
TOTAL ASSETS	<u>\$ 110,915</u>	<u>\$ 187,235</u>	<u>\$ 210,063</u>

LIABILITIES AND PARTNERS' CAPITAL

CURRENT LIABILITIES			
Accounts Payable and Accrued Expense	\$ 2,686	\$ 13,896	\$ 25,461
Due to Related Party	50,000	2,469	2,469
TOTAL CURRENT LIABILITIES	<u>\$ 52,686</u>	<u>\$ 16,365</u>	<u>\$ 27,930</u>
EQUITY			
Partners' Capital	58,229	170,870	182,133
TOTAL EQUITY	<u>\$ 58,229</u>	<u>\$ 170,870</u>	<u>\$ 182,133</u>
TOTAL LIABILITIES AND PARTNERS' CAPITAL	<u>\$ 110,915</u>	<u>\$ 187,235</u>	<u>\$ 210,063</u>

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

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
REVENUE			
Franchise Fees	\$ 335,123	\$ 293,403	\$ 275,413
Marketing Income	-	85,294	72,697
TOTAL REVENUE	<u>\$ 335,123</u>	<u>\$ 378,697</u>	<u>\$ 348,110</u>
EXPENSE			
Advertising	24,016	160,817	138,864
Amortization	640	640	640
Bank Fees	1,240	1,045	898
Computer Expense	941	4,777	2,101
Contributions	141	-	2,828
Depreciation	1,018	1,018	1,018
Dues and Subscriptions	180	210	-
Referral Fees	3,748	10,000	-
Conference Expense	5,500	-	-
Interest Expense	665	524	360
Meals and Entertainment	4,870	7,281	6,128
Office Supplies	3,541	4,674	2,022
Postage	103	235	395
Professional Fees	19,374	17,777	15,348
Printing	11,190	12,631	23,453
Miscellaneous	4,488	-	-
Telephone	31,222	24,661	20,490
Office Expense	-	3,670	900
TOTAL EXPENSES	<u>\$ 112,877</u>	<u>\$ 249,960</u>	<u>\$ 215,445</u>
NET INCOME	<u>\$ 222,246</u>	<u>\$ 128,737</u>	<u>\$ 132,665</u>

Changes in Partners' Capital

Partners' Capital, Beginning	\$ 170,870	\$ 182,133	\$ 74,468
Net Income from Operations	222,246	128,737	132,665
Distributions	(334,887)	(140,000)	(25,000)
Partners' Capital, Ending	<u>\$ 58,229</u>	<u>\$ 170,870</u>	<u>\$ 182,133</u>

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

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
STATEMENTS OF CASH FLOWS
AS OF DECEMBER 31, 2024, 2023 and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
OPERATING ACTIVITIES			
Net Income	\$ 222,246	\$ 128,737	\$ 132,665
Adjustments to reconcile net loss from operations to net cash provided by (used for) Operating Activities:			
Amortization and Depreciation	1,658	1,658	1,658
Change in Current Assets	593	-	(593)
Change in Current Liabilities	(11,210)	(11,565)	(1,070)
Net Cash Provided by Operating Activities	<u>213,287</u>	<u>118,830</u>	<u>132,660</u>
INVESTING ACTIVITIES			
Fixed Asset Purchases	(1,880)	-	(5,090)
Net Cash Used for Investing Activities	<u>(1,880)</u>	<u>-</u>	<u>(5,090)</u>
FINANCING ACTIVITIES			
Members' Distributions	(334,887)	(140,000)	(25,000)
Proceeds from Shareholder Loans	47,531	-	-
Net Cash Used for Financing Activities	<u>(287,356)</u>	<u>(140,000)</u>	<u>(25,000)</u>
Net Change in Cash	(75,949)	(21,170)	102,570
Cash, Beginning of Year	175,332	196,502	93,932
Cash, Ending of Year	<u>\$ 99,383</u>	<u>\$ 175,332</u>	<u>\$ 196,502</u>

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

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDING DECEMBER 31, 2024, 2023 and 2022

Note 1 – Nature of Business

Preserve Services Franchise System, LLC is a Franchisor that is a residential multi-service construction company focusing on painting, roofing, decks, and exterior carpentry work.

As of December 31, 2024, the location, number of stores sold, and number of open stores are as follows:

Location	Franchises Sold	Franchises Open
Massachusetts	6	6
New Hampshire	1	1
North Carolina	1	1
Total	8	8

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements for Preserve Services Franchise System, LLC were prepared using the accrual basis of accounting. Under this method income is recorded when earned and expenses are recorded when incurred.

Reporting Period

For tax and reporting purposes, Preserve Services Franchise System, LLC operates on a calendar year consisting of a full twelve months beginning with January 1 and ending December 31.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Intangible Assets

The Company's intangible assets consist of website development cost and startup cost. The Company's intangible assets are amortized using the straight-line method over a 15 year period and are evaluated for impairment annually. For the year ending December 31, 2024, no impairment existed.

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDING DECEMBER 31, 2024, 2023 and 2022

Intangible Assets (continued)

At December 31, 2023, intangible assets consisted of the following:

<u>Original Cost</u>	<u>Accumulated Amortization</u>	<u>Book Value</u>
\$9,600	\$4,286	\$5,314

Amortization expense for the year ending December 31, 2024 was \$640.

Property and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is computed using the straight-line method based on estimated useful lives. Significant additions or improvements extending lives are capitalized; normal maintenance and repair cost are charged to operations as incurred. At December 31, 2023 property and equipment consisted of the following:

<u>Original Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
\$24,987	\$18,769	\$6,218

Depreciation expense for the year ending December 31, 2024 was \$1,018.

Note 3 – Revenue Recognition

The Company adopted ASU 2014-09 Revenue from Contracts with Customers and all subsequent amendments to the ASU (collectively, "ASU 606") which creates a single framework for recognizing revenue from contracts with customers that fall within its scope. In adopting ASC 606 the full retrospective method was used to determine revenue under the current standard. Completion of the implementation analysis resulted in no adjustment to the beginning retained earnings balance.

Initial franchise fees are used to secure the franchisees designated territory and cover the necessary training and orientation. Franchise sales are only recognized when the Company satisfies all its performance obligations to its franchisees. Accordingly, for the year ending December 31, 2024 and for the periods prior to adoption of ASC 606, the company had no unearned income to report.

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDING DECEMBER 31, 2024, 2023 and 2022

Note 4 –Related Party Transactions

The amount reported is a loan payable to the company's member to fund ongoing business operations. No interest is being charged and amounts are scheduled to be repaid as funds become available.

Note 5 - Provision for Income Tax

The company has elected to be taxed as a partnership. Under this provision, all taxable income is passed through to its partners who are liable for paying income tax on the related income. Thus, no income tax provisions have been made at the company level.

Note 6 – Subsequent

The company has evaluated subsequent events through the date which the financial statements were available to be issued. The Company did not have any subsequent events that would require adjustment to, or disclosure in, the financial statements.

EXHIBIT C TO THE DISCLOSURE DOCUMENT
STATE SPECIFIC ADDENDA

ADDENDUM TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisee's rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act, 815 ILCS 705/19, 705/20 (West 2016).

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Item 5 is hereby amended as follows: Payment of the Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. The financial assurance requirement was imposed by the Office of the Attorney General due to Franchisor's financial condition.

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

ADDENDUM TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

1. The following Legends are added to the PRESERVE SERVICES_Franchise Disclosure Document Cover Page for use in the State of Minnesota:

THIS FRANCHISE HAS BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND TO THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE, SECURITIES DIVISION, 85 7TH PLACE EAST, SUITE 500, ST. PAUL, MINNESOTA 55101, WHICH ADMINISTERS AND ENFORCES THE MINNESOTA FRANCHISE ACT.

MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT XCORP FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR FRANCHISE AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION. FURTHERMORE, MINN RULE 2860.4400J PROHIBITS A FRANCHISEE FROM WAIVING HIS OR HER RIGHTS TO A JURY TRIAL OR TO WAIVE RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION, OR TO CONSENT TO LIQUIDATED DAMAGES, TERMINATION PENALTIES, OR JUDGEMENT NOTES.

2. The following paragraph is added to Item 13:

Franchisee will have right to use the Franchisor's trademarks, service marks, trade names, logotypes or other commercial symbols (collectively the "Marks"). The Minnesota Department of Commerce requires that PRESERVE SERVICES FRANCHISE SYSTEMS, LLC indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of PRESERVE SERVICES FRANCHISE SYSTEMS, LLC Marks infringes marks of the third party. PRESERVE SERVICES FRANCHISE SYSTEMS, LLC does not indemnify against consequences of franchisee's use of the Marks except in accordance with the requirements of the franchise.

3. The following statement is added at the end of Item 17(c):

Any release signed as a condition of renewal will not apply to any claims you may have under the Minnesota Franchise Act.

4. The following statement is added at the end of Item 17(m):

Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act.

5. The Summary in Item 17(v) is deleted, and the following Summary is inserted in its place:

A Franchisee may file an action in Minnesota for claims arising under Minn. Stat. Sec. 80C.17, subd. 5. Any claims arising under Minn. Stat. Sec. 80C.17, subd. 5 must be brought within three years after the cause of action accrues.

6. The following statement is added at the end of Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, subsd. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the applicable franchise agreement and that consent to transfer of the franchise will not be unreasonably withheld.

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

ADDENDUM TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled **“Termination by franchisee”**: You may terminate the agreement on any grounds available by law.

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

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

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

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 *et seq.*), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

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

ADDENDUM TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF RHODE ISLAND

The Rhode Island Securities Division requires the following specific disclosures to be made to prospective Rhode Island franchisees:

Item 17, “Renewal, Termination, Transfer and Dispute Resolution” shall be amended by adding the following disclosure:

In spite of the provisions of Item 17v and Item 17w of the Disclosure Document, except for Federal Arbitration Act and other federal law, any litigation or arbitration arising under the Franchise Agreement will take place in Rhode Island or other place mutually agreed to by the franchisee and franchisor to the extent required by Section 19-28.1-14 of the Rhode Island Franchise Investment Act which provides that “A provision in a franchise agreement or an area development agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim enforceable under this Act.”

ADDENDUM TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Preserve Services Franchise Systems, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Item 17 of the Disclosure Document under the subheading “Cause defined-non- curable defaults” in the summary column of part (h) is modified by adding the following:

“Under Section 13.1.564 of the Virginia Franchising Act, it is unlawful for a franchisor to cancel a franchise agreement without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause” as that term may be defined in the Virginia Retail Franchising Act or laws of Virginia, that provision may not be enforceable.”

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

EXHIBIT D TO THE DISCLOSURE DOCUMENT

**PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT**

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

TABLE OF CONTENTS

	PAGE
1. INCORPORATION OF RECITALS	6
2. GRANT OF FRANCHISE	6
3. GRANT OF LICENSED RIGHTS	7
4. TERRITORY	7
5. TERM	9
6. RENEWAL	9
7. FRANCHISEE’S PAYMENTS	10
8. BUSINESS RELATIONSHIP	13
9. SERVICES TO BE PERFORMED BY FRANCHISOR	14
10. LIMITATIONS ON RIGHTS EXTENDED TO FRANCHISEE	18
11. VARIATIONS IN STANDARDS	21
12. KEY EMPLOYEES	21
13. FRANCHISOR TRAINING PROGRAM	22
14. NOTICES AND APPROVAL OF OPENING	24
15. EQUIPMENT, COMPUTERS, SIGNS AND VEHICLE	24
16. RELOCATION	25
17. OPERATION OF THE FRANCHISED BUSINESS	25
18. PROPRIETARY INFORMATION	28
19. MARKS	29
20. MODIFICATION OF THE SYSTEM	30
21. ADVERTISING AND PROMOTIONS	31

22. FINANCIAL INFORMATION, AUDITS	33
23. INDEMNIFICATION; INSURANCE	34
24. BUSINESS ORGANIZATION AND PERSONAL GUARANTY(S)	36
25. COVENANTS OF NON-SOLICITATION, NON-DISCLOSURE AND NON-COMPETITION	37
26. CONFIDENTIALITY	40
27. NON-DISCLOSURE AND NON-COMPETITION AGREEMENTS	41
28. ASSIGNMENT; CONDITIONS AND LIMITATIONS	41
29. DEATH, DISABILITY OR PERMANENT INCAPACITY OF FRANCHISEE	44
30. OPERATION OF FRANCHISED BUSINESS IN THE EVENT OF ABSENCE, INCAPACITY OR DEATH	45
31. FRANCHISOR RIGHT OF FIRST REFUSAL	45
32. TERMINATION	46
33. STEP IN RIGHTS	50
34. CROSS-DEFAULT	50
35. OBLIGATIONS OF FRANCHISEE UPON TERMINATION OR EXPIRATION	51
36. NOTICES	53
37. DISPUTE RESOLUTION	53
38. REMEDIES	55
39. REMEDIES CUMULATIVE	56
40. LIMITATIONS OF CLAIMS	56
41. INJUNCTIVE RELIEF	57
42. DAMAGES AND WAIVER OF JURY TRIAL	57
43. ENFORCEMENT COSTS AND EXPENSES	57
44. NO RIGHT TO SET OFF	58

45. WAIVER	58
46. CONSENTS	58
47. JOINT AND SEVERAL OBLIGATION	58
48. GOVERNING LAW; CONSENT TO VENUE AND JURISDICTION	58
49. ENTIRE AGREEMENT; MODIFICATION	59
50. SEVERABILITY	59
51. CONSTRUCTION	60
52. HEADINGS	60
53. GENDER	60
54. COUNTERPARTS	60
55. SPECIAL REPRESENTATIONS	60
56. EFFECTIVE DATE	61
SIGNATURES	
LIST OF ADDENDA	
A	Franchisee's Designated Territory
B	Notice of Key Employees
C	Guaranty Agreement
D	Principal Owner's Statement
E	Acknowledgement Clause
F	Electronic Funds Transfer Agreement
G	End User License Agreement
H	Digital Media Listing Agreement
I	Promissory Note and Security Agreement

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is made at Salem, Massachusetts, this _____ day of _____, 20____, by and between Preserve Services Franchise Systems, LLC, a Massachusetts limited liability company with its principal place of business at 203 Washington Street, #256, Salem, Massachusetts 01970, (hereinafter referred to as “We,” “Us,” “Our” or “Franchisor”), and _____ a/an _____ company with its principal address at _____, (hereinafter referred to as “You,” “Your,” or “Franchisee”) and, if Franchisee is a partnership, corporation, trust, or limited liability company, including each of its partners, shareholders, trustees, or members.

RECITALS

1. We and Our affiliates and/or predecessors have developed a system for establishing, operating and marketing a multi-trade construction management company which provides residential painting, roofing, and maintenance exterior carpentry; limited exterior commercial painting; interior painting, power washing, and the installation and replacement of windows, doors, decks and siding to residents of the community under the trade name and/or trademark “PRESERVE SERVICES” and are currently marketing and selling franchises under that name and/or mark;
2. Through the expenditure of time, effort and money, We have acquired unique experience, special skills, techniques and knowledge, marks, concepts, and proprietary information and have created and developed a unique business system for operating a multi-trade construction management company which provides residential painting, roofing, and maintenance exterior carpentry; limited exterior commercial painting; and certain optional services which include interior painting, power washing, and the installation and replacement of windows, doors, decks and siding (“Franchisor’s System” or “System”), which System includes standards, specifications, methods, procedures, techniques, know-how, management directives, identification schemes, and proprietary marks and information in connection with the operation of the PRESERVE SERVICES business (“System Standards”), which System Standards may be further developed by Us;
3. Our System is used in connection with the name PRESERVE SERVICES, PRESERVE SERVICES design trademark, other trademarks, service marks, trade names and trade symbols, trade dress, signs, slogans, logos, designs, emblems, URLs, domain names, website addresses, email addresses, digital cellular addresses, wireless web addresses and the like (“e-marks”) and copyrights (hereinafter referred to collectively as “Marks”), as We have adopted and designated, or may subsequent to the date of this Franchise Agreement acquire and/or develop and designate for use by You in connection with Our System (“Licensed Rights”);

4. We are the owner of the Licensed Rights, together with all the goodwill connected to and/or with such rights;
5. All of the enumerated Licensed Rights are recognized by the public as distinctive and valuable, and You recognize the potential benefits to be derived from being associated with and licensed by Us and from utilizing Our Licensed Rights as We make available to Our franchisees through and under franchise agreements;
6. By establishing and maintaining uniformity and high standards of quality and service, We have developed an excellent reputation and significant goodwill with the public with respect to the products and services available through PRESERVE SERVICES businesses, which will continue to be a major benefit to Us and those associated with Us;
7. You desire to use Our System, Marks and goodwill to establish and operate a PRESERVE SERVICES franchised business in the territory described, and upon the terms and conditions set forth in, this Franchise Agreement;
8. The terms and conditions of this Agreement are reasonably necessary to maintain Our uniform standards of quality and service and to protect the goodwill of Our Licensed Rights;
9. You acknowledge and agree that, in the administration of this Agreement and in taking actions with respect to Our relationship with You, We must take into account the needs of the System, and the effect upon the System as a whole, and the need to protect the Marks for the benefit of the System; and,
10. The territory described in Addendum A to this Agreement is being made available by Us as a territory for a PRESERVE SERVICES franchised business ("Territory" or "Designated Territory").

In consideration of the respective representations, warranties, covenants and agreements contained in this Agreement, the parties agree as follows:

1. The Recitals are incorporated herein by reference.

2. GRANT OF FRANCHISE

On the terms and conditions of this Agreement, We hereby grant to You the right to establish and operate a PRESERVE SERVICES franchise (the "Franchise" or "Franchised Business") and to use the Licensed Rights associated with the Franchised Business and developed by Us. The Franchised Business shall operate a multi-trade construction management company which provides primarily residential services ("Residential Services") to residential properties including painting, roofing, and maintenance exterior carpentry, and certain commercial services

("Commercial Services") to commercial properties, limited to exterior painting; and certain approved optional services which include interior painting, power washing, and the installation and replacement of windows, doors, decks and siding. Residential Services are defined as services provided on residential structures up to three (3) stories and a maximum of six (6) residential units. Commercial Services shall be limited to services provided to structures three (3) stories or less.

The Franchise is granted for the area set out in the attached Addendum A to this Agreement, entitled Franchisee's Designated Territory. The Franchised Business described in this Section will service an area more particularly described in Section 4 of this Agreement.

3. GRANT OF LICENSED RIGHTS

(a) Subject to the terms and conditions of this Agreement, We grant to You the right to use Our Licensed Rights in the establishment and operation of the Franchised Business. You acknowledge Our sole and exclusive right to use PRESERVE SERVICES Marks in connection with the products and services to which they are or may be applied by Us, and represent, warrant and agree that, neither during the term of this Agreement nor after its expiration or other termination, shall You directly or indirectly contest, or aid in contesting, the validity or ownership of the Licensed Rights, or take any action whatsoever in derogation of the rights claimed by Us in this Agreement.

(b) Nothing contained in this Agreement shall be construed to vest in You any right, title or interest in or to the Licensed Rights, the goodwill now or hereafter associated with such rights, other than the rights and license expressly granted to You in this Agreement. Any and all goodwill associated with or identified by the Licensed Rights shall inure directly and exclusively to Our benefit and is Our property.

(c) No advertising or other use of PRESERVE SERVICES Marks by You shall contain any statement or material which, in Our sole judgment, We consider to be in bad taste or inconsistent with PRESERVE SERVICES' public image, or tend to bring disparagement, ridicule or scorn upon Us or Our affiliates or successors or the PRESERVE SERVICES Marks, or diminish Our associated goodwill. You shall not make any use of PRESERVE SERVICES Marks or any advertising material that We have disapproved for any of the reasons set forth in this Section.

(d) You shall adopt and use PRESERVE SERVICES Licensed Rights only in the manner expressly approved by Us.

4. TERRITORY

(a) You shall have the right to operate a PRESERVE SERVICES Franchised Business, and to use Our Licensed Rights in a Territory that contains a minimum population of residential single family households as set out in Addendum A to this Agreement, which meet income, home ownership, and other criteria which We may determine from time to time. The households in Your Territory will be determined by a review of any combination of records of any local or state agency

or commission charged with tracking population count in Your Designated Territory.

(b) You shall have the right to operate the business office for the Franchised Business from any location, including Your residence, as long as You are in compliance with local zoning ordinances and You live in close proximity to the Territory, which We define as a twenty five (25) mile drive distance from Your residence to the border of Your Territory. You must maintain a business address for Your Franchised Business within Your Territory, and this is the exclusive address which You will use for marketing, promoting and listing Your Franchised Business.

(c) In the event a sales lead or work opportunity is generated by You, Us or another franchisee for work within Your Territory for which You either choose not to perform or You may not perform due to licensing restrictions, in accordance with Our territorial policy contained within Our Operations Manual, that opportunity will be offered by Us to other PRESERVE SERVICE franchisees or affiliates without compensation to You. We will not grant to others (nor reserve unto ourselves except as specified in this Agreement) the right to operate a PRESERVE SERVICES business within Your Designated Territory.

(d) You may not advertise or market PRESERVE SERVICES Residential Services outside of Your Designated Territory. You may not advertise or market PRESERVE SERVICES Commercial Services inside or outside of Your Designated Territory. There are no territorial restrictions from accepting business from customers that reside or are otherwise based inside of Your Designated Territory, as long as the services provided are within the defined scope of services offered by PRESERVE SERVICES and You are properly licensed to do so. You agree that You will not accept business nor perform services outside of Your Designated Territory without Our prior written approval. You may accept referrals or leads generated by Our marketing activities for permitted Residential and Commercial Services outside of Your Designated Territory as long as the referral is not located in a territory owned by another franchisee. If You are servicing a customer outside of Your Designated Territory and We grant a franchise to another franchisee with a territory ("Sold Territory") that includes the referred customer, You must provide to Us, immediately upon Your receipt of Our written request, a list of all customer for whom You have (i) provided a written estimate; (ii) contracted with to provide service; and (iii) performed and completed contracted services within the Sold Territory. You will be permitted to retain those customers and potential customers but You must cease all future active marketing and selling of services in the Sold Territory. You may only perform up to two (2) new referral projects generated through passive marketing per year in a territory owned by another franchisee. You must inform that franchisee of that designated territory in writing prior to contracting the work. You may not market Your business in that designated territory owned by another franchisee when performing the referral work. The owner of the Designated Territory has exclusive rights to market and advertise including placing a lawn sign at the referral project.

(e) As long as You are in compliance with all terms and conditions of this Agreement, We may not otherwise alter Your Designated Territory, as it is defined in this Agreement, and as it is more specifically identified in Addendum A to this Agreement. You are granted no automatic rights to acquire additional franchises within Your Designated Territory, or within any contiguous

territories.

(f) You acknowledge that the franchise granted under this Agreement is nonexclusive, that You have no territorial protection, and that We and all of Our affiliates retain the right to: (a) establish or license franchises and/or company-owned businesses or other businesses offering similar or identical products or services, using the System or elements of the System (i) under the Marks anywhere outside of the Territory or (ii) under names, symbols, or marks other than the Marks anywhere, including inside and outside of the Territory; (b) sell or offer, or license others to sell or offer, any products using the Marks or other marks through any alternative distribution channels, including, without limitation, through e-commerce, in retail stores, via recorded media, via online videos, or via broadcast media, anywhere, including inside and outside of the Territory; (c) advertise, or authorize others to advertise, using the Marks anywhere, including inside and outside of the Territory; and (d) acquire, be acquired by, or merge with other companies with existing construction related businesses anywhere (including inside or outside of the Territory) and, even if such businesses are located in the Territory, (i) convert the other businesses to the PRESERVE SERVICES name, (ii) permit the other businesses to continue to operate under another name, and/or (iii) permit the businesses to operate under another name and convert existing businesses to such other name. We will not compensate You for any of Our activities in Your Territory, even if they have an impact on Your business.

5. TERM

The term of this Agreement shall commence on the date first set forth above and shall continue for a term expiring upon the date ten (10) years following, unless earlier terminated pursuant to the terms of Section 32 of this Agreement.

6. RENEWAL

You may renew the franchise to own and operate the Franchised Business and the right to use the Licensed Rights for two (2) additional successive ten (10) year terms; provided that, prior to the expiration of the applicable initial or renewal term:

- (a) You provide Us written notice of Your election to exercise the renewal option not less than six (6) months, nor more than twelve (12) months, prior to the end of the then-current term;
- (b) When such notice is given, and thereafter up to and including the date of renewal, You are not in default of any provision of this Agreement, or any other agreement between You and Us or any of Our subsidiaries or affiliates, including any other franchise agreements, and have substantially complied with the terms and conditions of all such agreements during the term of this Agreement;
- (c) You have not received three (3) or more notices of default from Us during the then-current term of this Agreement;

(d) All monetary obligations owed by You to Us and any of Our subsidiaries and affiliates have been satisfied and paid when due throughout the initial and all prior renewal terms of this Agreement;

(e) You execute Our then-current standard form of franchise agreement (with appropriate modifications to reflect that such agreement relates to the grant of a renewal franchise) being executed by franchisees for new PRESERVE SERVICES franchised businesses, which agreement shall supersede in all respects this Agreement and which may contain terms and conditions substantially different from those set forth in this Agreement, including, without limitation, a different Royalty Fee, different Marketing Fund Fee, different advertising expenditure requirements, and a smaller Designated Territory;

(f) You, except to the extent prohibited by state law, execute a general release, in a form prescribed by Us, of any and all claims You may have against Us and Our subsidiaries and affiliates, and their respective officers, directors, shareholders, members, managers, agents and employees;

(g) You, or a representative approved by Us or any other person who has an interest in You (if You are a group of individuals or a corporation, partnership, limited liability company, unincorporated association or similar entity) attend and satisfactorily complete such retraining or refresher training programs as We in Our sole discretion may require; and,

(h) You perform such replacements and upgrading as We may require to cause the Franchised Business' equipment, vehicles and computer system to conform to the specifications being used for new PRESERVE SERVICES franchised businesses on the renewal date.

(i) You reimburse Us for any legal fees We incur in processing Your renewal.

If You continue to operate after the end of the Term or any Renewal Term without exercising an option to renew and signing Our then-current franchise agreement, You shall be deemed to be operating on a month-to-month basis under the terms and conditions of Our then-current form of franchise agreement. In such circumstances, and notwithstanding the foregoing, We may, on ten (10) days written notice, terminate Your Franchise Agreement.

7. FRANCHISEE'S PAYMENTS

(a) In consideration of the franchise granted herein, You shall pay to Us upon execution of this Agreement, an initial franchise fee ("Initial Franchise Fee") in accordance with the following schedule: (Initial the provision that applies and strike the provisions that do not apply.)

The Initial Franchise Fee for a standard Territory of up to forty thousand (40,000) qualified households is Fifty Nine Thousand Dollars (\$59,000.00) _____ (a standard territory);

The Initial Franchise Fee for a Territory of up to thirty thousand (30,000) qualified households is

Fifty Thousand Dollars (\$50,000.00) _____; or

The Initial Franchise Fee for a Territory of up to twenty thousand (20,000) qualified households is Forty-Five Thousand Dollars (\$45,000.00) _____;

You understand and acknowledge that the Initial Franchise Fee is non-refundable and is fully earned by Us at the time the parties execute this Agreement.

(b) You shall also pay to Us Four Thousand Six Hundred Dollars (\$4,600.00) for Your Initial Package Fee; Your Initial Package contains a laptop computer, smartphone, software and branded materials. This fee shall be due and payable in full upon the execution of this Agreement. You understand and acknowledge that the Initial Package Fee is non-refundable and fully earned by Us at the time the parties execute this Agreement.

(c) You shall also pay to Us a weekly fee in an amount equal to five percent (5%) of the Gross Sales (as defined in Section 7(i) below) of the Franchised Business (“Royalty Fee”). Royalty Fees shall be payable from the date the Franchised Business is opened and are due to Us on or before the day of the week We designate in the Confidential Operations Manual (“Operations Manual”) for the prior week's Gross Sales. We may change the frequency of payment and reporting, and if We do so, the Royalty Fee will be adjusted accordingly.

(d) You shall also pay to Us a weekly fee in an amount equal to two percent (2%) of the Gross Sales of the Franchised Business (“Marketing Fund Fee”). Marketing Fund Fees shall be payable from the date the Franchised Business is opened and are due to Us on or before the day of the week as We may designate in the Confidential Operations Manual, for the prior week's Gross Sales.

(e) You shall also pay to Us a weekly fee in an amount equal to one percent (1%) of the Gross Sales of the Franchised Business (“Technology Fee”). Technology Fees shall be payable from the date the Franchised Business is opened and are due to Us on or before the day of the week as We may designate in the Confidential Operations Manual, for the prior week's Gross Sales. This Fee covers smartphone service plans, and technology software licensing fees. If We establish an inbound telemarketing program, We reserve the right to increase this Fee to one and one half percent (1.5%).

(f) You are solely responsible for all of Your warranty obligations during the term of this Agreement and for any warranty period remaining after termination or expiration thereof. You must pay into an individual warranty escrow fund (“Warranty Fund”) controlled and managed jointly by You and Us. The sole purpose of the Warranty Fund is to be a financial resource to assist You in underwriting the cost of performing warranty work as specified in the Operations Manual. You shall pay into the Warranty Fund weekly an amount equal to one half of one percent (.005%) of the Gross Sales of the Franchised Business until You reach a maximum of two and one-half percent (2.5%) of Your highest grossing calendar year's sales for the previous four (4) calendar years, which will establish Your base level. Warranty Fund contributions shall be payable from the date the Franchised Business is opened and are due to Us on or before the day of the week

as We may designate in the Confidential Operations Manual, for the prior week's Gross Sales.

(g) In addition to any other remedies We may have, if You are late in paying any fees due under this Agreement, interest shall be payable on such fees from the date such payment was due at the rate of eighteen percent (18%) per year or the maximum contract rate of interest permitted by governing law, whichever is less. In addition, You shall pay any and all of Our expenses in collecting overdue payments from You, including attorneys' fees and the fees of any collection agencies hired by Us. The foregoing shall be in addition to any other remedy We may possess, as permitted by law. You acknowledge that this Subsection shall not constitute agreement by Us to accept such payments after they are due, or a commitment by Us to extend credit to, or otherwise finance Your operation of the Franchised Business. Any acceptance of an amount which is less than the full amount due shall not be considered a waiver of Our right to (or Your obligation for) the full amount then due, or which may become due in the future.

(h) In addition to any other remedies We may have, We will assess a Late Fee of Fifty Dollars (\$50.00) for each week (or a portion thereof) that any payment is delinquent or report or item is not timely received by Us. These Late Fees are intended to reimburse Us for Our expenses and to compensate Us for Our inconvenience and do not constitute interest.

(i) As used in this Agreement, the term "Gross Sales" shall mean and include the total of all revenue and income which You are entitled to receive from the provision of services and products to customers of the Franchised Business or any other source, whether or not sold or performed at or from the Franchised Business and whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received), or otherwise. You will deduct from the Franchised Business' Gross Sales (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged and as long as such taxes are promptly paid to the appropriate taxing authority. You will also be permitted to deduct up to five percent (5%) of Your Gross Sales on any documented refunds, charge backs, credits and allowances You give in good faith to customers. You will also be permitted to deduct, with Our prior written approval, up to two and one half percent (2.5%) of Your Gross Sales on any documented allowances You give in good faith to Family Members for providing any PRESERVE SERVICES products or services. Family Members are defined as You, Your owners, and owners' spouses, siblings, children, grandchildren, and parents. All barter and/or exchange transactions pursuant to which the Franchised Business furnishes services and/or products in exchange for goods or services to be provided to You or the Franchised Business by a vendor, supplier or customer shall, for the purpose of determining Gross Sales, be valued at the full value of the goods and/or services so provided to You or the Franchised Business. Gross Sales shall also include all insurance proceeds received by You for loss of business due to a casualty to or similar event affecting the operation of the Franchised Business.

(j) You are required to submit reports, prepared by You, in a form and frequency to be prescribed by Us. Such reports shall reflect any information that We may deem reasonably necessary to evaluate the performance and operation of Your Franchised Business. Pursuant to

Section 22 of this Agreement, You are also required to provide Us with annual reports of Gross Sales from each Franchised Business' operation within thirty (30) days of the end of Your fiscal or other operating year. We reserve the right to require other additional reports, as are or may be more particularly set forth in Our Operations Manual.

(k) You must reimburse Us for any taxes that We must pay to any state taxing authority on account of either Your operation of the Franchised Business or payments that You make to Us.

(l) Notwithstanding any designation by You, We shall have the sole discretion to apply any payments by You to any past due amount You owe Us for Royalty Fees, Marketing Fund Fees, Technology Fees, purchases from Us and/or any of Our subsidiaries or affiliates, interest or any other indebtedness.

(m) You shall not withhold payment of any Royalty Fees, Marketing Fund Fees, Technology Fees, or any other amounts of money owed to Us for any reason on grounds of alleged nonperformance by Us of any obligation under this Agreement, and any Royalty Fees, Marketing Fund Fees, Technology Fees, or any other amounts of money owed to Us that are withheld shall be deemed by Us to be unpaid.

(n) You authorize Us and Our affiliates to initiate debit entries and credit correction entries to Your checking, savings or other accounts for the payment of Royalty Fees, Marketing Fund Fees, Technology Fees and any other amounts due from You under this Agreement or otherwise. You must complete and sign the Electronic Funds Transfer Agreement attached to this Agreement as Addendum F. You shall comply with Our procedures and instructions in connection with the direct debit process, and shall sign all documents or take any action that may be required to effect this authorization. We may require You to pay the Royalty Fees, Marketing Fund Fees, Technology Fees and other amounts due under this Agreement or otherwise by means other than automatic debit whenever We deem it appropriate and You agree to comply with Our payment instructions.

(o) You shall, during the term of this Agreement and thereafter, promptly pay all sums owing to Us and Our affiliates.

8. BUSINESS RELATIONSHIP

(a) We and You agree and acknowledge that each of us is an independent business entity or person; that Our only relationship is as franchisor and franchisee as specified in this Agreement; that this Agreement does not create a fiduciary relationship between the parties. Neither of us is the employer, employee, agent, partner, fiduciary or co-venturer of or with the other, each being independent of the other. Neither party is liable or responsible for the other's debts or obligations and neither party shall be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business. We and You agree that neither of us will hold ourselves out to be the agent, employer, partner or co-venturer of the other, and that neither of us has the authority to create or assume in the other's name or on their behalf, any obligation, express or implied, or to act or purport to act as agent or representative for any purpose whatsoever

and cannot bind or incur liability on behalf of the other.

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

All employees or agents hired or engaged by or working for You will be only Your employees or agents and will not for any purpose be considered Our employees or agents or the owner of the Marks, nor subject to Our control, and in particular, We will have no authority to exercise control over the hiring or termination of employees, independent contractors, or others who work for You, their compensation, working hours or conditions, or the day-to-day activities of those people, except to the extent necessary to protect the Marks. It is understood that You will have sole responsibility for Your employees and all acts of Your employees, and all employment-related decisions involving wages, benefits, hours of work, scheduling, hiring, firing, discipline, supervision, record keeping, taxes and other withholdings, social security contributions, Medicare contributions, unemployment fund contributions and all other terms and conditions of employment.

You must disclose to each of Your employees in writing, in a form approved by Us in advance, that You are the sole employer with total control over the terms and conditions of Your employee's employment and that We are not a "joint employer" of the Franchisee's employees. You acknowledge that We do not control Your employees' 1) Wages, benefits, and other compensation; (2) Hours of work and scheduling; (3) The assignment of duties to be performed; (4) The supervision of the performance of duties; (5) Work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) The tenure of employment, including hiring and discharge; and (7) Working conditions related to the safety and health. You will file Your own tax, regulatory and payroll reports with respect to Your employees or agents and operations, saving and indemnifying Us of and from any liability of any nature whatsoever by virtue of it.

9. SERVICES TO BE PERFORMED BY FRANCHISOR

We agree to make available to You the following:

(a) General specifications for such equipment and operating supplies as are typically identified with PRESERVE SERVICES franchised businesses and which You are required to purchase and

use in the operation of Your PRESERVE SERVICES Franchised Business;

(b) Provide You with one (1) smartphone service plan that includes unlimited talk, text and data (current maximum tethered data for each phone plan is ten (10) Gigabytes), and one (1) assigned telephone number with unlimited domestic service and voicemail. We are the only approved supplier of Your local telephone number, smartphone number(s) and telephone service plans;

(c) Initial training in Our System, including instruction with respect to PRESERVE SERVICES' standards, methods, procedures and techniques, for each person identified in this Agreement, at such time and places as We may in Our discretion designate for Our training program. As of the date of this Agreement, the training program is conducted virtually online and at Our training facility;

(d) Provided at least thirty (30) days advance notice is given by You, such assistance as We deem necessary and appropriate in assisting You with the opening of Your Franchised Business, including assistance by Our personnel in the planning and developing of pre-opening and promotional programs as well as three (3) days of on-site assistance during Your initial period of operation;

(e) The use of Our Operations Manual and any other manuals and training aids, as periodically revised, which shall be loaned to You and remain Our property. You acknowledge and agree that Our Operations Manual and other system communications will be in the English language only and may only be available on the Internet or other online or computer communications. The Operations Manual may take the form of one or more of the following: one or more loose-leaf or bound volumes; bulletins; notices; letters, videos; CD's; DVD's and/or other electronic media; online postings; e-mail and /or electronic communications; or any other medium capable of conveying the Manual's contents. If You require a replacement copy of the Operations Manual, We will charge You a Replacement Manual Fee of One Hundred Dollars (\$100.00) for each Manual to be replaced. The Replacement Manual Fee will be due upon Our receipt of Your request. The Operations Manual contains mandatory and suggested specifications, policies, methods, standards, operating procedures and requirements prescribed from time to time by Us and information relative to other obligations of a franchisee, and to the operation of a Franchised Business. Any required standards exist to protect Our interests in Our System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to You. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided You meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect Our interests in the System and Marks, We reserve the right to determine if You are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines. The Operations Manual will remain confidential and the property of Us, constitutes a Trade Secret owned by Us, and may not be loaned to any person, or duplicated or copied in whole or in part in any manner. We have the right to add

to and otherwise modify the Operations Manual from time to time, as We deem necessary, provided that no such addition or modification will alter Your fundamental status, rights and obligations under this Agreement. You shall always follow the directives of the Operations Manual, as it may be modified by Us from time to time. You acknowledge that such compliance by You is necessary to protect the integrity and reputation of Our System. Any training videos and aids made by Us will be made available to You for a fee equal to Our cost;

(f) Such periodic continuing individual or group advice, consultation and assistance, rendered by personal visit, telephone, electronic transmission, newsletter, brochures, reports or bulletins as We may deem necessary or appropriate. Such advice, consultation and assistance may include such topics as marketing and advertising, management, maximizing sales and profits, sub-contractor management, customer service, employee training, vendor relations, operating problems and such other reasonable subjects as may be of interest to You, or in which You may be experiencing problems;

(g) New products, services, equipment or technologies, as they are located or developed in the marketplace, which may be tested and evaluated by Us, and, if they meet Our standards and specifications, are made available to all PRESERVE SERVICES franchisees, either through an approved supplier or by Us directly;

(h) Maintain the PRESERVE SERVICES Internet Website for the purpose of enhancing the goodwill and public image of the PRESERVE SERVICES franchise system, and to attract prospective customers for the benefit of the PRESERVE SERVICES franchisees. We will host a minimum of one (1) page on the PRESERVE SERVICES Internet Website with contact and other information specific to Your Franchised Business, and provide You with no less than one (1) e-mail address, which You must use as the Franchised Business' e-mail address. We reserve the right to update or make changes or additions to the PRESERVE SERVICES Internet Website without limitation. Unless otherwise indicated, the Website shall be accessible to third parties via the Internet twenty-four (24) hours a day, seven (7) days a week, except for scheduled maintenance, updates, changes, required repairs, and except for any loss or interruption of the PRESERVE SERVICES Internet Website due to causes beyond Our control or which are not reasonably foreseeable by the Us, including, but not limited to, interruption or failure of telecommunication or digital transmission links and Internet slow-downs or failures. In the event of any loss or interruption of the PRESERVE SERVICES Internet Website, Our sole and exclusive liability shall be only for loss or interruption due to (i) causes resulting from Our failure to maintain and/or repair the Website, (ii) other causes exclusively within Our control, or (iii) causes reasonably foreseeable by the Us, and which loss or interruption of the PRESERVE SERVICES Internet Website exceeds a continual period of twenty-four (24) hours; Your sole and exclusive remedy shall be a credit against future hosting/technology fees required by Us, if any, equal to a pro rata portion of said hosting/technology fees for the period of downtime

(i) We shall have no liability for unauthorized access to, or alteration, theft, or destruction of, the Website or Your data files, programs, or information, if any, through accident, fraudulent means or devices. We shall have no liability with respect to Our obligations under this Agreement

or otherwise for consequential, exemplary, special, incidental, or punitive damages even if We have been advised of the possibility of such damages;

(j) We may, at Our option, establish and maintain, either a series of “private” pages on Our Website or an intranet through either of which We, Our franchisees, and their respective authorized employees may communicate with each other, and through which We may disseminate the Manual, updates to it and other Confidential Information. We will have sole discretion and control over all aspects of the intranet/extranet, including the content and functionality of it. We will have no obligation to maintain the intranet indefinitely, and may dismantle it at any time without liability to You;

(k) If We establish an intranet, You will have the privilege to use the intranet, subject to Your strict compliance with the standards and specifications, protocols and restrictions (collectively, “Franchisor Protocols”) that We may establish from time to time. The Franchisor Protocols may relate to, among other things, (i) the use of abusive, slanderous or otherwise offensive language in electronic communications, (ii) communications between or among franchisees that endorse or encourage breach of any franchisee’s franchise or license agreement, (iii) confidential treatment of materials that We transmit via the intranet, (iv) password protocols and other security precautions, (v) grounds and procedures for Us suspending or revoking a franchisee’s access to the intranet, and (vi) a privacy policy governing Our access to and use of electronic communications that franchisees post to the intranet. You acknowledge that, as administrator of the intranet, We can technically access and view any communication that any person posts on the intranet. You further acknowledge that the intranet facility and all communications that are posted to it will become Our property, free of any claims of privacy or privilege that You or any other person or entity may assert;

(l) You will receive and must use exclusively certain proprietary computer software that is provided by Us for Your use in connection with the operation of the Franchised Business (the “PRESERVE SERVICES Software”). You are granted the right and license to use the PRESERVE SERVICES Software during the term of this Agreement only in connection with Your operation of the Franchised Business, on the terms and subject to the conditions set forth in the End User License Agreement, a representative sample of which is attached as Addendum G hereto. We reserve the right to periodically modify the terms and conditions of the End User License Agreement and the source of the computer software. Upon expiration or termination of this Agreement for any reason, You shall promptly cease using the PRESERVE SERVICES Software, retaining no copies thereof, on Your computer storage or otherwise. We reserve the right to require You, at Your expense and in the time frame determined by Us, to update or upgrade Your computer hardware and/or software to conform to new standards or specifications and We have no limitations on Our ability to do so; and,

(m) Confirmation of Performance. After We have completed Our pre-opening obligations to You under this Agreement, We may ask that You sign and deliver to Us a confirmation (the “Confirmation of Performance”), in a form We reasonably request, verifying that We have performed those obligations. If We ask You to provide Us with such a certificate, then You agree

to sign and deliver the Confirmation of Performance to Us within three (3) business days after Our request. However, if You do not reasonably believe that We have performed all of Our pre-opening obligations, You must, within that same three (3) day period, give Us written notice specifically describing the obligations that We have not performed. Not later than three (3) business days after We complete all the obligations that You specified in that notice, You must sign and deliver the Confirmation of Performance to Us. The term “pre-opening obligations” means the obligations We have to You under this Agreement that must be performed before the date when Your Franchised Business starts its operations.

10. LIMITATIONS ON RIGHTS EXTENDED TO FRANCHISEE

You acknowledge and agree that:

- (a) You will use the Licensed Rights strictly in accordance with the terms of this Agreement. Any unauthorized use of the Licensed Rights is and shall be deemed an infringement of Our rights and a material breach of this Agreement.
- (b) Except as expressly provided by this Agreement, You shall not acquire any right, title or interest to the Licensed Rights. Any and all goodwill associated with the Licensed Rights shall accrue exclusively to Our benefit. Upon the expiration or termination of this Agreement and any renewals, no monetary amount shall be attributable to goodwill associated with Your use of the Licensed Rights.
- (c) Except as provided for in Section 4 of this Agreement above, the Franchised Business and Licensed Rights granted under this Agreement are non-exclusive, and We retain the right, in Our sole discretion:
 - (i) To continue to operate PRESERVE SERVICES businesses and to use the Licensed Rights in any territory outside of Your Designated Territory, and to license others to do so; and,
 - (ii) To develop, use and franchise the rights to any trade names, trademarks, service marks, trade symbols, emblems, signs, slogans, insignias or copyrights not specifically designated by Us as Licensed Rights, for use with similar or different franchise systems in any territory, on such terms and conditions as We may deem advisable, and without granting You any rights.
- (d) You alone are responsible for operating the Franchised Business in full compliance with all System Standards, as modified from time to time. System Standards mean mandatory specifications, standards, operating procedures, and rules that We periodically prescribe for the development and operation of PRESERVE SERVICES franchised businesses. All references in this Agreement to System Standards will include any modifications, deletions and/or additions to the System Standards which are authorized by this Agreement or the Operations Manual. Except as otherwise provided in this Agreement, System Standards may regulate any aspect of the operation and maintenance of

PRESERVE SERVICES franchised businesses, provided that all System Standards will apply uniformly to all similarly situated PRESERVE SERVICES franchised businesses.

(e) You shall offer for sale all types of products and/or services that We from time to time authorize. You shall not offer for sale, without Our prior written approval, any other products and/or services, or use any leased premises for any purpose other than the operation of the Franchised Business in full compliance with this Agreement.

(f) You shall be required to purchase and sell all products and services bearing PRESERVE SERVICES' trade name and/or logo which We now carry or see fit to carry or develop in the future. You may not develop or sell other products or services on Your own without Our prior written consent.

(g) In order to allow Us to establish and enforce standards of quality and uniformity for the distribution and sale of Our products and services, and in order to preserve incentive for other entities to become PRESERVE SERVICES franchisees in the future, You shall not sell PRESERVE SERVICES products and services other than on a retail basis to the general public, and not for resale by the purchasers thereof, without Our prior written consent and without executing a separate agreement with Us for the right to conduct such sales, if We request the execution of such an agreement.

(h) We have the right to determine, approve and supervise the quality of services and products sold by You from the Franchised Business, and to take all action We deem necessary to maintain the quality and standards of the services and products, the Franchised Business and Our System. You are required to purchase certain services, equipment and operating supplies, as are more particularly set forth in the Operations Manual, from suppliers whose services, products and materials are approved, and not thereafter disapproved, by Us. If You desire to purchase any services or products from suppliers that We have not previously approved, You or the supplier must submit a written request for such approval to Us. As a condition of Our approval, which shall not be unreasonably withheld, We may require that Our representatives be allowed to inspect the supplier's facilities and/or that a sample of its product be made available to Us or Our designee for testing. In such event You are required to pay Us Five Hundred Dollars (\$500.00) plus any laboratory fees, professional fees and the travel and living expenses of Our personnel if incurred. Within thirty (30) days of delivery of the test results, if testing is conducted or the written request if testing is not conducted, We will issue a decision in writing. Such decision may be a determination that additional time is needed to complete the review. Any denial will state the reasons. In the event We do not provide You with a written decision within thirty (30) days, the request shall be deemed denied.

(i) You must directly supervise Your PRESERVE SERVICES Franchised Business at all times. You shall have a fully trained general manager operate the Franchised Business at all times when You are not personally managing and operating the Franchised Business. If You as Franchisee are a corporation, limited liability company, or other business entity instead of an individual, or if You own more than one franchise, You must hire a general manager for Your Franchised Business.

We have the right to approve Your general manager (if not an owner) based on Our review of their competency and relevant experience to determine if he/she meets Our current qualifications and requirements. You must inform Us of any changes in the management or operation of Your franchise. You shall keep Us informed at all times of the identity of any employee(s) acting as manager(s) of the Franchised Business. You agree that You will at all times faithfully, honestly and diligently perform Your obligations hereunder and that You will not engage in any business or other activities that will conflict with Your obligations hereunder or Your PRESERVE SERVICES Franchise.

(j) You have the sole responsibility for the performance of all obligations arising out of the operation of the Franchised Business pursuant to this Agreement. You shall secure and maintain in force, at Your expense, all required licenses, permits and certificates relating to the full and proper operation of the Franchised Business and shall operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including without limitation, zoning, access, signage, all government regulations relating to occupational hazards and health, fire, safety, consumer protection, equal opportunity, trade regulation, workers' compensation, Immigration and Control Act (IRCA), unemployment insurance, licenses to do business, sales tax permits, withholding and payment when due of any and all taxes levied or assessed by reason of the operation of the Franchised Business, and fictitious name filings and registrations, privacy laws and data protection or security laws as well as Payment Card Industry Data Security Standard (PCI DSS) compliance.

(k) During the term of this Agreement, and any renewals or extensions hereof, You shall hold Yourself out to the public only as an independent contractor operating the Franchised Business pursuant to a franchise agreement with Us. You agree to take such affirmative actions as may be necessary to do so, including without limitation exhibiting a public notice of that fact, the content and display of which We shall have the right to specify from time to time.

(l) It is the express intention of Subsections (i) and (j) of this Section 10 to establish that You are an independent contractor, and as such are solely responsible for the day-to-day affairs, management, operations and financial control of the Franchised Business and for Your employees and Your treatment of them.

(m) We shall have the right to establish and utilize an on-line computer monitoring system, and to use the on-line system to remotely examine Your records pertaining to the operation of the Franchised Business. You must subscribe to business class high-speed Internet access through cable or other method designated in the Operations Manual.

(n) You shall not establish a website on the Internet using any domain name containing the words PRESERVESERVICES.com, .net, .biz, .us, .org or any variation. We retain the sole right to control all Internet activity and create websites using any of the foregoing or other domain names. We may require You to utilize e-commerce products or services designated by Us, which We may change from time to time. You acknowledge that We are the owner of all right, title and interest in and to such domain names as We shall designate and all uniform resource locators (URLs), future addresses

and sub-addresses (including the Franchisee Page sub-addresses), software, content prepared for or used on Our website, and all intellectual property rights in or to any of them. We retain the right to control Your use of linking and framing between Your web pages and all other websites. Any digital or electronic content You publish must comply with Our brand communication standards and is subject to Our approval. We have the final decision concerning all information and functionality that appears on the PRESERVE SERVICES Internet Website and will update or modify the PRESERVE SERVICES Internet Website according to a schedule that we determine. By posting or submitting to us information or materials for the PRESERVE SERVICES Internet Website, you are representing to Us that the information and materials are accurate and not misleading and do not infringe any third party's rights. You must notify Us whenever any information about You or the Franchise Business on the PRESERVE SERVICES Internet Website changes or is not accurate. All digital imagery bearing the Marks are subject to Our approval. Due to the speed of electronic communication, You must respond to all instructions by Us which are deemed to restrict, designate or control e-commerce activities within twenty-four (24) hours. We also reserve the right to restrict, designate and to approve or control any existing or future (not yet developed) Fan Page or other advertising or social networking services of the Franchised Business, including the sending of bulk e-mail, except as are in accordance with the guidelines in the Operations Manual or otherwise as We may specify in writing.

(o) We have the right to establish minimum and maximum prices for the products and services You offer and sell. You must strictly adhere to the prices We establish. We retain the right to modify the prices from time-to-time in Our reasonable discretion.

11. VARIATIONS IN STANDARDS

Because complete uniformity under varying conditions may be impossible or impractical, We reserve the right to vary the standards of eligibility, including financial terms and conditions, for any franchisee, including You, based upon the peculiarities of a particular territory, including density of population, business potential, population of trade area, existing business practices, or any other conditions which We determine to have, or potentially have, a significant effect on the successful operation of such franchisee's business. Variations from standard specifications and practices granted to other franchisees shall not under any circumstances be cause to require Us to grant to You a like or similar variation hereunder, either now or in the future.

12. KEY EMPLOYEES

A "Key Employee" as used in this Agreement is anyone who is an owner, partner, and/or employee who acts in a management, supervisory or sales capacity for or on behalf of the Franchised Business. You shall identify all of Your Key Employees in Addendum B of this Agreement. Each individual listed in Addendum B as a Key Employee no matter when so listed, at Our option, shall attend Our Initial Training Program, and shall thereafter be jointly and severally responsible for operating the Franchised Business in accordance with the standards of Our System and this Agreement. You represent and warrant that each of the individuals designated in Addendum B will at all times abide by the standards and specifications of Our System, this Agreement, and the

Licensed Rights; that You will at all times assume personal responsibility for their continued compliance with those standards and specifications; and that You will promptly notify Us if any of them shall at any time during the term of this Agreement divest themselves of ownership, partnership, or employment, as the case may be, with You. You shall amend Addendum B and submit the amended Addendum to Us whenever there is any change in Your list of Key Employees. We reserve the right to require certain individuals to be included in Your list of Key Employees.

We possess certain proprietary Confidential Information consisting of the Marks, the Intellectual Property, Our System Standards, and other methods, techniques, formats, specifications, procedures, information, systems, methods of business management, sales and promotion techniques and knowledge of and experience in the operation and franchising of PRESERVE SERVICES franchised businesses (the “Confidential Information”). Except to the extent prohibited by the laws of the state where the Franchised Business is located or where the employee lives or works, every Key Employee must sign a non-disclosure and non-competition agreement in a form approved by Us or as We otherwise provide. You must provide a copy of each Key Employee’s signed non-disclosure and non-competition agreement to Us within forty-eight (48) hours of hire, prior to such Key Employee beginning Our Initial Training Program and prior to Your disclosing Our Confidential Information to such Key Employee.

13. FRANCHISOR TRAINING PROGRAM

(a) The following persons shall satisfy all of the conditions established by Us for admission to, and graduation from, Our Initial Training Program which includes virtual online training and in-person training in Massachusetts or at such other location as We designate, and shall attend and satisfactorily complete any additional training programs that may be established by Us in the future:

- (i) You, if Franchisee is an individual;
- (ii) At Our option, each person who, at any time during the term of this Agreement, is actively involved in the management or operation of Your Franchised Business (including, but not limited to, the chief operating principal or managing member of Franchisee);
- (iii) At Our option, Key Employees as defined in Section 12 and each person who, at any time during the term of this Agreement, is actively involved in the management or the operation of the Franchised Business (“Management Persons”); and
- (iv) At Our option, each person who owns or directly controls a ten percent (10%) or more interest in You, if You are owned by a group of individuals or a corporation, limited liability company, partnership, unincorporated association or similar entity.

Any person or persons so designated to attend the training program will be identified in Addendum B to this Agreement, and become subject to the terms and conditions of this Agreement, if appropriate. Each such person shall complete Our Initial Training Program to Our

satisfaction. Upon the failure of any such person to do so, We reserve the right to extend the training program. Satisfactory completion of all mandatory training sessions is required. Failure to do so shall result in a breach of this Agreement. The Initial Training Program will last for approximately seven (7) to ten (10) days and will generally be scheduled so that it is completed four (4) to twelve (12) weeks prior to the scheduled opening of the Franchised Business. We reserve the right to modify the length, location, and timing of Initial Training. We may waive a portion of Initial Training or alter the training schedule if We determine that Your attendees have sufficient prior experience or training.

(b) You acknowledge that successful completion of the Initial Training Program will require that, among other things, each attendee be able to demonstrate that he/she can read, write, and converse in English.

(c) No fee shall be charged by Us for participation by the first two (2) persons specified in Subsection 13(a) in the Initial Training Program, but You shall be responsible for the travel, hotel, meals and all such other costs and expenses of each person who attends the in-person portion of the program.

(d) We periodically, but no more often than two (2) times per year, may require You, or Your owners, to attend and complete to Our satisfaction any supplemental or refresher training at Our current rate of Five Hundred Dollars (\$500.00) per day, and You will be responsible for the travel, hotel and all such other costs and expenses of each person who attends the program.

(e) We require everyone participating in Our training program to execute a non-disclosure and non-competition agreement, except to the extent prohibited by the laws of the state where the Franchised Business is located, or where the employee lives or works, which agreement is intended to protect Our Confidential Information and proprietary interest in the Licensed Rights.

(f) As set forth in Our Operations Manual, to maintain Our System Standards You are required, at Your expense, to complete a minimum of twenty (20) hours per year of courses in personal and business development. A minimum of five (5) hours must be spent in each of the following two (2) categories: Health and Wellness, and Construction Business Management. Courses may be taken in person or online and do not require pre-approval by Us. We may periodically offer classes which may or may not be mandatory, but will contribute toward Your Continuing Education requirement. If offered, You will not be charged a fee for You to attend these classes, however You will be responsible for the travel, hotel and all such other costs and expenses of each person who attends the program.

(g) We may, at Our option, from time to time but not more than once every year conduct a national or regional Conference (“Conference”). The duration, curriculum and location of Conference will be determined by Us in Our sole and exclusive discretion. You are required to attend the Conference, and to pay all of Your travel related expenses incurred in connection with attending the Conference including transportation costs, meals, and living expenses. We shall have the right to charge You a reasonable Conference Registration Fee (currently between One

Thousand Dollars (\$1,000.00) and Three Thousand Dollars (\$3,000.00)) for You to attend each Conference. This Fee will cover the cost of Your lodging and all conference related costs. We may charge this registration fee up to one (1) year in advance invoiced and paid via EFT as part of Your standard weekly billing. The Conference Registration Fee is not refundable and will be collected even if You do not attend the Conference. If You do not attend the Annual Conference, We will do Our best to make available to You the substantive training materials that were presented at the Conference.

14. NOTICES AND APPROVAL OF OPENING

(a) You shall give Us at least thirty (30) days prior written notice of the opening of the Franchised Business. If such notice is not given, We shall be relieved of Our obligations under this Agreement to provide assistance in connection with the opening of the Franchised Business and the planning and development of pre-opening promotions and programs.

(b) In order to maintain quality and uniformity and to ensure that the Franchised Business satisfies all of Our System Standards, We retain the right to perform a final inspection of the Franchised Business prior to opening. If We reasonably determine that the Franchised Business does not conform with Our System Standards, or You failed to apply for and obtain all licenses required for the operation of the Franchised Business from the appropriate governmental agencies, then We shall have the right to delay opening of the Franchised Business until such time as any deficiencies are corrected and brought into compliance with such System Standards or requirements. If any such deficiencies are detected, We will provide You with written notice stating the nature of the deficiency, and the corrective actions that You must take. Any evaluation or inspection We conduct is not intended to exercise, and does not constitute, control over Your day-to-day operation of the Business or to assume any responsibility for Your obligations under this Agreement.

15. EQUIPMENT, COMPUTERS, SIGNS AND VEHICLE

(a) You shall only install and/or use such equipment, vehicles, computer hardware and software, signage and other personal property at the Franchised Business location as are required under this Agreement, and which strictly conform to Our System Standards.

(b) In the event You install, use or purchase any equipment, vehicles, computer hardware and software, signage or any other personal property that is not in conformity with Our System Standards, We may, in addition to any other remedies under this Agreement, demand that You close the Franchised Business and take the steps necessary to bring its equipment, vehicles, computers, signs and other personal property into conformity with Our System Standards. You shall not reopen the Franchised Business without Our prior written approval.

16. RELOCATION

(a) In the event You decide to relocate the business office of the Franchised Business, You shall notify Us of the new location of the business office of the Franchise Business prior to relocation. You shall bear all of the costs of any such relocation.

(b) If You would like to relocate Your Territory, You must receive Our written consent. Our approval will not be unreasonably withheld, provided (i) the new territory is satisfactory to Us; (ii) the new territory will not, as determined in Our sole discretion, materially and adversely affect the Gross Revenue of any other franchisee; (iii) You have fully performed and complied with each provision of the Franchise Agreement within the last three (3) years prior to, and as of, the date We consent to such relocation (the "Relocation Request Date"); (iv) You are not in default, and no event exists which with the giving of notice and/or passage of time would constitute a default, exists as of the Relocation Request Date; and (v) You have met all of Our then-current training requirements.

17. OPERATION OF THE FRANCHISED BUSINESS

You covenant and agree that:

(a) You shall operate the Franchised Business in accordance with Our Operations Manual, a copy of which You acknowledge having received on loan from Us, for the term of this Agreement, and shall not make or allow unauthorized disclosures of the contents of the Operations Manual to any outside parties. You understand and acknowledge that We may revise the content of the Operations Manual, and You expressly agree to comply with each changed requirement within such reasonable time as We may require. Any new or different requirements imposed will not unreasonably increase Your obligations or place an excessive economic burden on Your operations, or otherwise alter Your fundamental status, rights or obligations under this Agreement. You shall at all times ensure that Your copy of the Operations Manual, and any other manuals loaned to You are kept current and up-to-date and, in the event of any dispute as to their contents, the terms of the master copies maintained by Us at Our principal place of business shall be controlling. The entire contents of the Operations Manual are and will remain confidential and Our property.

(b) In order to protect the Licensed Rights and associated goodwill, You shall:

(i) Operate under the name PRESERVE SERVICES and advertise only under the Licensed Rights designated by Us, and use such rights without prefix or suffix, except where such use may conflict with a prior registration or use, in which event You shall operate and advertise only under such other names as We have previously approved in writing;

(ii) Feature and use the Licensed Rights solely in the manner We prescribe; and,

- (iii) Observe such reasonable requirements with respect to the Marks and fictitious name registrations and copyright notices as We may direct in writing.
- (c) You shall cause sales of all products, goods and services to be properly recorded at the time of the sale.
- (d) You shall cause Your employees to wear apparel which strictly conforms to the specifications, design and style We have approved.
- (e) You shall comply with all laws, ordinances and regulations affecting the operation of the Franchised Business.
- (f) You shall notify Us in writing within three (3) days of receipt of notice of the commencement of, or the threat of, any action, suit or proceeding against You, or of the issuance of or the threat of any inquiry, subpoena, order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which arises out of, concerns, or may affect the operation or financial condition of the Franchised Business, Franchisor, or the goodwill associated with the Licensed Rights including, without limitation, any criminal action or proceedings brought by You against Your employees, customers, or other persons. You agree that You will not commence any action, suit or proceeding that affects Us, or the goodwill associated with the Licensed Rights, without Our prior written approval.
- (g) You shall open and operate the Franchised Business and shall maintain the business hours prescribed by Us in the Operations Manual.
- (h) You shall pay on a timely basis for all supplies, materials and expenses You incur in the operation of the Franchised Business. You acknowledge that You are solely responsible for all operating, selling, general and administrative expenses of the Franchised Business, and that any failure by You to make prompt payment to Your suppliers, vendors, contractors or employees may cause irreparable harm to the reputation and credit of Franchisor and other franchisees.
- (i) In order to preserve the validity and integrity of the Licensed Rights, and to assure that You are properly employing such rights in the operation of the Franchised Business, We or Our agents shall have the right to observe the manner in which You are offering Your products and services and conducting Your operations. We or Our agents shall have the right to confer with Your employees and customers, and to inspect equipment and related merchandise, trademarked product lines, other merchandise, equipment, supplies or inventory for evaluation purposes in order to make certain that the equipment and related merchandise, trademarked product lines, and other equipment, supplies, inventory, services and operations are satisfactory and meet the quality control provisions and performance standards as established by Us from time to time.
- (j) The grant of this Franchise is expressly conditioned upon Your successful penetration of the market in the Territory. You must promote actively and aggressively the products and services of Your PRESERVE SERVICES Franchised Business within Your Designated Territory. During

the Term of this Agreement, for a standard Territory of approximately forty thousand (40,000) households, You must sell a minimum of One Hundred Fifty Thousand Dollars (\$150,000.00) in Gross Sales between March and December during Your first (1st) full fiscal year; Three Hundred Fifty Thousand Dollars (\$350,000.00) in Gross Sales during Your second (2nd) full fiscal year; Five Hundred Thousand Dollars (\$500,000.00) in Gross Sales during Your third (3rd) full fiscal year; Six Hundred Thousand Dollars (\$600,000.00) in Gross Sales during Your fourth (4th) full fiscal year; and Eight Hundred Fifty Thousand Dollars (\$850,000.00) in Gross Sales during Your fifth (5th) full fiscal year and each year thereafter (herein after referred to as the “Minimum Sales Performance”). In any year that You do not achieve the foregoing Minimum Sales Performance standard for that specific period, You will be in default of this Franchise Agreement. Other than due to a force majeure, unless a written waiver is provided by Us temporarily suspending this obligation, failure to take adequate steps to cure the default could result in a modification or reduction in the Territory granted or a termination of the Franchise Agreement pursuant to Section 32(b)(xi). The required Minimum Sales Performance will be reduced proportionally based on the size of the Territory granted.

(k) You shall conduct reasonable background checks of all employees before employment and maintain copies of all background information in a manner as We specify in the Confidential Operations Manual, or otherwise in writing.

(l) You shall use Your best efforts in operating the Franchised Business and in recommending, promoting and encouraging patronage of all PRESERVE SERVICES System businesses.

(m) You shall promptly respond to any and all customer inquiries or complaints and achieve customer satisfaction for reasonable complaints through refund of fees or other accommodation to customer’s satisfaction as may be appropriate, as well as taking such other steps as may be required by Us to insure positive customer relations and to maintain the goodwill of the PRESERVE SERVICES System. If We reasonably determine that You have not fairly handled a customer complaint, We may intervene in order to resolve the matter to the customer’s satisfaction. You must reimburse Us for all costs We incur in satisfying Your customer.

(n) You shall offer and honor a warranty on all materials and workmanship performed by Your Franchised Business for each of Your customers, as the terms of such warranty may be established by Us from time to time. You shall promptly report all warranty claims to Us and shall undertake all warranty work under the Marks.

(o) You acknowledge and agree that exchanging information with Us by electronic transmission (“e-mail”) is efficient and desirable for day-to-day communications and that We and You may utilize e-mail for such communications. You authorize the transmission of e-mail by Us and Our employees, vendors, and affiliates (“Official Senders”) to You during the Term and any renewal thereof. You further agree that: (a) Official Senders are authorized to send e-mails to those of Your employees as You may occasionally authorize for the purpose of communicating with Us; (b) You will cause Your officers, directors, and employees to give their consent to Official Senders’ transmission of e-mails to them; (c) You will require such persons not to opt out or

otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with You; and (d) You will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the Term and any renewal thereof. The consent given in this Subsection will not apply to the provision of notices by either party under this Agreement pursuant to Section 36 unless the parties otherwise agree in a written document signed by both parties.

18. PROPRIETARY INFORMATION

(a) You acknowledge that Your entire knowledge of the operation of the Franchised Business, including without limitation the contents of the Operations Manual, list of vendors, and the specifications, equipment, standards, and operating procedures of the Franchised Business, is derived from information disclosed to You by Us, and that such Operations Manual and such other information is confidential and Our trade secret. You shall maintain the absolute confidentiality of the Operations Manual and all such other proprietary information You receive from Us, both during and after the term of the Franchise Agreement. You shall disclose Confidential Information only to those employees or contractors who need such Confidential Information to perform their job functions, and only to the extent necessary for them to do so. Prior to disclosing any Confidential Information, You shall require all such employees or contractors to sign Confidentiality Agreements in the form We require, as amended by Us from time to time, and shall forward a copy of same to Us. You agree that You shall not use the Operations Manual and such other information in any other business or in any manner not specifically authorized or approved in writing by Us.

(b) You agree to promptly disclose to Us all Innovations, whether or not protectable intellectual property, and whether created by or for You or Your Owners or employees. All Innovations will be deemed Our sole and exclusive property and works made-for-hire for Us. We have the right to incorporate Innovations into the System and may use them and may authorize You and others to use them in the operation of PRESERVE SERVICES businesses. Innovations will then also constitute Confidential Information. We will disclose to You Innovations that are made a part of the System in this manner. To the extent any Innovation does not qualify as a work made-for-hire for Us, by this paragraph You assign ownership of that Innovation, and all intellectual property and other rights to the Innovation, to Us and agree to sign and deliver such instruments and documents, provide such assistance and perform such other acts as We periodically designate in order for Us or Our designee to obtain exclusive rights in such Innovations. We will have no obligation to make any lump sum or other payments to You or any other person with respect to any such Innovations. You will not use, nor will You allow any other person to use, any such Innovations, whether in connection with the Franchised Business or otherwise, without obtaining Our prior written approval. You also agree that if You shall develop any new trademarks, service marks, trade names and trade symbols, trade dress, signs, slogans, associated logos, designs, e-marks, copyrights, emblems, concepts, processes or improvements in the operation or promotion of the Franchised Business, We will immediately become sole owner and licensor.

(c) Any and all customer lists and their contents relating to the Franchised Business, whether

compiled or developed by You or any other person, are owned by Us, constitute confidential information and are Our proprietary property (whether supplied by Us or not) and You shall not use the customer lists for any purpose whatsoever other than in the normal conduct of the Franchised Business prior to any default under this Agreement, or termination or expiration of this Agreement and for no other purpose and You must require any of Your employees, agents and independent contractors who have access to customer lists to sign a confidentiality agreement. To the extent that You may have or claim any right, title or interest in or to such customer lists and contents, You agree to, and do hereby, assign to Us all of Your right, title and interest therein. You will, upon demand, promptly deliver to Us a complete list of current and former customers, including name, telephone number, complete mailing address, frequency of service, last date serviced and price of service, and other information concerning such customers as requested by Us. You expressly acknowledge that Your ability to operate, develop and expand the Franchised Business is based largely on the goodwill of the Marks and know-how embodied in the PRESERVE SERVICES System. Accordingly, You agree that We are the sole owner of all customer lists and relationships and all other goodwill arising from Your operation of the Franchised Business. Any attempt by You to offer any services or products similar to those provided by the Franchised Business to any customers or prospective customers of the Franchised Business following any expiration or termination of this Agreement shall be a violation of Our rights in such customer lists and relationships and goodwill. You agree that in the event of any such action or threatened action by You, We shall be entitled to a preliminary or permanent injunction or other equitable relief to restrain such actions, and to recover Our damages equal to the amount of profits received by You from any such action in violation of Our rights.

19. MARKS

(a) You acknowledge and agree that We are the owner of the Licensed Rights which include all Marks licensed to You under this Agreement and that Your right to use the Licensed Rights is derived solely from this Agreement and is limited to the conduct of the business by You pursuant to and in compliance with this Agreement and all applicable standards, specifications, and operating procedures prescribed by Us from time to time during the term of this Agreement. Any unauthorized use of the Marks by You constitutes a material breach of this Agreement and an infringement of Our rights in and to the Marks. You acknowledge and agree that all usage of the Marks by You and any goodwill established by Your use of the Marks shall inure to Our exclusive benefit and that this Agreement does not confer any goodwill or other interests in or to the Marks upon You. You shall not, at any time during the term of this Agreement, or after its termination or expiration, contest the validity or ownership of any of the Marks or assist another person in contesting the validity or ownership of any of the Marks. All provisions of this Agreement applicable to the Marks apply to any additional trademarks, service marks, trade names, trade dress, trade symbols, signs, slogans, associated logos, designs, emblems, e-marks, copyrights, and commercial symbols authorized for use by and licensed to You by Us after the date of this Agreement.

(b) You shall not use any of the Marks as part of any corporate or trade name, or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form, nor may You use any of the Marks in connection with the sale of any unauthorized product or service or in any

other manner not expressly authorized in writing by Us. You agree to give such notices of trademark and service mark registrations as We specify and to obtain such fictitious or assumed name registrations as may be required under applicable law or as requested by Us. You shall not use or seek to register any of the Marks in any manner that has not been specified or approved by Us in advance.

(c) You shall immediately notify Us in writing of any apparent infringement of or challenge to Your use of the Marks, of which You become aware, and of any claim by any person of any right in the Marks or any similar trade names, trademarks, or service marks, trade dress, trade symbols, signs, slogans, associated logos, designs, emblems, e-marks, copyrights and commercial symbols of which You become aware. You shall not directly or indirectly communicate with any person other than Us and Our counsel in connection with any such infringement, challenge, or claim. We shall have sole discretion to take such action as We deem appropriate and shall have the right to exclusively control any litigation, U.S. Patent and Trademark Office proceeding, or other judicial or administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Marks. You agree to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Our counsel, be necessary or advisable to protect and maintain Our interests in any such litigation, U.S. Patent and Trademark Office proceeding, or other judicial or administrative proceeding, or to otherwise protect and maintain Our interest in the Marks.

(d) If it becomes advisable at any time in Our sole discretion for Us and/or You to modify or discontinue use of the Marks, and/or use one or more additional or substitute trade names, trademarks, service marks, trade dress, trade symbols, signs, slogans, associated logos, designs, emblems, e-marks, copyrights or other commercial symbols, You agree to comply with Our directions within a reasonable time after notice to You. We shall have no liability or obligation whatsoever with respect to Your modification or discontinuance of the Marks. We will reimburse You the tangible costs for modifying or changing the Marks, limited to changing signs or advertising materials. You agree that such modification or change of Marks will be completed by You within a reasonable period of time after notification by Us.

20. MODIFICATION OF THE SYSTEM

You recognize and agree that from time to time We may change or modify Our System and Our business in any manner that is not expressly and specifically prohibited by this Agreement including, but not limited to, the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new computer programs and systems, new types or brands of products or services, new equipment requirements or new techniques and that You will accept, use and display for the purpose of this Agreement any such changes in Our System, as if they were part of this Agreement at the time of execution. Whenever We have expressly reserved in this Agreement or are deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant You a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, We may make such decision or exercise Our right and/or discretion on the basis of Our judgment of what is in Our best interests, including without limitation Our

judgment of what is in the best interests of the PRESERVE SERVICES franchise network, at the time Our decision is made or Our right or discretion is exercised. Any new or different requirements imposed will not unreasonably increase Your obligations or place an excessive economic burden on Your operations, or otherwise alter Your status or rights under this Agreement. You will make such expenditures as such changes or modifications in Our System as We may reasonably require. You shall not change, modify or alter in any way any material aspect of Our System, without Our prior written consent.

21. ADVERTISING AND PROMOTIONS

(a) As of the date of this Agreement, We charge a Marketing Fund Fee in the amount of two percent (2%) of the Franchised Business' Gross Sales, in order to develop and maintain a local, regional or national marketing program.

(b) The Marketing Fund is administered by Us. We, in Our sole discretion will be responsible for (i) developing and placing advertising, marketing, public relations and charitable giving programs for the benefit of Our entire System; (ii) deciding which media to use and under what terms; (iii) preparing and making available to all franchisees an annual statement of income and expenses upon written request; an in-house statement of the operations of the Marketing Fund will be prepared annually and will be made available to You upon written request, the cost of preparing the statements will be paid by the Marketing Fund; (iv) securing the services of advertising agencies or other marketing professionals; and (v) limiting expenditures from the Marketing Fund, to the extent possible, to those areas in which franchisees are contributing to the Marketing Fund. Funds not spent in any given fiscal year will be carried forward to the next year. We reserve the right to place additional local, regional or national advertising at Our expense. All Franchisor-owned units or affiliate-owned units may but are not required to contribute to the Marketing Fund. We will not use any contributions to the Marketing Fund to defray Our general operating expenses, except for reasonable administrative costs and overhead We incur in activities reasonably related to the administration of the Marketing Fund or the management of Marketing Fund-supported programs (including the pro-rata amount of salaries of Our personnel who devote time to Marketing Fund activities and retainers and fees for outside agencies). Although the Marketing Fund may not be used to directly solicit the sales of franchises, as a result of such advertising and promotion for the franchised businesses, persons may become interested in owning franchises. However, the development of marketing campaigns and websites may detail available franchises within the System, and this is not considered to constitute direct franchise marketing efforts. The Marketing Fund may elect to assist in the marketing of franchises in otherwise weak markets, and to assist franchises that are slow to ramp up by providing additional marketing dollars. We will exclusively control all advertising and marketing for commercial services. As the PRESERVE SERVICES System expands, We may establish an advertising council.

(c) We will maintain separate bookkeeping accounts for the Marketing Fund and may, but will not be required to cause Marketing Fund contributions to be deposited into one or more separate bank accounts. The Marketing Fund is not a trust, and We are not a fiduciary or trustee of the Marketing Fund or the monies in the Marketing Fund. However, We may, in Our discretion,

separately incorporate the Marketing Fund or create a Marketing Fund trust, over which We may be the trustee, into which Marketing Fund contributions may be deposited.

(d) Irrespective of the development or implementation of any marketing or advertising program by Us, for a standard Territory of approximately forty thousand (40,000) households, You are required to spend seven percent (7%) of sales up to Gross Sales of Six Hundred Fifty Thousand Dollars (\$650,000.00) per year on local advertising and promotion (“Local Ad Budget”). The required Local Ad Budget will be reduced proportionally based on the size of Your Territory.

(e) During Your first four (4) months of operation, You agree to conduct a Grand Opening Advertising and Promotional Program (“Grand Opening Program”) for the PRESERVE SERVICES Franchised Business at the time and in the manner specified by Us and agree to spend a minimum of Twenty Six Thousand Five Hundred Dollars (\$26,500.00) of Your Local Ad Budget for the Grand Opening Program. You agree to provide Us with a summary of the grand opening program expenditures every thirty (30) days for the four (4) month period after the PRESERVE SERVICES Franchised Business opens. Your Grand Opening Program will utilize the marketing and advertising materials that We have either developed or approved. Depending on the time of year You open the Franchised Business, We may reduce the minimum amount You must spend on the Grand Opening Program.

(f) In addition, You may do Your own advertising, or hire an advertising agency, but in either event, You must obtain Our prior written approval of all advertising and promotional plans and materials that You desire to use at least thirty (30) days before the implementation of such plans, unless such plans and materials have been previously approved by Us. You shall submit such plans and materials to Us by personal delivery or through the mail, “Return Receipt Requested” or sent by overnight delivery paid for by sender. You shall not use such plans or materials until they have been approved by Us in writing and shall promptly discontinue use of any advertising or promotional plans and materials upon Our request. Any plans or materials submitted by You to Us that have not been approved or disapproved, in writing, within fifteen (15) days of receipt thereof by Us, shall be deemed disapproved.

(g) Except when advertising cooperatively with other franchisees or with Us, You are prohibited from advertising outside Your Designated Territory. Unless granted specific written permission to the contrary, Your local advertising activity is limited to direct mail, print and broadcast media, speaking engagements, networking events and all other types of activity designed to encourage and solicit approved business only within Your Designated Territory. If Your Designated Territory lies within an Area of Dominant Influence (ADI) of media sources located outside of Your Designated Territory, and if other franchisee- or Franchisor- or affiliate-owned units lie within the same ADI, then We reserve the right to require You and other franchisees to cooperate and participate in advertising through that media source on a cooperative basis.

(h) We reserve the right to require You to cooperate and participate in certain special promotional events or campaigns that may from time to time be sponsored by Us, other franchisees, or both.

(i) Immediately upon notification, You shall discontinue any advertising that would, in Our sole opinion, be detrimental to the PRESERVE SERVICES System, Marks, Us, Our affiliates or other franchisees. You agree that upon termination, transfer, or expiration of this Agreement, You shall immediately remove all advertising that You control and notify all advertising sources that Your advertising must be removed and/or canceled immediately. For advertising that cannot be immediately canceled, You are responsible for any and all costs related to such advertising until such time as it can be canceled or it expires.

(j) We currently do not have any advertising cooperatives and have no plans to form such cooperatives in the immediate future. However, You must join and actively participate in any organizations or associations of franchisees or advertising cooperatives that We establish or that are established at Our direction for the purpose of promoting, coordinating, and purchasing advertising in local, regional, or national areas where there are multiple PRESERVE SERVICES businesses. The terms of the cooperative advertising will be established by Us at the time it is established. Funds contributed to an Advertising Cooperative will not be utilized to solicit new franchise sales.

(k) You, Your Owners and each of Your employees agree that We and Our affiliates have the right and permission to make, use and publish the photographs/film/videotapes/electronic representations and/or sound recordings made in connection with Our training, marketing, events, and in other materials utilized or developed in connection with the System and We and Our affiliates are authorized to reproduce, copyright, exhibit, broadcast, and distribute the photographs/film/videotapes/electronic representations and/or sound recordings at Our discretion without limitation and compensation.

22. FINANCIAL INFORMATION, AUDITS

(a) You shall keep and maintain during the term of this Agreement and any renewal periods, and shall preserve for a minimum of seven (7) years thereafter, full, complete and accurate books of account in accordance with generally accepted accounting standards and practices, which books shall accurately reflect the Gross Sales of the Franchised Business; and any and all deductions expressly permitted by this Agreement; marketing activities; payroll; and accounts payable.

(b) You shall, at Your expense, deliver to Us within thirty (30) days of the end of each of Your fiscal years, a complete financial statement for such fiscal year in such form as We may require, including, without limitation, both an income statement and balance sheet, which may be unaudited, together with reports of Gross Sales from that year's operations and all amounts expended on advertising as well as such other information as We require. Each financial statement shall be signed by You or by Your Treasurer, Managing Member or Chief Financial Officer, who shall attest that the statement is true and correct and prepared in accordance with Our requirements.

(c) You shall permit Our authorized personnel to inspect, examine, compile, review and/or audit all of Your business records relating to Your Franchised Business, including but not limited

to financial documents and tax returns, at any time during normal business hours without any prior notice.

(d) You shall also permit accountants designated by Us to audit Your books of accounts. In the event that We find that You have understated the amount due to Us and that any such understatement has been made deliberately, such understatement shall constitute an Event of Default and be considered a Material Breach of this Agreement as defined in Section 32(d)(iv) of this Agreement. Should any audit reveal an understatement of five percent (5%) or more of the amount otherwise due to Us, or if the understatement is determined to be deliberate, You will bear the costs and expenses of Our audit and inspection, and the deficiency shall be immediately due and payable with interest from the date the payments should have been made.

(e) Any inspection or audit of business records or books of accounts is solely for determining Your compliance with Your contractual obligations and does not constitute control over Your day-to-day operation of the Franchised Business.

23. INDEMNIFICATION; INSURANCE; SURETY BOND

(a) You understand and agree that nothing in this Agreement authorizes You to make any contract, agreement, warranty or representation on Our behalf, or to incur any debt or other obligation in Our name. You further understand and agree that We shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action or by reason of any act or omission of Yours in Your conduct of the Franchised Business or otherwise, or for any claim or judgment against Us arising from Your operation of the Franchised Business. You shall indemnify, defend and hold Us harmless and hold harmless Our officers, directors, shareholders, members, managers and employees, and agents from and against any and all claims, costs, obligations, and causes of action, arising directly or indirectly from any act or omission of Yours or any of Your shareholders, directors, members, managers, officers, employees, sub-contractors or independent contractors, representatives or agents, as a result of, or in connection with, Your operation of the Franchised Business, the actions of any of Your shareholders, directors, members, managers, officers, employees, sub-contractors or independent contractors, representatives or agents, or any action arising from an allegation of a violation of labor or employment law; or by reason of any act occurring on, at or from the premises of the Franchised Business or on or at a customer site or by reason of an omission relating to the operation of the Franchised Business, as well as the costs, including reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses We incur in defending against such claims or actions. As between Us and You, You are solely responsible for the safety and well-being of Your employees, sub-contractors and the customers of the Franchised Business. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement or any renewal term.

(b) You agree to maintain insurance as follows:

(i) You shall maintain or cause to be maintained commercial general liability

insurance, including premise liability, products/completed-operations and contractual liability, covering claims for bodily injury or property damage caused as a result of the operation of the Franchised Business and pursuant to this Agreement in amounts not less than One Million Dollars (\$1,000,000.00) for each occurrence; One Million Dollars (\$1,000,000.00) excess insurance for each occurrence and Two Million Dollars (\$2,000,000.00) general aggregate. Coverage must be written on an occurrence basis only, not claims-made;

(ii) You shall maintain or cause to be maintained automobile liability insurance against claims for personal injury, death or property damage occurring as a result of the maintenance or operation by You of any automobiles, trucks or other vehicles used in the operation of the Franchised Business in an amount not less than One Million Dollars (\$1,000,000.00) Combined Single Limit; and,

(iii) You shall maintain or cause to be maintained workers' compensation insurance, without exclusion of principal owners who actively work in the business, in such amounts as may now or hereafter be required by any applicable law, and shall withhold from the pay of any of Your employees and pay any and all amounts required to be so paid for unemployment compensation, disability, Social Security, and other such federal, state and/or local taxes imposed upon You as an employer;

(c) All policies of liability insurance shall insure and name Us as an additional insured/loss payee and shall protect Us against any liability that may accrue by reason of the ownership, maintenance or operation by You of the Franchised Business.

(d) We reserve the right to increase the minimum limits listed above as well as to change or add new types of required coverage as set forth in greater detail in the Operations Manual.

(e) Your obligation to obtain and maintain or cause to be maintained the foregoing policy or policies of insurance shall not be limited in any way by reason of any insurance that may be maintained by Us, nor shall Your performance of this obligation relieve You of liability under the indemnity provision set forth in this Agreement. You shall deliver to Us certificates of insurance evidencing Your compliance no less than ten (10) days prior to opening the Franchised Business. Such proof of insurance shall include a statement by the insurer that the policy or policies will not be cancelled or materially altered without giving at least thirty (30) days prior written notice to Us. You must submit to Us at least annually, and otherwise upon request by Us, a copy of the certificate of renewal or other evidence of the renewal, existence or extension of such insurance policies.

(f) Should You, for any reason, fail to procure or maintain the insurance required by this Agreement, You shall be considered in Material Breach of this Agreement. In such event, We shall then have the right and authority (but not the obligation) to procure such insurance and to charge the cost of such insurance to You, which charges, together with a reasonable fee for Our expenses in taking such action, shall be payable by You immediately upon notice from Us.

24. BUSINESS ORGANIZATION AND PERSONAL GUARANTY(S)

(a) If You are an individual or individuals, then You acknowledge and agree that the grant of the Licensed Rights in Section 3 is made by Us in reliance on Your personal attributes and in consideration of the trust and confidence which We place in You, and on Your representation that You will actively and substantially participate personally in the beneficial ownership and management of the PRESERVE SERVICES Franchised Business.

(b) In the event You are a business entity (including but not limited to a corporation, a limited liability corporation, a partnership, a limited liability partnership, a trust), in addition to being newly formed, You must complete and sign the Principal Owner's Statement attached to this Agreement as Addendum D and each individual with an ownership interest in You must also sign Addendum D. Further, You represent, warrant and covenant that:

(i) You are newly formed and duly organized and validly exist under the laws of the state in which You were formed;

(ii) You are duly qualified and are authorized to do business in each jurisdiction in which Your business activities or the nature of the properties owned by You require such qualification;

(iii) The execution of and transactions contemplated by this Agreement are within Your powers;

(iv) The ownership interests in You are accurately and fully listed in Addendum D;

(v) Each and every person with an ownership interest in You shall sign the Guaranty Agreement attached to this Agreement as Addendum C and You shall provide the original signed Guaranty Agreement to Us;

(vi) The stated purpose of the business entity shall consist only of the development, ownership, operation and maintenance of the PRESERVE SERVICES Franchised Business;

(vii) You shall not issue any additional stock, membership, or interests in You and no individual with ownership interest in You shall transfer, assign or pledge any ownership interest in You without Our prior written consent, which shall not be unreasonably withheld, and a legend setting forth such restriction on transfers shall be contained in the business entity's organizational and governing documents and other appropriate documents such as certificates and stocks. In giving Our consent, We shall have the right (but not the obligation) to impose one or more reasonable conditions;

(viii) In the event the ownership interests in You changes, You must provide an updated Addendum D to Us within five (5) business days of the change and the new recipient(s) of

an ownership interest in You must sign the Guaranty Agreement attached to this Agreement as Addendum C;

(ix) Prior to Our signing of this Agreement, You shall deliver to Us photocopies of the organizational and governing documents and other documents such as certificates and stocks reflecting compliance with the provisions of this Subsection 24(b); and,

(x) Operation of Franchised Business is within the use for which the business entity is authorized in the jurisdiction in which the Franchised Business shall be conducted.

(c) If You are a business entity, You must appoint an individual owner as Your Operating Principal who must have authority over all business decisions related to Your Franchised Business and must have the power to bind You in all dealings with Us. Your Operating Principal must have at least a ten percent (10%) ownership interest in Your business entity. You must provide Us with written notice of Your Operating Principal at least thirty (30) days prior to opening and may not change Your Operating Principal without Our prior written approval.

25. COVENANTS OF NON-SOLICITATION, NON-DISCLOSURE AND NON-COMPETITION

(a) You, and persons controlling, controlled by or under common control with You, specifically acknowledge that, pursuant to this Agreement, You will receive valuable specialized training, trade secrets, and Confidential Information, including, without limitation, information regarding the management, operations, marketing, advertising, and related information, materials, methods and techniques of Franchisor and Our System which are beyond the present skills and experience of You and Your managers and employees, and that the value of this information arises not only from the time, effort and money that went into its compilation but also from its usage by all franchisees. You acknowledge that such specialized training, trade secrets, and Confidential Information provide a competitive advantage and will be valuable to You in the operation of the Franchised Business, and that gaining access to such specialized training, trade secrets, and Confidential Information is therefore a primary reason why You are entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information and exclusive rights described above, You and persons controlling, controlled by or under common control with You agree and covenant that during the term of this Agreement and for a continuous uninterrupted period commencing upon the effective date of expiration or termination of this Agreement or the date that You begin to comply with this Section, whichever is later, and for two (2) years thereafter, except to the extent prohibited by the laws of the state where the Franchised Business is located, or as otherwise approved in writing by Us, You shall not, either directly or indirectly, for You, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or other business entity:

(i) solicit, divert or attempt to solicit or attempt to divert any business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act deemed by Us to be injurious or

prejudicial to the goodwill associated with Our Licensed Rights and Our System; or

(ii) own, manage, maintain, operate, engage in, advise, consult with, invest in, be employed by or perform services as a director, officer, manager, representative, agent, or otherwise, or have any direct or indirect interest in any business within a fifty (50) mile radius of the Designated Territory of Your former Franchised Business and/or of any franchised business owned by any PRESERVE SERVICES franchisee, Us or a PRESERVE SERVICES affiliate that (a) specializes, in whole or in part, in offering to the public substantially similar products and/or services to those products and/or services offered by the Franchised Business prior to the termination or expiration of this Agreement (a "Competitive Business") or (b) grants franchises or licenses to others to operate a Competitive Business.

(b) At any time, during the term of this Agreement or thereafter, You shall not, either directly or indirectly, for You, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or other business entity, use, in connection with the operation of any business other than the Franchised Business, any of the Licensed Rights, or any other names, marks, systems, insignias, or symbols provided or approved by Us to You pursuant to this Agreement, or cause or permit any such business to look like, copy or imitate a PRESERVE SERVICES Franchised Business or to be operated in a manner tending to have such effect.

(c) You expressly acknowledge that You possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, You acknowledge that enforcement of the covenants made in this Section will not deprive You of Your personal goodwill or ability to earn a living.

(d) It is the express intention of the parties to this Agreement to comply with all laws applicable to the covenants contained in this Agreement. If any of the covenants contained in this Section are found to exceed in duration, geography or scope those permitted by applicable law, the parties expressly agree that such restrictive covenant may be reformed or modified by the final judgment of a court of competent jurisdiction or other lawful constituted authority to reflect a lawful and enforceable restriction, whether in duration, geography or scope, and that the covenants contained in this Section 25 shall automatically be deemed to be amended and modified so as to comply with the judgment or order of such court or authority to the maximum extent permitted. If any one or more of the provisions contained in this Section 25 shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if it never contained such invalid, illegal or unenforceable provisions.

(e) You understand and acknowledge that We shall have the right, in Our sole discretion, to reduce or limit the duration, geography or scope of any covenant set forth in this Section of this Agreement, or any portion thereof, without Your consent, effective immediately upon notice to You; and You agree that You shall comply from that point forward with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 48 hereof.

(f) You expressly agree that the existence of any claims You may have against Us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Us of the covenants in this Section. You further agree that We shall be entitled to set off from any amount owed by Us to You any loss or damage to Us resulting from Your breach of this Agreement.

(g) You understand and agree that the restrictions contained in this Section are reasonable and necessary to protect Our legitimate business interests.

(h) Nothing contained in this Agreement shall prevent You from owning less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly traded corporation listed on a recognized national stock exchange or NASDAQ.

(i) You acknowledge and agree that any failure by You to comply with the requirements of this Section shall constitute a material Event of Default under this Agreement; that such failure will cause Us irreparable injury and that money damages will not adequately compensate Us; and that We are entitled to enforce this Section by temporary restraining order and/or temporary, preliminary and/or permanent injunction, and/or specific performance, without the necessity of posting bond. This relief will be in addition to any other relief We may have under federal and/or state law. You agree to pay all court costs and reasonable attorneys' fees incurred by Us in enforcing Our rights under this Section.

(j) In addition to any other remedies or damages allowed under this Agreement and/or by law, if You breach any of the covenants set forth in Subsections 25(a) and (b), You shall pay Us a fee equal to Our then-current Initial Franchise Fee for each Competitive Business identified plus five percent (5%) of such Competitive Business' Gross Sales until expiration of the non-competition period set forth in this Section.

(k) During the term of this Agreement, any of Our officers or area supervisors shall have the right to inspect any business interest in which You or a Key Employee has an interest, at reasonable times and during normal business hours, to the extent reasonably necessary to determine whether the conditions of this Section are being satisfied. If, by reason of such inspections or otherwise, We have reason to believe that You are in default of this Section 25, and You are so notified by Us, You shall have the burden of establishing that You are not in default. You shall respond to any default notice under this Section within ten (10) days. With regard to any such default, We shall have the right to pursue any and all rights of remedy and enforcement available to Us, either at law or in equity, and You shall immediately take all steps to cure said default in a manner satisfactory to Us.

The provisions of this Section shall survive any termination or expiration of this Agreement or any renewals.

26. CONFIDENTIALITY

(a) You, and persons controlling, controlled by or under common control with You, shall hold in confidence Our System and shall not disclose any part of Our System to any individual or entity. It is understood and agreed that Our System would, if used by other individuals or entities, confer on them a substantial competitive advantage, which advantage is presently enjoyed by Us. Accordingly, You agree that You shall not at any time, without Our prior written consent, disclose (except to such employees or agents as must reasonably have access to such information in order to establish or operate the Franchised Business and who have signed confidentiality agreements, in a form approved by Us) or use or permit the use of Our System, or any part, except as may be required by applicable law or as authorized by this Agreement.

You acknowledge and agree that any form of confidentiality agreement is a form of agreement only and that it may or may not be enforceable in a particular jurisdiction. You agree that You are solely responsible for obtaining Your own professional advice with respect to the adequacy of the terms and provisions of any confidentiality agreement You require Your employees, agents and independent contractors to sign.

(b) You, and persons controlling, controlled by or under common control with You, shall at all times use Your best efforts to keep confidential the Operations Manual, any other manuals or materials designated for use with Our System and such other information as We may designate for confidential use with Our System, as well as all other trade secrets, if any, and Confidential Information, knowledge and business know-how concerning the establishment or operation of the Franchised Business that may be imparted to, or acquired by, You in connection with this Agreement. You acknowledge that the unauthorized use or disclosure of such Confidential Information (and trade secrets, if any) will cause incalculable and irreparable injury to Us. Any and all information, knowledge and know-how, not generally known in the construction management business, about PRESERVE SERVICES' products, equipment, services, standards, specifications, systems, procedures and techniques, and such other information or materials as We may designate as confidential, shall be deemed confidential and proprietary for purposes of this Agreement, except information that You can demonstrate came to Your attention prior to disclosure thereof by Us or that is or has become a part of the public domain through publication or authorized communication by others. The Operations Manual, any other manuals or materials designated for use with Our System, and all Confidential Information (and trade secrets, if any) shall at all times be deemed to be, and shall remain, Our sole property, and You shall acquire no rights, title or interest therein by virtue of Your authorization pursuant to this Agreement to possess and use them.

YOU ACKNOWLEDGE AND AGREE THAT OUR CONFIDENTIAL INFORMATION INCLUDES, BUT IS NOT LIMITED TO: THE TERMS AND CONDITIONS OF THIS AGREEMENT; THE CONTENTS OF THE OPERATIONS MANUALS, TRADE SECRETS WHICH INCLUDES CUSTOMER LISTS, AND ANY COMPONENT OF OUR SYSTEM THAT DOES NOT CONSTITUTE A TRADE SECRET BUT THAT OTHERWISE MEETS THE DEFINITION OF "CONFIDENTIAL INFORMATION."

The provisions of this Section shall survive any termination or expiration of this Agreement or any renewals thereof.

27. NON-DISCLOSURE AND NON-COMPETITION AGREEMENTS

Except to the extent prohibited by the laws of the state where the Franchised Business is located or where the employee lives or works, You shall cause any person who is actively involved as a Key Employee, as defined in Section 12 of this Agreement, in the Franchised Business, at the time such person enters Your employment, to enter into a non-disclosure and non-competition agreement, in a form approved by Us or as We otherwise provide. You acknowledge and agree that any form of non-disclosure and non-competition agreement is a form of agreement only and that it may or may not be enforceable in a particular jurisdiction. You agree that You are solely responsible for obtaining Your own professional advice with respect to the adequacy of the terms and provisions of any non-compete agreement You require Your employees, agents and independent contractors to sign.

You shall use Your best efforts to prevent any such persons from using, in connection with the operation of any competing business wherever located, any of the Licensed Rights or from operating any competing business that looks like, copies or imitates any PRESERVE SERVICES business or operates in a manner tending to have such effect. If You have reason to believe that any such person has violated the provisions of the non-disclosure and non-competition agreement, You shall immediately notify Us and shall cooperate with Us to protect Us against infringement or other unlawful use of the Licensed Rights, including, but not limited to, the prosecution of any lawsuits if, in the judgment of Our counsel, such action is necessary and advisable.

The provisions of this Section shall survive any termination or expiration of this Agreement or any renewals thereof.

28. ASSIGNMENT; CONDITIONS AND LIMITATIONS

If You are not an individual, the terms of this Section and of Section 29 hereof, shall also be deemed to apply to any management agreement, sale, resale, pledge, assignment, transfer or encumbrance of voting stock of, or other ownership interest in You which would, alone or together with other related, previous, simultaneous or proposed transfers, result in a change of ownership or management “control” of You.

As used in this Agreement, the term “transfer” includes Your (or an Owner’s) voluntary, involuntary, direct or indirect, assignment, sale, gift, or other disposition of any interest in (1) this Agreement, (2) the Franchisee entity, (3) the Franchised Business governed by this Agreement, or (4) all or a substantial portion of the assets of the Franchised Business. It also includes an assignment of day-to-day operational responsibilities for the Franchised Business pursuant to an operating agreement or otherwise. A transfer of the Franchised Business’ ownership, possession,

or control, or all or a substantial portion of Your assets, may be made only with a transfer of this Agreement which complies with the terms of this Agreement.

(a) You shall not, directly or indirectly, sell, assign, transfer, or encumber this Agreement, the Franchise, the Licensed Rights, or any other interest hereunder, nor shall You suffer or permit any such assignment, transfer or encumbrance to occur, by operation of law or otherwise, without obtaining Our prior written consent and complying with the terms of this Section 28.

(b) In the event You or Your successor is not an individual, You agree and acknowledge as follows:

(i) The Articles of Incorporation (or other corporate charter pursuant to which You were formed) and the Bylaws or Operating Agreement (or regulations or other instrument for the governance of the entity), or the Partnership Agreement, or other instruments pursuant to which You were created, reflects that the issuance and transfer of voting stock or other ownership interest therein ("securities") is restricted by the terms of this Agreement. You shall furnish Us at the time of execution of this Agreement or of assignment to the corporation, limited liability company, partnership or other entity, an agreement executed by all stockholders, partners, members and other owners of any equity interest in You, stating that none of such entities will sell, assign or transfer voluntarily or by operation of law any securities of Franchisee to any other entity, other than existing stockholders or partners to the extent permitted hereunder, without Our prior written consent. All securities issued by You will bear a legend in substantially the following form, which shall be printed legibly and conspicuously thereon:

"TRANSFER OF THESE SECURITIES IS SUBJECT TO CERTAIN
RESTRICTIONS CONTAINED IN A FRANCHISE AGREEMENT BETWEEN
PRESERVE SERVICES FRANCHISE SYSTEMS, LLC AND
_____, DATED _____, 20__."

A stop transfer order shall be in effect against the transfer of any securities on Your records except transfers permitted by this Agreement.

(c) You acknowledge and agree that the restrictions on transfer imposed herein are reasonable and are necessary to protect Our franchise system; PRESERVE SERVICES trade secrets and operating procedures; PRESERVE SERVICES' general high reputation and image; the Licensed Rights; as well as You and other PRESERVE SERVICES franchisees. Any assignment or transfer permitted by this Agreement shall not be effective until We receive a completely executed copy of all transfer documents and consent to such transfer in writing. Under no circumstances will You have a right to transfer under this Agreement before the Franchised Business has commenced operations.

(d) Your performance is of vital importance to the market position and Our overall image, and there are many subjective factors that comprise the process by which We select a suitable

franchisee. Our consent to a transfer or assignment by You of the Franchise and Franchised Business shall, in addition to the other restrictions and requirements herein noted, remain a subjective determination and shall consider, but not be limited to, whether:

- (i) All obligations of Yours under this Agreement and all other franchise documents, and the relationship created under those agreements are being assumed by the transferee;
- (ii) All ascertained debts of Yours to Us and Our affiliates have been paid;
- (iii) You, at the time of the request to transfer and as of the date of transfer, are not in default under this Agreement or any other franchise agreement;
- (iv) The proposed transferee does not operate or participate in an entity that operates a franchise, license, or other business offering products and/or services similar to those offered by the Franchised Business;
- (v) The proposed transferee meets all of Our requirements for new franchisees, including, but not limited to, good reputation and character, experience, business acumen, operational ability, financial strength and stability, willingness and ability to devote full time and best efforts to the operation of the Franchised Business and other business considerations as We may reasonably apply in evaluating new franchisees. You provide Us with all information We may require concerning the proposed transaction (including a copy of the purchase agreement and all related documents), and the proposed transferee as We may reasonably require;
- (vi) The proposed transfer is at a price and upon such terms and conditions as We, in Our sole and exclusive judgment, deem reasonable; or We shall have the right to approve the material terms and conditions of the transfer, including, without limitation, the right to confirm that the price and terms of payment are not so burdensome as to affect adversely the transferee's operation of the Franchised Business.
- (vii) The proposed transferee executes or, in appropriate circumstances, causes all necessary parties to execute Our then-current standard form of franchise agreement (provided that such execution will not serve to extend the then-remaining term of the franchise) and such other then-current ancillary agreements being required by Us of new franchisees on the date of transfer;
- (viii) You, except to the extent prohibited by state law, have executed a general release of any and all claims against Us and Our subsidiaries and affiliates, and Our respective officers, directors, agents and employees;
- (ix) You or proposed transferee have paid to Us a non-refundable Transfer Fee of Ten Thousand Dollars (\$10,000.00) to cover Our reasonable costs in effecting the transfer and in providing training and other initial assistance to transferee;

- (x) If You are providing financing to the proposed transferee for any part of the purchase price, You have agreed that all of the proposed transferee's obligations under promissory notes, agreements or security interests reserved in the Franchised Business are subordinate to the proposed transferee's obligation to pay fees and other amounts due to Us and otherwise to comply with the franchise agreement;
 - (xi) You will abide by all post-termination covenants including, without limitation, the covenant not to compete set forth in Section 25, subject to applicable state law, and confidentiality set forth in Section 26; and
 - (xii) You remain liable for future warranty claims, unless such liabilities have been paid prior to the closing of the transaction and sale or unless the sale is a sale of a minority of shares in capital stock or membership interest in business entity Franchisee.
- (e) If You pursue but do not complete a transfer which has caused Us to incur costs and expenses in reviewing and documenting the proposed transfer, You must reimburse Us for these costs and expenses.
- (f) This Agreement shall inure to Our benefit, and Our successors and assigns, and We shall have the right to transfer or assign without Your consent all or any part of Our interest in this Agreement to any person or legal entity who in Our good faith judgment has the willingness and capacity to assume Our obligations.

29. DEATH, DISABILITY OR PERMANENT INCAPACITY OF FRANCHISEE

In the event of Your death or permanent disability or that of any person with a controlling interest in You, the executor, administrator, or personal representative of that person shall transfer his or her interest to a third party approved by Us within six (6) months after such death or permanent disability. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same restrictions and conditions as any *inter vivos* transfer. However, in the case of a transfer by devise or inheritance, if the heirs or beneficiaries of any deceased person are unable to fully satisfy the conditions contained in this Agreement, the personal representative of the deceased Franchisee shall have a reasonable time, in Our sole discretion, to dispose of the deceased's interest in the Franchise, which disposition will be subject to all the terms and conditions for transfer contained in this Agreement. If the deceased's interest is not transferred within a reasonable time, as determined by Us in Our sole discretion, We may terminate this Agreement. The term "permanent disability" shall mean a mental, physical or emotional disability, incapacity, impairment, or condition that is reasonably expected to prevent or actually does prevent You (or an Owner controlling You) from supervising the management and operation of the Franchised Business for a period of one hundred and twenty (120) days from the onset of such disability, incapacity, impairment or condition. In any event, the Franchised Business must at all times be managed by a designated manager who has complied with all of Our training requirements, regardless of any death or permanent disability covered by this Section.

30. OPERATION OF FRANCHISED BUSINESS IN THE EVENT OF ABSENCE, INCAPACITY OR DEATH

In order to prevent any interruption of the business of the Franchised Business which would cause harm to such business and thereby depreciate its value, You authorize Us, in the event that You are absent or incapacitated or die, and are not, therefore, in Our sole judgment, able to operate the Franchised Business, to operate said business for so long as We deem necessary and practical, and without waiver of any other rights or remedies We may have under this Agreement; provided, however, that in the event that We commence to operate the Franchised Business, We shall not be obligated to operate the Franchised Business for a period of more than one hundred and twenty (120) days. All monies from the operation of the Franchised Business during the period of Our operation shall be maintained in a separate account. The expenses of the Franchised Business, including reasonable compensation and expenses for Our representatives, shall be charged to such account. If, as provided in this Section 30, We temporarily operate the Franchised Business, You agree to indemnify and hold Us harmless, and hold harmless any representative of Ours who may operate the Franchised Business, from any and all claims arising from the acts and omissions of Us and Our representative arising from such operation.

31. FRANCHISOR RIGHT OF FIRST REFUSAL

If You receive from a third party, and desire to accept, a bona fide written offer to purchase Your business, franchise and interests in the Franchised Business (or seek to effect a sale of the Franchised Business), We shall have a right of first refusal, exercisable by written notice to You furnished within thirty (30) days after written notice and receipt of a copy of such offer and the other information set forth in this Section, to purchase such business, franchise and interests on the same financial terms and conditions as offered to or by such third party; provided further that We may substitute cash for any other form of payment proposed in such offer. In order that We may have information sufficient to enable Us to determine whether to exercise Our right of first refusal, You shall deliver to Us, to the extent requested by Us, certified financial statements as of the end of Your most recent fiscal year, any financial statements prepared by or for You since the end of such fiscal year and such other information about the business and operations of Franchisee as You have provided or will make available to such third party. If We do not exercise Our right under this Section 31, You may, within ninety (90) days from the expiration of the option period, sell, assign and transfer Your business, franchise and interests hereunder but only upon the same terms and conditions proposed to Us and provided We have consented to such transfer as required by Section 28 hereof.

If You fail to make such sale, assignment or transfer within this ninety (90) day period, or if there is any material change in the terms of the offer, it shall trigger a new right of first refusal period. Failure by Us to exercise the option afforded by this Section shall not constitute a waiver of any other provisions of this Agreement, including all of the requirements of Section 28 hereof, with respect to the proposed transfer.

If You are not an individual, this right of first refusal shall apply to any management agreement, sale, resale, pledge, assignment, transfer or encumbrance of the voting stock of, or other ownership interest in You which would, alone or together with other related, previous, simultaneous or proposed transfers, result in a change of “control” of Franchisee.

32. TERMINATION

(a) If You are in compliance with this Agreement and We materially breach this Agreement and fail to cure such breach within thirty (30) days after written notice thereof is delivered to Us, then You may terminate this Agreement and the Franchised Business effective thirty (30) days after delivery to Us of notice of termination. Notwithstanding the foregoing, if the breach is capable of being cured but is of a nature which cannot reasonably be cured within such thirty (30) day period, and We have commenced and are continuing to make good faith efforts to cure the breach, We shall be given an additional reasonable period of time to cure the breach, and this Agreement shall not terminate. Any termination of this Agreement and the Franchised Business by You, without complying with the foregoing requirements, or for any reason other than a material breach of this Agreement by Us and Our failure to cure such material breach within the time allowed shall be deemed a termination by You without cause.

(b) You acknowledge that the strict performance of all the terms of this Agreement is necessary not only for Our protection, but also for the protection of You and Our other franchisees. As a result, You acknowledge and agree that the occurrence of any of the following events, each or any of which shall be considered a Material Breach default of this Agreement, constitutes reasonable grounds for termination of this Franchise Agreement by Us; provided, however that You shall be given the opportunity, within fifteen (15) days after receipt of written notice of such Material Breach, to cure the default by promptly providing proof of cure to Us. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured within such fifteen (15) day period and You have commenced and are continuing to make good faith efforts to cure the breach, You shall be given an additional reasonable period of time to cure the default, and this Agreement shall not terminate. If any such default is not cured within the time as specified by Us, this Agreement shall terminate effective immediately without further notice to You. You shall be in default under this Agreement for failure to comply with any of the requirements imposed by the Agreement, or for failure to carry out the terms of this Agreement in good faith. Such defaults include, but are not limited to:

- (i) A failure by You to remit any payments when due under this Agreement;
- (ii) A failure by You to establish, equip, maintain, or update the Franchised Business in accordance with Our System Standards and specifications;
- (iii) A failure by You to submit to Us financial reports or other information required under this Agreement, or a failure to allow reasonable access to Your records within the time periods required by this Agreement;

- (iv) A failure by You to operate the Franchised Business in accordance with Our Operations Manual or other manuals, or a failure by You to use products, methods, equipment or suppliers which conform to Our specifications and standards, or Your failure to maintain Our standards of quality service in the operation of the Franchised Business;
 - (v) A failure by You to obtain Our prior written approval or consent as expressly required by this Agreement;
 - (vi) A failure by You to accurately or completely record all sales made in, upon or from the Franchised Business at the time of sale;
 - (vii) A breach by You of any other covenant, term, or provision of this Agreement;
 - (viii) A failure by You to open the Franchised Business within nine (9) months of the execution of this Agreement;
 - (ix) A failure by You to comply with any of Your agreements with any third parties as related to the Franchised Business;
 - (x) A failure by You to consistently pay the debts of the Franchised Business as they become due; or
 - (xi) A failure to comply with the Minimum Sales Performance as provided for in Subsection 17(j) during the Term of this Agreement.
- (c) In the event You are delivered three (3) or more notices of Material Breach from Us within a twenty four (24) month period pertaining to any one (1) or more of the foregoing events of default whether or not cured after notice, during the initial term or any renewal terms of this Agreement, We shall have the right to terminate this Agreement. The effective date of any such termination notice under this Subsection shall be upon the expiration of Your receipt of fifteen (15) days written notice to that effect, or such longer period as may be required by law.
- (d) Notwithstanding the foregoing, We shall deem You to be in material breach and, at Our option, may terminate this Agreement and all rights granted under it, without affording You any opportunity to cure the breach, effective immediately after written notice of termination is received by You, if You do any of the following:
- (i) Abandon, vacate, desert, surrender, transfer control or otherwise cease operation of the Franchised Business, or fail to continuously and actively operate the Franchised Business, or to do so for a period of three (3) consecutive business days or any shorter period that indicates an intent by You to discontinue operation of the Franchised Business without Our express written consent, unless and only to the extent that You are precluded from doing so by damage to the Franchised Business due to war, act of God, civil disturbance, natural disaster, labor dispute or other events beyond Your reasonable control,

and so long as within one hundred and eighty (180) days, You have begun and diligently pursued relocation or re-establishment of the Franchised Business;

(ii) Misuse the Licensed Rights, or any other names, marks, e-marks, systems, insignias, symbols, copyrights or rights provided by Us to You, or otherwise materially impair the goodwill associated therewith the Licenses Rights, or if You shall use at the Franchised Business any names, marks, e-marks, systems, insignias, symbols or copyrights not authorized by Us;

(iii) Consistently (e.g., twice or more in any twelve (12) month period) fail or refuse to submit when due any financial statement, tax return or schedule, or to pay when due the Royalty Fees or any other payments or to submit any required reports due to Us;

(iv) Intentionally underreport Gross Sales in any amount or negligently underreport Gross Sales by five percent (5%) or more during any reporting period;

(v) Operate the Franchised Business in a manner that violates any federal, state, or local law, rule, regulation or ordinance;

(vi) Make a material misrepresentation to Us or on Your application to own and operate the Franchised Business or in conducting the business franchised and licensed under this Agreement;

(vii) Attempt to transfer, assign or sub-franchise this Agreement without Our prior written consent as set forth in this Agreement;

(viii) Disclose or divulge to any unauthorized person or entity or copy or reproduce any of the contents of the Operations Manual or any other trade secrets or Confidential Information provided to You by Us or any of Our subsidiaries or affiliates;

(ix) Engage in any activity that has an adverse effect on Us, Our affiliates, Our franchisees and/or the Marks;

(x) Are indicted or arrested, charged, publicly accused in the national or regional media or convicted of any felony whatsoever, or if You are convicted of any crime involving fraud, deception or moral turpitude, or commit any crime or offense reasonably likely, in Our sole opinion, to materially and unfavorably affect the Licensed Rights, the marks and associated goodwill and reputation of PRESERVE SERVICES and/or Franchisor;

(xi) (1) Fail to satisfy any judgment within thirty (30) days unless a supersedeas or other appeal bond has been filed; or (2) fail to obtain discharge within five (5) days an execution levied against You, Your business or property or any person with a controlling interest in You; or (3) fail to obtain dismissal within thirty (30) days any suit to foreclose any lien or mortgage against the Franchised Business, the equipment of such business, or the land

upon which the Franchised Business is situated; or (4) fail to obtain dismissal or release within a thirty (30) day period of any attachment of or liens on Your bank accounts, property or receivables; or (5) if the real or personal property of Your business is sold after levy by any sheriff, marshal, or constable;

(xii) Fail to maintain an independent contractor relationship with Us;

(xiii) Commit a default under any loan or lease required to operate the Franchised Business and fail to cure that default by the date specified by the lender or lessor;

(xiv) Create or allow the continuation of any condition in or at the Franchised Business, or on or about the Franchised Business' premises, which We reasonably believe presents health and/or safety concerns for the Franchised Business' customers or employees;

(xv) Engage in any act(s) that is so dishonest, untrustworthy, self-dealing, and/or fraudulent, that it goes to the essence of the Franchise Agreement and/or frustrates one of the principal purposes of the Franchise Agreement and/or irreparably damages the trust between Us and You;

(xvi) Commit a material breach that cannot be cured; or

(xvii) If, without Our prior written consent, You or persons controlling, controlled by, or under common control with You shall have any interest, direct or indirect, in the ownership or operation of any business engaged in the sale of similar or other related products or services within Your Designated Territory, or in any business, regardless of where located, that looks like, copies, or imitates any PRESERVE SERVICES business, or operates in a manner tending to have such effect.

(e) Notwithstanding the foregoing provisions of this Section, You shall be in breach under this Agreement and all rights granted under this Agreement will automatically terminate without notice to You, if You do any of the following:

(i) Make an assignment for the benefit of creditors or an admission of Your inability to pay Your obligations as they become due; or

(ii) File a voluntary petition in bankruptcy or any pleading seeking any reorganization, arrangement, composition, adjustment, liquidation, dissolution or similar release under any law, or admit or fail to contest the material allegations of any such pleading or action for the benefits of creditors filed against You, or are adjudicated bankrupt or insolvent, or a receiver is appointed for a substantial part of Your assets or the assets of the Franchised Business, or the claims of Your creditors or the creditors of the Franchised Business are abated or subject to moratorium under any laws.

(f) If You are in material default as described in subsection (b) above, We have the right to

suspend any and all operating assistance as described in this Agreement and/or the Operations Manual to You.

(g) In the event state law requires a notice period prior to the effective date of a termination under this Section, We shall have the right to take possession of the Franchised Business and diligently run it on Your behalf until such time as the termination becomes legally effective. You, on behalf of Yourself, Your heirs, and Your legal representatives, consent to such operation of the Franchised Business by Us, and release and indemnify Us from any liability arising in connection with Our operation of the Franchised Business pursuant to the terms of this Subsection.

33. STEP-IN RIGHTS

(a) If a material default under this Agreement occurs and remains uncured, or is not subject to cure, or if Your actions jeopardize the integrity of the Marks or System, then You authorize Us or Our designee to operate the Franchised Business for as long as, in Our reasonable judgment, it is necessary or practical. You acknowledge that this right to step-in is necessary to preserve the value and integrity of the Marks and System. Even if We exercise this right to step in, You agree that We do not lose or waive a right to exercise any other rights or remedies which We may have legally under this Agreement. Among the reasons We may act under these step-in rights are:

- (i) We reasonably determine that You are unable to operate the Franchised Business because You are absent or incapacitated because of illness, accident, injury or death;
- (ii) You have not paid Your monetary obligations to Us or others when they are due;
- (iii) You have not removed non-consensual liens or encumbrances which have been placed against the Franchised Business; or
- (iv) We determine that material operational problems require that We operate the Franchised Business for a period of time.

(b) During a step-in period, We will maintain in a separate account, all Gross Sales of the Franchised Business. From that account We will pay all expenses of the Franchised Business, which will include the Royalty Fee, all marketing and technology contributions or payments, and reasonable compensation and expenses for Our representatives. If these step-in rights are exercised, You agree to hold Us harmless and hold harmless Our representatives for all actions or omissions which occur during the course of the temporary operation. You agree to pay Our reasonable attorneys' fees and costs which might arise from the exercise of these step-in rights. Nothing in this Section 33 will prevent Us from exercising any other rights which We may have under this Agreement, including the right to terminate the Agreement.

34. CROSS-DEFAULT

Any default by You of any other agreement between Us or Our affiliates and You or Us or Our

affiliates and any of Your affiliates shall be deemed a default under this Agreement, and any default by You under this Agreement shall be deemed a default under any and all other agreements between the parties. If the nature of such default under any other agreement would have permitted Us to terminate this Agreement had such default occurred under this Agreement, We shall have the right to terminate all of the other agreements between Us and You or Us and any of Your affiliates in the same manner as provided herein for termination of this Agreement.

35. OBLIGATIONS OF FRANCHISEE UPON TERMINATION OR EXPIRATION

(a) Upon termination of this Agreement for any reason or upon expiration of its term, You agree as follows:

- (i) To pay immediately to Us, Our subsidiaries and/or Our affiliates the full amount of all sums due under this Agreement including damages, liquidated damages and costs incurred in enforcing this Agreement or otherwise;
- (ii) To cease immediately to operate the Franchised Business and cease to use the Licensed Rights provided by Us under this Agreement, including but not limited to PRESERVE SERVICES Marks, or any other marks registered by Us and Our affiliates or any of Our trade secrets, signs, symbols, devices, materials constituting part of Our System, and any confusingly similar name, marks, e-marks, copyrights, systems, insignias, symbols and other rights, procedures or methods;
- (iii) To immediately return to Us all originals and copies of Our Operations Manuals and all other manuals, plans and specifications, designs, training aids, records, data, samples, models, programs, or handbooks and other materials loaned or provided to You by Us or any of Our subsidiaries or affiliates;
- (iv) To immediately turn over to Us any and all originals and copies of customer lists, records, files, instructions, social media contact lists, correspondence including customer related emails, brochures, computer software, computer CDs, DVDs or diskettes and any and all Confidential Information in Your possession, custody or control concerning or relating to the operation of the Franchised Business and/or Our operations or business. The only documents that You shall be permitted to retain are Your copy of this Agreement, any correspondence between You and Us and any other documents that You reasonably need to comply with a provision of applicable law;
- (v) To cease immediately to hold Yourself out in any way as Our franchisee or to do anything that would indicate any past or present relationship between You and Us;
- (vi) To the extent possible, to immediately remove or permanently cover any and all structures, signs or advertisements identifiable in any way with Us or PRESERVE SERVICES name or image;

(vii) To promptly take such action that may be required to cancel all fictitious or assumed names or equivalent registrations relating to Your use of any of the Marks or, at Our option, assign same to Us;

(viii) Promptly assign to Us any interest that You may have in the telephone number(s), telephone listing(s) and/or directory(ies), social media and networking accounts, and/or Internet numbers used by You in connection with the operation of the Franchised Business. You shall promptly transfer all telephone calls by call-forwarding to Us or to such other party or entity as We shall direct; execute any such instruments and take such actions as We may deem necessary to effect such transfer and call-forwarding of telephone calls. You acknowledge that this Agreement shall be conclusive evidence of Our rights to such telephone numbers, telephone directory listings, social media and networking accounts and Internet numbers and Our authority to direct this transfer;

(ix) Abide by all restrictive covenants set forth in Sections 25 through 27 of this Agreement;

(x) Assign any and all accounts receivable to Us for collection. In connection therewith You hereby appoint Us as attorney-in-fact to engage in such collection activities following the termination or expiration of this Agreement and You specifically undertake to refrain from engaging in any such collection activities upon termination or expiration. We agree to employ good faith efforts, including, where appropriate in Our sole and exclusive judgment, the commencement of legal proceedings, to collect such accounts receivable. Nothing contained herein shall be construed or deemed to impose any duty or obligation upon Us to collect such accounts receivable and, if all or a portion of such accounts receivable are not collected by Us, You release and waive any claims thereto against Us. If We are successful in collecting all or a part of such accounts receivable, We shall remit to You such sums collected after first deducting any and all monies owed to Us; after deducting the pro rata cost of servicing the customer(s) with respect to whom the receivables were collected; and, after further deducting Our costs of collection; and

(xi) Immediately refrain from engaging in any and all contacts with customers or former customers of the Franchised Business, whether with respect to collection of accounts receivable, to provide services to such customers or former customers pursuant to any business conducted by You, whether or not similar to the Franchised Business, or for any other purpose whatsoever.

(b) If termination of this Agreement arises out of a default or defaults by You in complying with terms of this Agreement, We shall have the option to purchase at fair market value all or part of Your supplies and products used by You in the Franchised Business. Such option shall be exercised, if at all, in whole or in part, by Us upon or within fifteen (15) days of termination of this Agreement. It is expressly understood that this provision is an option that We may or may not exercise, and that We are under no obligation to do so. We shall have the right to set off all amounts due from You against any payment We would otherwise make to You under this

Subsection. If We and You cannot agree on the fair market value of the property, it will be determined by an independent appraisal paid for by both You and Us. You shall have the right to maintain Your own property not bearing any of the Marks, including equipment and supplies, and are under no obligation to sell such property to Us.

36. NOTICES

All approvals, requests, notices, and reports required or permitted under this Agreement will not be effective unless in writing and delivered to the party entitled to receive the notice in accordance with this Section. All such approvals, requests, notices, and reports, as well as all payments, will be deemed delivered at the time delivered by hand; or one (1) Business Day after sending, e-mail or comparable electronic system or through a nationally recognized commercial courier service for next Business Day delivery; or three (3) Business Days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified and/or, with respect to any approvals and notices that We provide to You or Your Owners, at the Franchised Business' address.

As of the Effective Date of this Agreement, notices should be addressed to the following addresses unless and until a different address has been designated by written notice to the other party:

- (a) If to Us at:
203 Washington Street, #256, Salem, Massachusetts 01970
- (b) If to You at:

37. DISPUTE RESOLUTION

(a) We and You agree that it is in each of our best interests to resolve claims, controversies and disputes arising out of or relating to Your operation of the Franchised Business under this Agreement between us in an orderly fashion and in a consistent manner. For that reason, We and You agree as follows:

- (i) Except for matters where either party seeks equitable relief, neither party will seek a judicial resolution of a dispute between them without first requesting a meeting or telephone conference with the other party by written notice, which notice will designate a party who is a senior executive with authority to reach a resolution of the dispute on their behalf. The party receiving the notice will also designate a representative of similar authority for the purpose of discussing the specific matter in dispute. If the Franchisee is an individual, You will be Your designated representative. At least one meeting or telephone conference of the designated representatives will be held in an effort to resolve the dispute. The parties will agree on a location, date and time for the meeting or telephone conference which must be within thirty (30) days of the initial notice. If the meeting(s) and/or telephone conferences do not resolve the dispute, either party may pursue mediation

in accordance with Subsection 37(a)(ii).

(ii) If the dispute is not resolved pursuant to Subsection 37(a)(i), the parties shall submit the dispute to mediation in accordance with the Commercial Arbitration Rules and Mediation Procedures (Including Procedures for Large, Complex Commercial Disputes) of the American Arbitration Association (“AAA”) unless both parties agree to waive mediation and proceed directly to arbitration as set forth in Subsection 37(a)(iii). Each party will bear their own costs and fees of the mediation, however, the mediator's fee will be split equally between the parties.

(iii) If the parties have not resolved a claim, controversy or dispute by negotiation, mediation, or otherwise (which the parties will make a diligent effort to do) or if a claim, controversy or dispute arises subsequent to the termination or expiration of this Agreement, such claim, controversy or dispute shall be referred to Arbitration in accordance with the AAA’s Commercial Arbitration Rules and Mediation Procedures (Including Procedures for Large, Complex Commercial Disputes), as amended (and specifically including the Optional Rules). If such Rules are in any way contrary to or in conflict with this Agreement, the terms of this Agreement shall control. The Arbitrator shall apply the Federal Rules of Civil Procedure and the Federal Rules of Evidence to the extent possible while, in Arbitrator's discretion, still effecting the arbitration goal of streamlined administrative procedure. The law of the Commonwealth of Massachusetts shall govern the construction and interpretation of this Agreement in Arbitration.

(b) The Arbitration proceedings shall be conducted before a single Arbitrator, selected in accordance with AAA Rules, who shall be a member of the bar of the Commonwealth of Massachusetts who has been actively engaged in the practice of law for at least ten (10) years and has franchise law experience. Prior to the commencement of hearings, the Arbitrator shall provide an oath of undertaking of impartiality.

(c) Arbitration shall be conducted in Massachusetts (or, if the AAA office in Massachusetts is no longer in existence, at the location of the AAA nearest to the Commonwealth of Massachusetts). The award of the Arbitrator shall be final and judgment upon the award rendered in Arbitration may be entered in any court having jurisdiction thereof. The costs and expenses of Arbitration, including compensation and expenses of the Arbitrator, shall be borne by the non-prevailing party.

(d) Any party to this Agreement may bring an action, including a summary or expedited proceeding to compel Arbitration of any such dispute or controversy, in a court of competent jurisdiction in Massachusetts and, further, may seek provisional or ancillary remedies including temporary or injunctive relief in connection with such dispute or controversy, without providing or posting any bond or security regardless of any legal requirements to do so, provided that the dispute or controversy is ultimately resolved through binding Arbitration conducted in accordance with the terms and conditions of this Agreement.

(e) In proceeding with Arbitration and in making determinations hereunder, the Arbitrator shall not extend, modify or suspend any terms of this Agreement or the reasonable standards of business performance and operation established by Us in good faith. Notice of or request to or demand for arbitration shall not stay, postpone or rescind the effectiveness of any termination of this Agreement. In the event that either Party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such Party notwithstanding said failure to appear.

(f) Whenever We reserve or are deemed to have reserved discretion in a particular area or where We agree or are deemed to be required to exercise Our rights reasonably or in good faith, We will satisfy Our obligations whenever We exercise Reasonable Business Judgment in making Our decision or exercising Our rights. Our decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if Our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes Our financial or other individual interest. Examples of items that will promote or benefit the System include without limitation enhancing the value of the Marks, improving customer service and satisfaction, improving service or product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System. We are not required to consider any of Your or any other franchisee's particular economic or other circumstances when exercising Our Reasonable Business Judgment. Decisions We make using Our Reasonable Business Judgment will not affect all franchisees equally, and some may be benefited while others are not. Neither You nor any third party (including without limitation an arbitrator or a court of competent jurisdiction), shall substitute its judgment for Our Reasonable Business Judgment.

38. REMEDIES

(a) The parties agree that any claim for lost earnings or profits by You shall be limited to a maximum amount equal to the net profits of the Franchised Business for the prior year as shown on Your federal income tax return.

(b) The parties further agree that, in addition to such other damages awarded, if this Agreement is terminated by Us because of Your default or if you terminate without cause, You shall be liable to Us for a lump sum termination fee equal to the net present value of the Royalties, Marketing Fund Fees, and Technology Fees that would have become due in addition to any and all other damages We may have in the future for any violations of Your post-termination obligations following termination of this Agreement for the period this Agreement would have remained in effect but for Your default. Royalties, Marketing Fund Fees, and Technology Fees for purposes of this Section shall be calculated based on the Franchised Business' average monthly Gross Sales for the twelve (12) months preceding the termination date. If you have not operated your Franchised Business for at least twelve (12) months preceding the termination date, Royalties, Marketing Fund Fees and Technology Fees will be calculated based on the average monthly Gross Sales of franchised businesses operating under the same Mark during our last fiscal year and the payment amount would be equal to the net present value utilizing the Prime Rate as published per the Wall Street Journal. This fee is in addition to, and not in lieu of any other damages we sustain as a result of the termination. The parties hereto acknowledge and agree that it would be

impracticable to determine precisely the damages We would incur from this Agreement's termination due to Your default, and the loss of cash flow due to, among other things, the complications of determining what costs, if any, We might have saved and how much the fees would have grown over what would have been this Agreement's remaining Term. The parties consider these liquidated damages provision to be a reasonable, good faith and genuine pre-estimate of those damages, and not a penalty.

(c) In the event that there is any controversy or claim arising out of or relating to this Agreement, or to the interpretation, breach or enforcement thereof, and any arbitration, action or proceeding is commenced to enforce the provisions of this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees, costs and expenses from the non-prevailing party.

39. REMEDIES CUMULATIVE

All rights and remedies of the parties hereto shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for in this Agreement or which may be available at law or in equity in case of any actual or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between You and Us or Our affiliates. The rights and remedies of the parties under this Agreement shall be continuing and may be exercised at any time or from time to time. The expiration, earlier termination, or exercise of Our rights pursuant to Section 32 of this Agreement shall not discharge or release You from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination, or the exercise of such rights under this Agreement.

40. LIMITATIONS OF CLAIMS

Except with regard to Your obligation to pay Us and Our affiliates Royalty Fees, any Marketing Fund Fees and other fees or payments of every nature and kind due from You pursuant to this Agreement or otherwise, any claims between the parties must be commenced within one (1) year from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claim or such claim shall be barred. The parties understand that this time limit might be shorter than otherwise allowed by law. You agree that the sole recourse for claims arising between the parties shall be against Us or Our successors and assigns. You agree that Our shareholders, members, managers, directors, officers, employees and agents and Our affiliates shall not be personally liable nor named as a party in any action between Franchisee and Franchisor. You and We further agree that, in connection with any such proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed as described above shall be forever barred. The parties agree that any proceeding will be conducted on an individual, not a class-wide, basis and that a proceeding between You and Us may not be consolidated with another proceeding between Us and any other person or entity. No previous course of dealing shall be admissible to explain, modify, or contradict the terms of this Agreement. No implied covenant of good faith and fair dealing shall be used to alter the express terms of this Agreement.

41. INJUNCTIVE RELIEF

(a) Nothing in this Agreement shall bar Our right to seek specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause Us loss or damages under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. You specifically acknowledge that any failure by You to comply with the requirements of Sections 25, 26 and/or 27 of this Agreement will cause Us irreparable injury and that We shall be entitled to obtain specific performance of, and/or an injunction against any violation of, such requirements. You agree to pay all court costs and reasonable attorneys' fees incurred by Us in obtaining specific performance of, and/or an injunction against any violation of, the requirements of this Agreement. The foregoing remedies shall be in addition to any other legal or equitable remedies that We may possess.

(b) You agree that We will not be required to post a bond to obtain any injunctive relief and that Your only remedy if an injunction is entered against You will be to seek the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by reason of the wrongful issuance of such injunction being expressly waived hereby).

(c) Should legal proceedings be brought against You to enforce any non-competition covenant or for Your failure to maintain confidentiality and protect against infringement, the period of restriction shall be deemed to begin running on the date of entry of an order granting Us injunctive relief and shall continue uninterrupted for the entire period of restriction.

42. DAMAGES AND WAIVER OF JURY TRIAL

The parties waive, to the extent permitted by law, any claim for punitive or exemplary damages against each other, regardless of each parties' respective right to such damages under the choice of law provision herein. Only claims, controversies or disputes involving You and no claims for or on behalf of any other franchisee, franchisor or supplier may be brought by You hereunder.

FURTHERMORE, YOU AND WE EACH IRREVOCABLY WAIVE OUR RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY. YOU AND WE ACKNOWLEDGE THAT THIS WAIVER OF JURY TRIAL RIGHTS PROVIDES THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND RESOLUTION OF ANY DISPUTE ARISING OUT OF THIS AGREEMENT AND ANY ASPECT OF THE PARTIES' RELATIONSHIP. YOU AND WE FURTHER ACKNOWLEDGE THE SUFFICIENCY AND RECEIPT OF MUTUAL CONSIDERATION FOR SUCH BENEFIT.

43. ENFORCEMENT COSTS AND EXPENSES

You shall pay Us on demand any and all costs and expenses We incur in enforcing the terms of this Agreement, including, but not limited to, Our overhead costs and Our expenses for Our staff's

time and efforts to obtain overdue reports and/or payments or to address and/or resolve defaults; costs and commissions due a collection agency; attorneys' fees; and Our administrative costs. If a claim for amounts owed by You to Us or any of Our affiliates is asserted in any legal proceeding or if We are required to enforce this Agreement in a judicial or arbitration proceeding and We prevail, You must reimburse Us for Our costs and expenses, including court costs, arbitration and arbitrator costs, expert witness fees, discovery costs, and reasonable accounting and attorneys' fees and costs on appeal together with interest charges on all of the foregoing whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. All such costs and expenses shall be prorated to properly reflect any partial prevailing in the proceeding, as determined by the arbitrator or the court. Your duty to pay all of the above costs and expenses shall survive the termination or expiration of this Agreement.

44. NO RIGHT TO SET OFF

You shall not be allowed to set off amounts owed to Us or Our affiliates for Royalties, fees, or other amounts due against any monies owed to You, which right of set off is hereby expressly waived by You.

45. WAIVER

No waiver by Us or by You of any covenant or condition or the breach of any covenant or condition of this Agreement to be kept or performed by the other party shall constitute a waiver by the waiving party of any subsequent breach of such covenant or condition or authorize the breach or non-observance on any other occasion of the same or any other covenant or condition of this Agreement. Subsequent acceptance by Us of any payments due to Us hereunder shall not be deemed to be a waiver by Us of any preceding breach by You of any terms, covenants or conditions of this Agreement. Any conditional waiver granted by Us shall be subject to Our continuing review, may subsequently be revoked for any reason effective upon Your receipt of ten (10) days prior written notice to that effect, and shall be without prejudice to any other rights We may have.

46. CONSENTS

Whenever this Agreement requires Our approval or consent, You shall make a timely written request to Us and such approval shall be obtained in writing.

47. JOINT AND SEVERAL OBLIGATION

If You consist of more than one person, Your liability under this Agreement shall be joint and several.

48. GOVERNING LAW; CONSENT TO VENUE AND JURISDICTION

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1051 et seq.), as amended, or other federal law, this Agreement and the franchise rights granted

herein shall be governed by and construed in accordance with the substantive laws of Massachusetts which laws shall prevail in the event of any conflict of law. You waive, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any state relating to franchises or business opportunities, other than those of the state in which the Territory is located. If any provision, or portion hereof in any way contravenes the laws of any state or jurisdiction where this Agreement is to be performed, such provision, or portion thereof, shall be deemed to be modified to the extent necessary to conform to such laws, and still be consistent with the parties' intent as evidenced by this Agreement. All claims which, as a matter of law or public policy, cannot be submitted to arbitration in accordance with Section 37 shall be brought within Massachusetts in the judicial district in which We have Our principal place of business; provided, however, with respect to any action which includes injunctive relief, We may bring such action in any court in any state which has jurisdiction. You irrevocably submit to the jurisdiction of such courts and waive any objection You may have to either the jurisdiction or venue of such courts.

49. ENTIRE AGREEMENT; MODIFICATION

This Agreement has been negotiated in the English language and the rules of construction and definitions of the English language will be applied in interpreting this Agreement. You represent that You and Your Principal Owner and Your Operating Principal are fluent in English and have consulted with legal counsel to the extent necessary to understand the provisions of this Agreement. The English language version of this Agreement will be the official and binding Agreement between the Parties. All notices and communications required or permitted under this Agreement, including without limitation all meetings, mediations, arbitration and litigation, will be conducted and written in the English language. In addition, We will provide all services and materials under this Agreement, including without limitations the Manuals and all training programs, seminars, conferences, programs and meetings, in the English language and will not have a duty to provide any translation or interpreter services for any of Your personnel. You will be solely responsible for the cost of any related translation or interpreter services.

This Agreement and the Addenda constitute the entire Agreement between the parties with respect to its subject matter, and this Agreement supersedes all prior and contemporaneous oral and/or written agreements between the parties. No officer, employee or other servant or agent of Ours or Yours is authorized to make any representation, warranty or other promise not contained in this Agreement. No change, modification, termination or attempted waiver of any of the provisions of this Agreement shall be binding upon Us or You unless in writing and signed by an authorized officer of both Franchisor and Franchisee.

Nothing in this Agreement is intended to disclaim the representations We have made in the Franchise Disclosure Document which We furnished to You.

50. SEVERABILITY

All provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and any partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable law or rule requires a greater prior notice of the termination of this Agreement than is

required hereunder, or requires the taking of some other action not required the terms of this Agreement, the prior notice or other action required by such law or rule shall be substituted for the notice or other requirements hereof.

51. CONSTRUCTION

The term “You”, “Your”, and “Franchisee” as used herein is applicable to one or more persons, a corporation or partnership, or such other form of legal entity as We shall approve from time to time, as the case may be. References to “You”, “Your”, and “Franchisee” applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Franchisee, if Franchisee is a corporation, or partnership or limited liability company or other legal business entity.

52. HEADINGS

The headings to the various sections of this Agreement have been inserted for convenience only and shall not modify, define, limit or expand express provisions of this Agreement.

53. GENDER

Throughout this Agreement, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine and the singular number, the plural and vice versa.

54. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

55. SPECIAL REPRESENTATIONS

You hereby represent as follows:

- (a) You acknowledge that prior to the date of this Agreement, no other Agreement was entered into, no promises were made by Us, and no funds were offered to or accepted by Us;
- (b) You are aware of the fact that We may in the future modify Our franchise agreements, that some franchisees of Ours may operate under different forms of agreements, and, consequently, that Our obligations and rights in respect to Our various franchisees may differ materially in certain circumstances; and
- (c) You understand that any training, support, guidance or tools We provide to You as part of the franchise are for the purpose of protecting the PRESERVE SERVICES brand and Marks and to assist You in the operation of Your Franchised Business and not for the purpose of controlling or in any way intended to exercise or exert control over Your decisions or day-to-day operations of Your Franchised Business, including Your sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of Your employees and all other employment and employee related matters.

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

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

56. EFFECTIVE DATE

This Agreement shall not be effective until accepted by Us as evidenced by signing by an authorized Managing Member of Franchisor.

[signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement As Of The Day and Year specified in the pre-ample,

FRANCHISOR: PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

BY: _____

OFFICE HELD: _____

FRANCHISEE: _____
PRINT NAME OF INDIVIDUAL

(SIGNATURE AND DESIGNATION OF SOLE PROPRIETOR OR PARTNER AS THE CASE MAY BE)

FRANCHISEE: _____
PRINT NAME OF INDIVIDUAL

(SIGNATURE AND DESIGNATION OF SOLE PROPRIETOR OR PARTNER AS THE CASE MAY BE)

“BUSINESS ENTITY FRANCHISEE, MEMBERS, SHAREHOLDERS AND OFFICERS”

In the event Franchisee is a business entity (corporation, limited liability company or other legal entity) then in accordance with this Agreement, the undersigned, who are each either executive officers or shareholders or members, or other equity participants of the Franchisee, each agree to be jointly and severally personally liable for Franchisee's payment and performance of this Agreement and join in this Agreement on behalf of Franchisee.

“FRANCHISEE”:

PRINT NAME OF BUSINESS ENTITY

PRINT NAME OF OFFICER/
SHAREHOLDER/MEMBER

SIGNATURE

TITLE/NATURE OF
EQUITY INTEREST

DATE

PRINT NAME OF OFFICER/
SHAREHOLDER/MEMBER

SIGNATURE

TITLE/NATURE OF
EQUITY INTEREST

DATE

ADDENDUM A TO FRANCHISE AGREEMENT

FRANCHISEE'S DESIGNATED TERRITORY

In accordance with the provisions of Section 4 of the Franchise Agreement, Franchisee is granted a territory, hereinafter referred to as “Franchisee’s Designated Territory”, which encompasses the following zip codes:

The estimated _____ (_____) residential single family households in Franchisee’s Designated Territory was determined by review of any combination records of any local or state agency or commission charged with tracking household population counts in Franchisee’s area.

The designated area is the Territory in which the Franchisee shall have rights to use the Licensed Rights.

Dated:

FRANCHISEE:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

FRANCHISOR: PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

By: _____
Name: _____
Title: _____

ADDENDUM B TO FRANCHISE AGREEMENT

NOTICE OF KEY EMPLOYEES

In accordance with the provisions of Section 12 of the Franchise Agreement, the following list of owners, partners, and/or employees, if any, are hereby identified as Key Employees of Franchisee and/or the Franchised Business.

KEY EMPLOYEES:

NAMES

RELATIONSHIP TO FRANCHISEE

Dated:

FRANCHISEE:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

FRANCHISOR: PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

By: _____
Name: _____
Title: _____

ADDENDUM C TO FRANCHISE AGREEMENT

GUARANTY AGREEMENT

This guaranty agreement is entered into on this ____ day of _____, 20____, between _____ with its principal address at _____ (“Guarantor”) and Preserve Services Franchise Systems, LLC with its principal address at 203 Washington Street, #256, Salem, Massachusetts 01970 (“Franchisor”).

- A. Whereas, Franchisor and _____ (“Franchisee”) have entered into a Franchise Agreement dated _____ (“Franchise Agreement”).
- B. Whereas, Guarantor is a shareholder, director, officer, manager, member, trustee and/or partner of Franchisee.
- C. In consideration of and as an inducement to Franchisor to enter into the Franchise Agreement with Franchisee, Guarantor hereby covenants and agrees as follows:
1. Guarantor warrants that the facts contained in Recital A and B are correct;
 2. Guarantor has read the terms and conditions of the Franchise Agreement;
 3. Guarantor personally and unconditionally makes all the covenants, representations and agreements of Franchisee set forth in the Franchise Agreement and that Franchisee is obligated to perform thereunder;
 4. Guarantor personally, unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of Franchisee's obligations, undertakings, agreements and covenants set forth in the Franchise Agreement will be punctually paid and performed during the term of the Franchise Agreement and thereafter, as applicable;
 5. Guarantor unconditionally and irrevocably agrees to be personally bound by, and personally liable for the breach of, each and every provision of the Franchise Agreement by Franchisee;
 6. Upon default by Franchisee or notice from Franchisor, Guarantor will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement;
 7. Without affecting the obligations of any guarantor under this Guaranty Agreement, Franchisor may, without notice to Guarantor, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee or any guarantor, or settle,

adjust or compromise any claims against Franchisee or any guarantor;

8. Guarantor waives all demands and notices of every kind with respect to enforcement of this Guaranty Agreement, including, without limitation, notice of presentment, demand for payment or performance by Franchisee, any default by Franchisee or any guarantor, and any release of any guarantor or other security for the Franchise Agreement or the obligations of Franchisee;
9. Franchisor may pursue its rights against any guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise of such right or remedy shall preclude the further exercise of such right or remedy;
10. Upon receipt by Franchisor of notice of the death of Guarantor, the estate of deceased Guarantor shall be bound by the foregoing Guaranty Agreement, but only for defaults and obligations under the Franchise Agreement existing at the time of death; the obligations of all other guarantors shall continue in full force and effect;
11. This Guaranty Agreement will continue and is irrevocable during the term of the Franchise Agreement and, if required by the Franchise Agreement, after its termination or expiration;
12. Guarantor's obligations under this Guaranty Agreement are effective on the Effective Date of the Franchise Agreement, regardless of the actual date of signature;
13. This Guaranty Agreement is governed by Massachusetts law and Guarantor irrevocably submits to the jurisdiction and venue of the courts of Massachusetts;
14. If Franchisor is required to enforce this Guaranty Agreement in any judicial or arbitration proceeding or on any appeals, Guarantor must reimburse Franchisor for its enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty Agreement;
15. Guarantor acknowledges that he or she has obtained independent legal advice before signing this Guaranty Agreement.

[signatures on the following page]

IN WITNESS WHEREOF Guarantor has signed this Guaranty Agreement under seal.

Signature

Print Name

Address

ADDENDUM D TO FRANCHISE AGREEMENT

PRINCIPAL OWNER'S STATEMENT

This form must be completed by the Franchisee ("I," "me" or "my") if I have multiple owners or if I, or my Franchised Business, is owned by a business organization (like a corporation, partnership or limited liability company). Franchisor is relying on the truth and accuracy of this form in awarding the Franchise to me.

1. **Form of Owner.** I am a (check one):

- (i) General Partnership _____
- (ii) Corporation _____
- (iii) Limited Partnership _____
- (iv) Limited Liability Company _____
- (v) Other _____
Specify: _____

2. **Business Entity.** I was incorporated or formed on _____, _____ under the laws of the State of _____. I have not conducted business under any name other than my corporate, limited liability company or partnership name. The following is a list of all persons who have management rights and powers (e.g., operating principal, officers, managers, partners, etc.) and their positions are listed below:

Name of Person

Position(s) Held

3. **Owners.** The following list includes the full name and mailing address of each person who is an owner and fully describes the nature of each owner's interest. Attach additional sheets if necessary.

Owner's Name and Address

Description of Interest
Operating Principal

4. **Governing Documents.** Attached are copies of the documents and contracts governing the ownership, management and other significant aspects of the business organization (e.g., articles of incorporation or organization, partnership or shareholder agreements, etc.).

This Statement of Principal Owners is current and complete as of _____, 20____.

OWNER INDIVIDUALS:

(Signature)

(Print Name)

(Signature)

(Print Name)

**CORPORATION, LIMITED
LIABILITY COMPANY OR
PARTNERSHIP:**

(Name)

By:_____

Title:_____

ADDENDUM E TO FRANCHISE AGREEMENT

ACKNOWLEDGEMENT STATEMENT

Prohibited Parties Clause. I acknowledge that Franchisor, its employees and its agents are subject to U.S. laws that prohibit or restrict (a) transactions with certain parties, and (b) the conduct of transactions involving certain foreign parties. These laws include, without limitation, U.S. Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the U.S. Patriot Act, and the International Economic Emergency Powers Act, and the regulations issued pursuant to these and other U.S. laws. As part of the express consideration for the purchase of the franchise, I represent that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been listed on:

1. the U.S. Treasury Department's List of Specially Designated Nationals;
2. the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List, or General Orders;
3. the U.S. State Department's Debarred List or Nonproliferation Sanctions; or
4. the Annex to U.S. Executive Order 13224.

I warrant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been: (i) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (ii) is owned or controlled by terrorists or sponsors of terrorism. I warrant that I am now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by me to Franchisor were legally obtained in compliance with these laws.

I further covenant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, will, during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any anti-terrorism law.

[signatures on the following page]

OWNER INDIVIDUALS:

(Signature) (Date)

(Print Name)

(Signature) (Date)

(Print Name)

**CORPORATION, LIMITED
LIABILITY COMPANY OR
PARTNERSHIP:**

(Name)

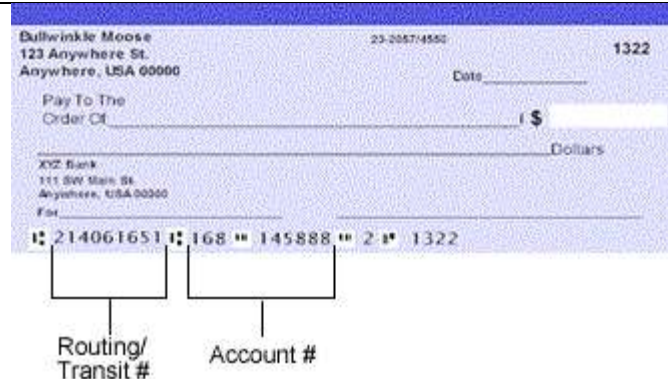
By:_____

Title:_____

**ADDENDUM F TO FRANCHISE AGREEMENT
ELECTRONIC FUNDS TRANSFER (EFT)
AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS**

I (We, if joint account) the undersigned hereby authorize Preserve Services Franchise Systems, LLC, a Massachusetts limited liability company, with principal offices at 203 Washington Street, #256, Salem, Massachusetts 01970, to initiate electronic transfer of funds out of my (our) primary Checking or Savings selected below at the Financial Institution indicated, for payment of Royalties or other amounts which I may owe Preserve Services Franchise Systems, LLC. I (We) acknowledge that the origination of Automated Clearing House (ACH) transactions to my (our) account must comply with the provisions of the United States law. All costs and expenses, including any resulting from the dishonor by my (our) bank of any electronic funds transfer, shall be my (our) sole responsibility. This authorization is irrevocable and shall remain in effect until the termination or expiration of the underlying Franchise Agreement with Preserve Services Franchise Systems, LLC. If I (we) do not have enough money in my (our) account to cover the transfer or if my (our) Financial Institution for any other reason refuses to honor a transfer, I (we) will separately pay for the charges I (we) owe under my (our) Franchise Agreement with Preserve Services Franchise Systems, LLC.

ACH Information		
Financial Institution:		
Branch:		
City	State:	Zip:
Routing/Transit Number:		
Account/Bank Number:		



I (we) acknowledge that these funds will be debited weekly on **Thursday**, or the closest business day thereafter or other day we designate in the Operations Manual.

Name(s): _____

Signature: _____ Date: _____

Signature: _____ Date: _____

Day Phone: () _____ Evening Phones: () _____

Please fill out this form and attach a voided check.

**ADDENDUM G TO FRANCHISE AGREEMENT
FORM OF
END USER LICENSE AGREEMENT FOR PRESERVE SERVICES SOFTWARE**

END-USER LICENSE AGREEMENT (“Agreement” or “EULA”) FOR PRESERVE SERVICES SOFTWARE (“SOFTWARE”)

IMPORTANT-READ CAREFULLY: This EULA is a legal agreement between you (either an individual or a single entity) and PRESERVE SERVICES FRANCHISE SYSTEMS, LLC (“PRESERVE SERVICES”) which includes computer software, the associated media, any printed materials, and any “online”, “cloud” based or electronic documentation. If you do not agree to the terms of this EULA, PRESERVE SERVICES is unwilling to license the SOFTWARE to you. In such event, you may not use or copy the SOFTWARE, and you should promptly contact PRESERVE SERVICES for instructions on returning the SOFTWARE.

SOFTWARE LICENSE

The SOFTWARE is protected by copyright laws and international copyright treaties, as well as other intellectual property laws and treaties. The SOFTWARE is licensed, not sold.

1. GRANT OF LICENSE. This EULA grants you the following rights:

- Software Access and Use. You may only access and use the SOFTWARE through assigned logins. A login may only be used by the assigned user, and every user must have a unique login. Only registered and approved users may access and use the SOFTWARE, if they have signed an appropriate Non-Disclosure and Confidentiality Agreement. You must pay PRESERVE SERVICES’ Technology Fee which includes the license fees for access to the SOFTWARE, and be current with your PRESERVE SERVICES invoices for ongoing access to the SOFTWARE.

2. DESCRIPTION OF OTHER RIGHTS AND LIMITATIONS.

- Limitations on Reverse Engineering, Decompilation and Disassembly. You may not reverse engineer, decompile, or disassemble the SOFTWARE, except and only to the extent that such activity is expressly permitted by applicable law notwithstanding this limitation.

- Rental. You may not rent, lease, or lend the SOFTWARE or access to the SOFTWARE.

- Software Transfer. You are not allowed to transfer the SOFTWARE or access to the SOFTWARE.

- Termination. Without prejudice to any other rights, PRESERVE SERVICES may terminate your right to use the SOFTWARE under this EULA if you fail to comply with the

terms and conditions of this EULA. In such event, you must destroy all copies of materials related to the SOFTWARE.

3. COPYRIGHT.

All title and copyrights in and to the SOFTWARE (including but not limited to any images, photographs, animations, video, audio, music, text and “applets” incorporated into the SOFTWARE), and any accompanying printed or digital materials, are owned by PRESERVE SERVICES. You may not copy the printed or digital materials accompanying the SOFTWARE. All rights not specifically granted under this EULA are reserved by PRESERVE SERVICES.

4. SOFTWARE ACCESS.

You may access the SOFTWARE through a web browser and an internet connection. You may not use other mediums. You may not loan, rent, lease, or otherwise transfer access to the SOFTWARE.

5. EXPORT RESTRICTIONS.

You agree that neither you nor your employees nor subcontractors intend to or will, directly or indirectly, export or transmit the SOFTWARE or related documentation or technical data to any country to which such export or transmission is restricted by any applicable U.S. regulation or statute, without the prior written consent, if required, of the Bureau of Export Administration of the U.S. Department of Commerce, or such other governmental entity as may have jurisdiction over such export or transmission.

6. LIMITED PRODUCT WARRANTY.

PRESERVE SERVICES warrants that the SOFTWARE will be free from material problems. PRESERVE SERVICES will use commercially reasonable efforts in attempting to fix any material problems that you report to PRESERVE SERVICES regarding the SOFTWARE. If we do not fix those problems within a reasonable time after you report those problems, our only obligation is to refund any license fees you have paid specifically for the software from 60 days prior to reporting of the problem.

7. DISCLAIMER.

The warranty and remedies set forth in Section 6 above are exclusive and in lieu of all others, oral or written, expressed or implied. Neither PRESERVE SERVICES nor any dealer, agent or employee is authorized to make any modifications or additions to this warranty.

EXCEPT AS STATED IN SECTION 6 OF THIS AGREEMENT, PRESERVE SERVICES DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS EITHER EXPRESSED OR IMPLIED, WITH RESPECT TO THIS SOFTWARE, ITS QUALITY, PERFORMANCE,

MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NONINFRINGEMENT. EXCEPT AS STATED IN SECTION 6, YOU, THE LICENSEE, ARE ASSUMING THE ENTIRE RISK AS TO THE SOFTWARE'S QUALITY AND PERFORMANCE.

8. LIMITED LIABILITY.

In no event will PRESERVE SERVICES be liable for indirect, special, incidental or consequential damages arising out of the use or inability to use the SOFTWARE or DATA, even if advised of the possibility of such damages. In no event will our liability exceed the license fees that you have paid for the SOFTWARE. In addition, PRESERVE SERVICES shall have no liability for any DATA stored or processed with this SOFTWARE, including the costs of recovering such data.

Some states do not allow the exclusion of implied warranties or liability for incidental or consequential damages, so the above limitation or exclusion may not apply to you.

9. LAW AND JURISDICTION.

This Agreement is governed by the laws of the Commonwealth of Massachusetts, excluding its conflict of laws rules, and any action arising from or relating to this Agreement may only be brought in Massachusetts. You agree to submit to the jurisdiction of courts of Massachusetts.

Preserve Services Franchise Systems, LLC

By: _____

Title: _____

Franchisee

By: _____

Title: _____

ADDENDUM H TO FRANCHISE AGREEMENT
Digital Media Listing Agreement

THIS DIGITAL MEDIA LISTING AGREEMENT (the “Digital Media Listing Agreement”) is made and entered into as of the _____ day of _____, 20____ (the “Effective Date”), by and between Preserve Services Franchise Systems, LLC, a Massachusetts limited liability company (the “Franchisor”), and _____, a(n) _____ (the “Franchisee”).

W I T N E S S E T H:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for a PRESERVE SERVICES Franchised Business (the “Franchise Agreement”); and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee’s agreement to enter into, comply with, and be bound by all the terms and provisions of this Digital Media Listing Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS

All terms used but not otherwise defined in this Digital Media Listing Agreement shall have the meanings set forth in the Franchise Agreement. “Termination” of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

2. TRANSFER; APPOINTMENT

2.1 Interest in Electronic Media and Listings. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of the Franchise Agreement, certain right, title, and interest in and to certain domain names, hypertext markup language, uniform resource locator addresses, and access to corresponding Digital Media and the right to hyperlink to certain web sites and listings on various Internet search engines, Social Media accounts, and comparable electronic identities, (collectively, the “Digital Media and Listings”) related to the Franchised Business or the Marks (all of which right, title, and interest is referred to herein as “Franchisee’s Interest”).

2.2 Transfer. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately direct all Electronic Media, Internet and Web Site service providers, domain name registries, Internet search engines, and other listing agencies (collectively, the “Electronic Media Companies”) with which Franchisee has Electronic Media and Listings: (i) to

transfer all of Franchisee's Interest in such Electronic Media and Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Electronic Media and Listings, Franchisee will immediately direct the Electronic Media Companies to terminate such Electronic Media and Listings or will take such other actions with respect to the Electronic Media and Listings as Franchisor directs.

2.3 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Digital Media Listing Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Digital Media Listing Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Digital Media Listing Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.3.1 Direct the Electronic Media Companies to transfer all Franchisee's Interest in and to the Electronic Media and Listings to Franchisor;

2.3.2 Direct the Electronic Media Companies to terminate any or all of the Electronic Media and Listings; and

2.3.3 Execute the Electronic Media Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest.

2.4 Certification of Termination. Franchisee hereby directs the Electronic Media Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.

2.5 Cessation of Obligations. After the Electronic Media Companies have duly transferred all Franchisee's Interest in such Electronic Media and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations under, such Electronic Media and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Electronic Media Companies for the sums Franchisee is obligated to pay such Electronic Media Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Digital Media Listing Agreement.

3. MISCELLANEOUS

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Electronic Media Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to this Digital Media Listing Agreement.

3.2 Indemnification. Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, managers, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, claims, debts, claims, demands, or obligations that are related to or are based on this Digital Media Listing Agreement.

3.3 No Duty. The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's Interest in any or all such Electronic Media and Listings.

3.4 Further Assurances. Franchisee agrees that at any time after the date of this Digital Media Listing Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Digital Media Listing Agreement.

3.5 Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Digital Media Listing Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Digital Media Listing Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Digital Media Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein.

3.7 Survival. This Digital Media Listing Agreement shall survive the Termination of the Franchise Agreement.

3.8 Joint and Several Obligations. All Franchisee's obligations under this Digital Media Listing

Agreement shall be joint and several.

3.9 Governing Law. This Digital Media Listing Agreement shall be governed by and construed under the laws of the Commonwealth of Massachusetts, without regard to the application of Massachusetts conflict of law rules.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Digital Media Listing Agreement as of the Effective Date.

PRESERVE SERVICES
FRANCHISE SYSTEMS, LLC:

By:_____

Date:_____

FRANCHISEE:

By:_____
Franchisee

Date:_____

ADDENDUM I TO FRANCHISE AGREEMENT
PROMISSORY NOTE

\$ _____

_____, 20____
Salem, Massachusetts

FOR VALUE RECEIVED, the undersigned, _____, a _____ (“Maker”), promises to pay to the order of Preserve Services Franchise Systems, LLC, a Massachusetts limited liability company (herein with its successors and/or assigns, “Payee”) with principal offices at 203 Washington Street, #256, Salem, Massachusetts 01970, or at such other place as the Payee or other holder hereof may direct in writing, the aggregate principal sum of _____ (\$ _____), together with interest from the date hereof on the unpaid principal amount at the rate(s) hereinafter stated, payable as follows:

1. Interest. The unpaid principal amount of this Promissory Note (“Note”) from time to time outstanding shall bear interest from the date hereof at the rate of ten percent (10%) per annum. If Maker fails to pay any installment or make any payment on this Note for ten (10) days after the same shall become due, whether by acceleration or otherwise, Payee may, at its option, impose a late charge on the undersigned in an amount equal to five percent (5%) of such installment or payment. If any payment or installment is not made within thirty (30) days after the same shall become due, Payee may, at its option, impose an additional late charge on the undersigned in an amount equal to five percent (5%) of such installment or payment. Such installment or payment shall be subject to an additional five percent (5%) late charge for each additional period of thirty (30) days thereafter that such installment or payment remains past due. The late charge shall apply individually to all installments and payments past due with no daily adjustment and shall be used to defray the costs of Payee incident to collecting such late installment or payment. This provision shall not be deemed to excuse a late installment or payment or be deemed a waiver of any other rights Payee may have, including, but not limited to, the right to declare the entire unpaid balance due under this Note immediately due and payable. In no event shall the rate of interest payable hereunder at any time exceed the highest rate of interest allowed under applicable usury laws.

2. Principal and Interest Payments. This Note shall be due and payable by electronic funds transfer in _____ (_____) consecutive monthly installments with the initial installment being due and payable on _____, 20____ and the remaining installments being due and payable on the same day of each consecutive month thereafter. The final installment shall be due and payable on _____, 20____ and shall consist of the remaining principal balance of this Note and all unpaid interest accrued thereon. In the event any payment date shall fall due on a Saturday, Sunday or United States banking holiday, payment shall be made on the next succeeding business day, and interest will continue to accrue on the unpaid amount during the interim. All payments of principal and interest are to be made in lawful money of the United States of America in immediately available funds.

3. Payment Application. Payments shall be applied first to expenses, costs, and attorney’s fees which are payable under this Note, secondly to interest and finally to the reduction of principal; provided, such payments may at the option of Payee or other holder hereof, be applied to the payment of delinquent taxes, installments of special assessments, insurance premiums and/or other legal charges.

4. The Security. This Note may be executed and delivered by Maker pursuant to, and is entitled to the benefits of a Security Agreement dated on even date herewith, between Maker and Payee (the “Security Agreement”). Reference may be made to the Security Agreement for terms and provisions regarding the collateral security for payment of this Note (the “Collateral”), and for all other pertinent purposes.

5. “Event of Default” An “Event of Default” shall be deemed to have occurred in the event that: (a) any installment of principal or interest due hereunder is not paid after becoming due and payable; or (b) any default by Maker occurs in the performance of the covenants, obligations or other provisions under the Franchise Agreements between Maker and Payee (the “Franchise Agreement(s)”), or any other agreement between Maker (or its affiliates) and Payee; or (c) any representation or warranty of the Maker set forth in the Franchise Agreement(s), or any other agreement between Maker and Payee proves to have been incorrect in any material respect; or (d) Maker becomes subject to any bankruptcy, insolvency or debtor relief proceedings; or (e) Maker fails to comply with or perform any provision of this Note not constituting a default under the previous items of this paragraph and such failure continues for fifteen (15) days after notice thereof to Maker; or (f) a default occurs causing the acceleration of any material obligation of Maker to any other creditors; or (g) any guarantors of the Franchise Agreement(s) revokes or renounces his or other guaranty; or (h) the Franchise Agreement(s) is terminated by Maker or by Payee or is declared terminated in any judicial proceeding.

6. Default and Remedies. Upon the occurrence of an Event of Default as defined herein or at any time thereafter, the entire principal and accrued interest of this Note shall become immediately due and payable, without further notice to Maker, at the option of Payee or other holder hereof. Payee or other holder hereof may also exercise any rights and remedies available to it as a secured party under the Security Agreement (if applicable), the Massachusetts Uniform Commercial Code or other applicable law. To the extent permitted by applicable law, all benefits, rights and remedies hereunder shall be deemed cumulative and not exclusive of any other benefit, right or remedy herein. The failure of Payee or other holder hereof to exercise any right or remedy hereunder shall not be deemed to be a release or waiver of any obligation or liability of the Maker.

7. Obligations Absolute. All obligations of Maker hereunder are absolute and unconditional, irrespective of any offset or counterclaim of Maker against Payee or other holder hereof. Maker hereby waives the right to claim or enforce any right of offset, counterclaim, recoupment or breach in any action brought to enforce the obligations of Maker under this Note.

8. Waivers. Maker and any co-makers, sureties, endorsers and guarantors of this Note hereby jointly and severally waive presentment for payment, notices of non-performance or nonpayment, protest, notice of protest, notice of dishonor, diligence in bringing suit hereon against any party hereto and notice of acceleration Payee reserves the right, in its sole and exclusive discretion, to waive the requirement in Section 2 above that all payments hereunder be due by electronic funds transfer.

9. Collection Costs; Attorney’s Fees. Maker agrees to pay all expenses and costs of collection, including all reasonable attorney’s fees and expenses, court costs, costs of sale and costs of maintenance and repair and similar costs incurred by Payee in connection with the enforcement of this Note, the collection of any amounts payable hereunder, whether by acceleration or otherwise, and/or the sale or other disposition of any Collateral.

10. Prepayment. Maker may prepay this Note, in whole or in part, at any time without

premium or penalty. Any partial payments shall be applied first to accrued interest and then to principal installments in reverse order of maturity.

11. Severability. If any term or provision of this Note or application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Note, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and shall be valid and enforced to the fullest extent permitted by law.

12. Limitation on Interest. All agreements between Maker and Payee, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency, whether by reason of demand or acceleration of the maturity hereof or otherwise, shall the interest contracted for charged, or received by Payee, or any subsequent holder hereof, exceed the maximum amount permissible under applicable law. If any interest in excess of the maximum amount of interest allowable by said applicable laws is inadvertently paid to Payee or the holder hereof, at any time, any such excess interest shall be refunded by the holder to the party or parties entitled to the same after receiving notice of payment of such excess interest. All interest paid or agreed to be paid to Payee shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension hereof) so that the interest hereon for such full period shall not exceed the maximum amount permitted by applicable law. This paragraph shall control all agreements between Maker and Payee.

13. Notice. All notices pursuant to this Agreement shall be in writing and delivered by certified or registered mail, by reputable commercial delivery service, or by telecopy (with a confirmation copy mailed, postage prepaid). Until changed by written notice to the other party, notices to each party must be addressed as follows:

Notices to Payee: Preserve Services Franchise Systems, LLC
203 Washington Street, #256
Salem, Massachusetts 01970

With a copy to: Cummings Franchise Law, P.C.
Two Main Street, Suite 300
Stoneham, Massachusetts 02180
Attn: Suzanne C. Cummings, Esq.

Notices to Maker: _____

14. Jurisdiction and Venue. It is hereby agreed that any and all claims, disputes or controversies whatsoever arising from or in connection with this Note, shall be commenced, filed and litigated, if at all, in the judicial district in which Salem, Massachusetts is located, unless the conduct of such litigation is not within the subject matter jurisdiction of the court of such district. The parties waive all questions of personal jurisdiction, convenience of forum and venue for purposes of carrying out this provision.

15. Jury Trial Waiver. MAKER AND PAYEE IRREVOCABLY WAIVE TRIAL BY JURY, REGARDLESS OF THE FORUM, IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER ARISING FROM, WHETHER DIRECTLY OR INDIRECTLY, THIS NOTE.

16. Governing Law. In order to effect uniform interpretation of this Note, this Note and all disputes or controversies arising or related hereto shall be interpreted and construed under the laws of the Commonwealth of Massachusetts. In the event of any conflict of law question, the law of Massachusetts shall prevail, without regard to the application of Massachusetts' conflict of law rules.

17. Amount Owng. The records of Payee or other holder of this Note shall be prima facie evidence of the amount owing on this Note.

18. Release. In consideration of the credit given to the Maker as evidenced by this Note, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the undersigned, for himself and his agents, employees, representatives, associates, heirs, successors and assigns (collectively the "Franchisee Entities"), does hereby fully and finally release and forever discharge the Payee ("Preserve Services Franchise Systems, LLC"), and its officers, shareholders, directors, agents, employees, representatives, associates, successors and assigns (collectively, the "Preserve Services Franchise Systems, LLC Entities") of and from any and all actions and causes of action, suits claims, demands, damages, judgments, accounts, agreements, covenants, debts, levies and executions, including without limitation attorneys' fees, whatsoever, whether known or unknown, liquidated or unliquidated, fixed, contingent, direct or indirect, whether at law or in equity, which the Franchisee Entities, or any one or more of them, have had, now have or may in the future, have against the Preserve Services Franchise Systems, LLC Entities, or any one or more of them, arising out of, in connection with or relating in any way to that certain franchise agreement between the undersigned and Preserve Services Franchise Systems, LLC, dated _____, 20____ (the "Franchise Agreement") or any other agreement between the undersigned and Preserve Services Franchise Systems, LLC including but not limited to, any actions for fraud or misrepresentation, violation of any franchise laws, violation of any state or federal antitrust or securities laws, or violation of any common law, from the beginning time to the date of this Note; provided, however, specifically excluded from the release provisions of this Note shall be all obligations of Preserve Services Franchise Systems, LLC under the Franchise Agreement first accruing on and after the date hereof.

19. Assignment. Payee may sell or assign this Note at Payee's sole discretion.

IN WITNESS WHEREOF, Maker has made, executed and delivered this Note effective as of the date first above written.

MAKER: _____
By: _____
Name: _____
Title: _____

SECURITY AGREEMENT

THIS AGREEMENT is made and entered into on _____, 20____ by and between _____ (“Debtor”), of _____ and Preserve Services Franchise Systems, LLC, a Massachusetts limited liability company, with its principal place of business at 203 Washington Street, #256, Salem, Massachusetts 01970 (“Secured Party”).

1. **Definitions.** As used in this Agreement, the following terms shall have the meanings indicated below:

1.1. “Code” shall mean the Uniform Commercial Code of the Commonwealth of Massachusetts, as the same may from time to time be in effect.

1.2. “Collateral” shall mean the following, whether or not owned or existing or hereafter acquired or arising: (a) all of Debtor’s accounts, contract rights and general intangibles, including, without limitation, all Franchise Rights; (b) all accounts, revenue and rights to payment arising from Debtor’s multi-trade construction management business; (c) all of Debtor’s securities, certificates of deposit and deposit accounts; (d) all of Debtor’s goods, vehicles, computer hardware and software, equipment and inventory; (e) all of Debtor’s chattel paper, instruments, documents, and other property used or useful in the ownership, maintenance and operation of the business conducted by Debtor pursuant to any agreements between Debtor and Secured Party; and (f) to the extent not otherwise included, all proceeds of any of the foregoing.

1.3. “Franchise Rights” shall mean the following: (a) certain contractual rights granted Secured Party pursuant to the following Preserve Services Franchise Systems, LLC Franchise Agreements, including without limitation, any rights to be a franchisee and any value in being a franchisee under those agreements.

(a) <u>Franchisee</u>	<u>Date of Franchise Agreement</u>
_____	_____ 20____
Name	

Address	

(b) any other Preserve Services Franchise Systems, LLC Franchise Agreement(s) in addition to the Agreement(s) described above; and

(c) any rights to receive certain monies not yet earned that Secured Party may have pursuant to the above agreements between Debtor and Secured Party.

1.4. “Obligations” shall mean any and all liabilities, obligations, and indebtedness of Debtor to Secured Party arising under or evidenced by the Promissory Note dated _____, 20____, in the original principal amount of _____ (\$_____), the Franchise Agreement(s) described in Section 1.3 herein, or any other agreement between Debtor and Secured Party, and all other liabilities,

obligations, and indebtedness of Debtor to Secured Party of every kind and description, now existing or hereafter incurred or arising, matured or unmatured, direct or indirect, absolute or contingent, due or to become due, and any renewals, consolidations and extensions, including any future advances from Secured Party to Debtor.

1.5. “Proceeds” shall mean with respect to property included in the Collateral: (i) any stock rights, rights to subscribe, liquidating dividends, dividends, stock dividends, dividends paid in stock or cash, new securities, or any other property which Debtor may hereafter become entitled to receive on account of such property; (ii) any proceeds in the form of accounts, collections, contract rights, documents, instruments, chattel paper or general intangibles relating in whole or in part to such property; and (iii) any other property constituting proceeds within the meaning of the Code.

2. **Grant of Security Interest.** To secure the prompt payment and performance of the Obligations, Debtor assigns for collateral purposes and grants to Secured Party a first and priority security interest in the Collateral.

3. **Representations and Warranties.** Debtor warrants and represents that there are no restrictions or prior rights granted in or to the Collateral and agrees not to grant any rights in the Collateral to any party during the term of this Agreement and that the security interest granted herein is and will remain a valid, first, prior and perfected security interest.

4. **Covenants.**

4.1. Debtor agrees to execute and deliver such additional assignments, security agreements, financing statements and chattel mortgages as Secured Party shall reasonably request to render the collateral assignment and security interest granted hereby a valid, first prior and perfected collateral assignment and security interest in the Collateral.

4.2. Debtor shall, at its own cost and expense, maintain satisfactory and complete records of the Collateral and mark its books and records to reflect the collateral assignment and security interest granted hereby.

4.3. Debtor shall not mortgage, assign, pledge, or otherwise encumber any of the Collateral without prior written consent of Secured Party, which shall not be unreasonably withheld.

4.4. Debtor agrees to indemnify and defend Secured Party against any claim of interest or assertions of priority against Secured Party.

5. **Default.** An “Event of Default” shall be deemed to have occurred in the event that: (a) any instalment of principal or interest due hereunder is not paid after becoming due and payable; or (b) any default by Debtor occurs in the performance of the covenants, obligations or other provisions under the Franchise Agreement set forth in Section 1.3 herein (the “Franchise Agreement(s)”), or any other agreement between Debtor (or its affiliates) and Secured Party; or (c) any representation or warranty of Debtor set forth in the Franchise Agreement(s), or any other agreement between Debtor and Secured Party proves to have been incorrect in any material respect; (d) Debtor becomes a subject to any bankruptcy, insolvency or debtor relief proceedings; or (e) Debtor fails to comply with or perform any

provisions of the Note or this Agreement not constituting a default under the previous items of this paragraph and such failure continues for fifteen (15) days after notice thereof to Debtor; or (f) a default occurs causing the acceleration of any material obligation of Debtor to any other creditors; or (g) any guarantors of the Franchise Agreement(s) revokes or renounces his or her guaranty; or (h) the Franchise Agreement(s) is terminated by Debtor or Secured Party or is declared terminated in any judicial proceeding.

6. **Remedies Upon Event of Default.** On an Event of Default, Secured Party, at the Secured Party's option, may declare all obligations secured hereby immediately due and payable, and may proceed to enforce payment of the same, and exercise any and all of the rights and remedies provided by the Code, as well as all other rights and remedies possessed by Secured Party under law. Secured Party may require Debtor to assemble the Collateral and make the Collateral available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties and agree to execute such documents as are necessary to transfer all interest in the Collateral to Secured Party. The expenses of retaking, holding, preparing for sale, selling and the like will include Secured Party's reasonable attorney's fees and legal expenses. If the amount of the Collateral is insufficient to cover any outstanding indebtedness of Debtor to Secured Party pursuant to this Agreement, plus any expenses associated with default thereon, Debtor shall remain liable to Secured Party for any deficiency, in accordance with applicable state law. Debtor agrees to pay all expenses and costs of collection, including reasonable attorney's fees and expenses, court costs, costs of sale and costs of maintenance and repair and similar costs incurred by Secured Party in connection with the enforcement of the Note, the collection of any amounts payable hereunder, whether by acceleration or otherwise, and/or the sale or other disposition of the Collateral. If any notification of any intended disposition of any of the Collateral is required by law, such notification shall be deemed reasonable and properly given if mailed by certified mail, return receipt requested, postage prepaid, or delivered by overnight courier, to the address of Debtor stated in this Security Agreement, at least ten (10) days prior to such disposition.

7. **General Provisions.**

7.1. Notice. All notices pursuant to this Agreement shall be in writing and delivered by certified or registered mail, by reputable commercial delivery service, or by telecopy (with as confirmation copy mailed, postage prepaid). Until changed by written notice to the other party, notices to each party must be addressed as follows:

Notices to Secured Party:

Preserve Services Franchise Systems, LLC
203 Washington Street, #256
Salem, Massachusetts 01970

With a copy to:

Cummings Franchise Law, P.C.
Two Main Street, Suite 300
Stoneham, Massachusetts 02180
Attn: Suzanne C. Cummings, Esq.

Notices to Debtor:

7.2. Entire Agreement. This Agreement and the documents referred to herein constitute the entire Agreement between Secured Party and Debtor concerning the subject matter hereof and supersede all prior agreements, negotiations, representations, and correspondence concerning the same subject matter.

7.3. Jurisdiction and Venue. It is hereby agreed that any and all claims, disputes, or controversies whatsoever arising from or in connection with this Agreement shall be commenced, filed and litigated in the judicial district in which Salem, Massachusetts is located, unless the conduct of such litigation is not within the subject matter jurisdiction of the court of such district. The parties waive all questions of personal jurisdiction, convenience of forum, and venue for the purposes of carrying out this provision.

7.4. Jury Trial Waiver. **DEBTOR AND SECURED PARTY IRREVOCABLY WAIVE TRIAL BY JURY, REGARDLESS OF THE FORUM, IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER IN CONNECTION WITH THIS AGREEMENT.**

7.5. Governing Law. In order to effect uniform interpretation of this Agreement, this Agreement and all disputes or controversies arising or related hereto shall be interpreted and construed under the laws of the Commonwealth of Massachusetts. In the event of any conflict of law question, the law of Massachusetts shall prevail, without regard to the application of Massachusetts conflict of law rules.

IN WITNESS HEREOF, the parties have executed this Agreement effective the date and year first written above.

“SECURED PARTY”: Preserve Services Franchise Systems, LLC

By: _____
Name: _____
Title: _____

“DEBTOR”: _____

By: _____
Name: _____
Title: _____

EXHIBIT E TO THE DISCLOSURE DOCUMENT

**PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
NON-DISCLOSURE, NON-SOLICITATION AND NON-COMPETITION AGREEMENT**

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
NON-DISCLOSURE, NON-SOLICITATION AND NON-COMPETITION AGREEMENT

This Agreement is made and entered into _____, _____ between Preserve Services Franchise Systems, LLC, a Massachusetts limited liability company (“Franchisor”),
_____, (“Franchisee”) and
_____, (“Trainee”).

RECITALS

WHEREAS, Franchisor has developed, is using and is the licensee of all rights in a unique system (hereinafter “**PRESERVE SERVICES SYSTEM**”) for the development and operation of a multi-trade construction management company under the trade name and mark **PRESERVE SERVICES®** (hereinafter “**PRESERVE SERVICES**”);

WHEREAS, **PRESERVE SERVICES SYSTEM** includes but is not limited to certain trade names, trademarks, trade dress and logos including, but not limited to, the mark **PRESERVE SERVICES**, service marks, trade symbols, trade dress, signs, slogans, associated logos, designs, emblems, URLs, domain names, website addresses, email addresses, digital cellular addresses, wireless web addresses and the like and copyrights and such other trade names and trademarks as Franchisor may develop in the future for the purposes of identifying **PRESERVE SERVICES SYSTEM**, and such other distinguishing characteristics of **PRESERVE SERVICES SYSTEM** including, without limitation, distinctive sales and marketing procedures; knowledge and procedures for providing multi-trade construction services; management and financial control methods; and training and assistance, all of which may be changed, improved and further developed by Franchisor from time to time (“Trade Secrets”);

WHEREAS, Franchisor’s Trade Secrets provide economic advantages to Franchisor and are not generally known to or readily ascertainable by proper means by Franchisor’s competitors who could obtain economic value from knowledge and use of Franchisor’s Trade Secrets;

WHEREAS, Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of Franchisor’s Trade Secrets;

WHEREAS, Franchisor has granted Franchisee a limited right to operate a territory using **PRESERVE SERVICES SYSTEM** and Franchisor’s Trade Secrets for the period defined in the Franchise Agreement made and entered into on _____, _____ between Franchisor and Franchisee (“Franchise Agreement”);

WHEREAS, Franchisor and Franchisee have agreed in the Franchise Agreement on the importance to Franchisor and to Franchisee and other licensed users of **PRESERVE SERVICES SYSTEM** of restricting use, access and dissemination of Franchisor’s Trade Secrets;

WHEREAS, it will be necessary for certain employees and contractors of Franchisee to have access to and to use some or all of Franchisor’s Trade Secrets in the development and maintenance of Franchisee’s Business using **PRESERVE SERVICES SYSTEM**;

WHEREAS, Franchisee has agreed to obtain from certain key employees written agreements protecting Franchisor's Trade Secrets and **PRESERVE SERVICES SYSTEM** against unfair competition;

WHEREAS, Trainee wishes to remain, or wishes to become, an employee of Franchisee; and

WHEREAS, Trainee wishes and needs to receive and use Franchisor's Trade Secrets in the course of Trainee's employment in order to effectively perform Trainee's services for Franchisee.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Franchisor and/or Franchisee shall disclose to Trainee some or all of Franchisor's Trade Secrets relating to **PRESERVE SERVICES SYSTEM**

2. Trainee shall receive Franchisor's Trade Secrets in confidence, maintain them in confidence, and use them only in the course of Trainee's employment by Franchisee and then only in connection with the development and/or maintenance by Franchisee of Business using **PRESERVE SERVICES SYSTEM** for so long as Franchisee is licensed by Franchisor to use **PRESERVE SERVICES SYSTEM**.

3. Trainee shall not at any time make copies of any documents or compilations containing some or all of Franchisor's Trade Secrets without the express written permission of Franchisor.

4. Trainee shall not disclose or permit the disclosure of Franchisor's Trade Secrets except to other employees of Franchisee and only to the limited extent necessary to train or assist other employees of Franchisee who have also signed Non-Disclosure, Non-Solicitation and Non-Competition Agreements or Confidentiality Agreement where appropriate as determined by Franchisor in the development or maintenance of Business using **PRESERVE SERVICES SYSTEM**.

5. That all information and materials, including without limitation, specifications, techniques and compilations of data which Franchisor shall designate as confidential shall be deemed Franchisor's Trade Secrets for the purposes of this Agreement.

6. Trainee shall surrender **PRESERVE SERVICES** Operations Manual and any other material containing some or all of Franchisor's Trade Secrets to Franchisee or to Franchisor, upon request, or upon termination of employment by Franchisee, or upon conclusion of the use for which the **PRESERVE SERVICES** Operations Manual or other information or material may have been furnished to Trainee.

7. Trainee shall not, directly or indirectly, do any act or omit to do any act, which would or would likely to be injurious or prejudicial to the goodwill associated with **PRESERVE SERVICES SYSTEM**.

8. Except to the extent prohibited by the laws of the state where the Franchised Business is located, or where the Trainee lives or works, in order to protect the goodwill and unique qualities of **PRESERVE SERVICES SYSTEM** and the confidentiality and value of Franchisor's Trade Secrets, and in consideration for the disclosure to Trainee of Franchisor's Trade Secrets, Trainee further undertakes and covenants that, during the time he is employed by Franchisee, he will not:

(a) Directly or indirectly, for himself or through, on behalf of or in conjunction with any person,

partnership or business entity, engage in or acquire any financial or beneficial interest in (including interest in business entities, partnerships, trusts, unincorporated associations or joint ventures), advise, help or make loans to any entity involved in business which is the same as or similar to that conducted by **PRESERVE SERVICES** which Business is, or is intended to be located, within the United States; or

(b) Divert or attempt to divert, directly or indirectly, any business, business opportunity or customer of Franchisee's Business(s) to any competitor.

9. In further consideration for the disclosure to Trainee of Franchisor's Trade Secrets and to protect the uniqueness of **PRESERVE SERVICES SYSTEM**, Trainee agrees that for two (2) years following the termination of Trainee's employment with Franchisee, Trainee will not without the prior written consent of Franchisor, divert or attempt to divert, directly or indirectly, any business, business opportunity or customer of Franchisee's Franchised Business(s) to any competitor.

10. Franchisee undertakes to use Franchisee's best efforts to ensure that Trainee acts as required by this Agreement.

11. Trainee agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions thereof, Franchisor shall be entitled to enforce the provisions of this Agreement against Franchisee and Trainee, and may seek, in addition to any other remedies which are made available to it at law or in equity, including the right to terminate the Franchise Agreement, a temporary and /or permanent injunction and a decree for the specific performance of the terms of this Agreement, without being required to furnish a bond or other security.

12. Should legal proceedings have to be brought by Franchisor against Trainee to enforce any Non-Competition Covenant or for Trainee's failure to maintain Confidentiality, the period of restriction shall be deemed to begin running on the date of entry of an order granting Franchisor preliminary injunctive relief and shall continue uninterrupted for the entire period of restriction.

13. This Agreement shall be governed by and construed under the laws of the Commonwealth of Massachusetts.

14. If any Court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be unenforceable as written, its provisions shall be determined to be withheld, modified or limited to such extent or in such manner as is necessary for it to be valid and enforceable to the greatest extent possible.

[signatures on the following page]

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISEE

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISOR

By: _____

Name: _____

Title: _____

Date: _____

TRAINEE

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT F TO THE DISCLOSURE DOCUMENT
SPOUSAL NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

This Agreement is made and entered into _____ between Preserve Services Franchise Systems, LLC, a Massachusetts limited liability company, with its principal place of business at 203 Washington Street, #256, Salem, Massachusetts 01970 (“Franchisor”) and _____, a/an _____ with its principal place of business at _____ (“Franchisee”) and _____, the spouse or domestic partner of an owner of Franchisee (“Signer”) with a primary residence at _____.

RECITALS

WHEREAS, Franchisor has developed, is using and is the owner of all rights in a unique system (hereinafter “**PRESERVE SERVICES SYSTEM**”) for the development and operation of a business which provides for the development and operation of a multi-trade construction management company under the trade name and mark **PRESERVE SERVICES®** (hereinafter “**PRESERVE SERVICES®**”);

WHEREAS, **PRESERVE SERVICES SYSTEM** includes but is not limited to certain trade names, trademarks, trade dress and logos including, but not limited to, the mark **PRESERVE SERVICES®**, service marks, trade symbols, trade dress, signs, slogans, associated logos, designs, emblems, URLs, domain names, Website addresses, email addresses, digital cellular addresses, wireless Web addresses and the like and copyrights and such other trade names and trademarks as Franchisor may develop in the future for the purposes of identifying **PRESERVE SERVICES SYSTEM**, and such other distinguishing characteristics of **PRESERVE SERVICES SYSTEM** including, without limitation, distinctive sales and marketing procedures; knowledge and procedures for providing for the development and operation of a multi-trade construction management company; management and financial control methods; and training and assistance, all of which may be changed, improved and further developed by Franchisor from time to time (“Trade Secrets”);

WHEREAS, Franchisor’s Trade Secrets provide economic advantages to Franchisor and are not generally known to or readily ascertainable by proper means by Franchisor’s competitors who could obtain economic value from knowledge and use of Franchisor’s Trade Secrets;

WHEREAS, Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of Franchisor’s Trade Secrets;

WHEREAS, Franchisor and Franchisee desire to enter into a Franchise Agreement which will grant Franchisee a limited right to operate a Franchised Business within a territory using **PRESERVE SERVICES SYSTEM** and Franchisor’s Trade Secrets for a period defined in the Franchise Agreement (“Franchise Agreement”);

WHEREAS, Franchisor and Franchisee have agreed in the Franchise Agreement on the importance to Franchisor and to Franchisee and other licensed users of **PRESERVE SERVICES SYSTEM** of restricting use, access and dissemination of Franchisor’s Trade Secrets; and

WHEREAS, it is anticipated that Signer may have access to learn Franchisor's Trade Secrets as Franchisee develops and maintains Franchisee's Business using **PRESERVE SERVICES SYSTEM**.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Franchisee may disclose to Signer some or all of Franchisor's Trade Secrets relating to **PRESERVE SERVICES SYSTEM**.

2. Signer shall receive Franchisor's Trade Secrets in confidence, maintain them in confidence, and shall use them only in connection with the development and/or maintenance by Franchisee of the Franchised Business using **PRESERVE SERVICES SYSTEM** for so long as Franchisee is licensed by Franchisor to use **PRESERVE SERVICES SYSTEM**.

3. Signer shall not at any time make copies of any documents or compilations containing some or all of Franchisor's Trade Secrets without the express written permission of Franchisor.

4. Signer shall not disclose or permit the disclosure of Franchisor's Trade Secrets to anyone.

5. That all information and materials, including without limitation, specifications, techniques and compilations of data which Franchisor shall designate as confidential shall be deemed Franchisor's Trade Secrets for the purposes of this Agreement.

6. Signer shall not, directly or indirectly, do any act or omit to do any act, which would or would likely to be injurious or prejudicial to the goodwill associated with **PRESERVE SERVICES SYSTEM**.

7. Except to the extent prohibited by the laws of the state where the Franchised Business is located, or where the Trainee lives or works, in order to protect the goodwill and unique qualities of **PRESERVE SERVICES SYSTEM** and the confidentiality and value of Franchisor's Trade Secrets, and in consideration for the disclosure to Signer of Franchisor's Trade Secrets, Signer further undertakes and covenants that, during the time Franchisee is a franchisee of Franchisor and for the two (2) years following the termination or expiration of Franchisee's Franchise Agreement, Signer will not:

(a) Directly or indirectly, for himself/herself or through, on behalf of or in conjunction with any person, partnership or business entity, engage in or acquire any financial or beneficial interest in (including interest in business entities, partnerships, trusts, unincorporated associations or joint ventures), advise, help or make loans to any entity involved in business which is the same as or similar to that conducted by **PRESERVE SERVICES®** which business is, or is intended to be located, within the United States; or

(b) Divert or attempt to divert, directly or indirectly, any business, business opportunity

or client of Franchisee's Franchised Business(s) to any competitor.

8. Franchisee undertakes to use Franchisee's best efforts to ensure that Signer acts as required by this Agreement.

9. Signer agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions thereof, Franchisor shall be entitled to enforce the provisions of this Agreement against Franchisee and Signer, and may seek, in addition to any other remedies which are made available to it at law or in equity, including the right to terminate the Franchise Agreement, a temporary and /or permanent injunction and a decree for the specific performance of the terms of this Agreement, without being required to furnish a bond or other security.

10. Signer agrees that the period during which the post-termination/expiration restrictions above apply shall be extended uninterrupted by the length of any period of time during which Signer was in violation of such restrictions.

11. This Agreement shall be governed by and construed under the laws of the Commonwealth of Massachusetts.

12. If any Court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be unenforceable as written, its provisions shall be determined to be withheld, modified or limited to such extent or in such manner as is necessary for it to be valid and enforceable to the greatest extent possible.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

SIGNER

By: _____
Name: _____
Date: _____

FRANCHISOR

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT G TO THE DOCUMENT DISCLOSURE
EMPLOYEE CONFIDENTIALITY AGREEMENT

EMPLOYEE CONFIDENTIALITY AGREEMENT

This Agreement is made and entered into on this _____ day of _____, _____
by and between _____ (“Employer”) and
_____ (“Employee”).

RECITALS

WHEREAS, Employer is a franchisee of Preserve Services Development, LLC (hereinafter “Franchisor”) and as such has rights to a unique system (hereinafter the “**PRESERVE SERVICES SYSTEM**”) for the development and operation of a multi-trade construction management company under the trade name and mark **PRESERVE SERVICES®** (hereinafter “**PRESERVE SERVICES**”); and

WHEREAS, Franchisor’s Confidential Information or Materials provide economic advantages to Franchisor and its franchisees including Employer and which are not generally known to nor readily ascertainable by proper means by Franchisor’s competitors who could obtain economic value from knowledge and use of Franchisor’s Trade Secrets; and

WHEREAS, Employer has promised to take and intends to take all reasonable steps to maintain the confidentiality and secrecy of Franchisor’s Confidential Information or Materials; and

WHEREAS, it will be necessary for Employee to have access to and to use some or all of Franchisor’s Confidential Information or Materials as an employee of Employer:

WHEREAS, Employee wishes to remain, or wishes to become, an employee of Employer; and

WHEREAS, Employee wishes and needs to receive and use Franchisor’s Confidential Information or Materials in the course of Employee’s employment in order to effectively perform Employee’s services for Employer;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. For purposes of this Agreement, the term “Confidential Information or Materials” means all trade secrets, customer information, inventions, discoveries, processes, formulae, records, computer programs or data, agreements, business and financial systems, and plans and policies, of Employer and Franchisor or regarding administrative, management, contracting, financial, marketing or production activities of Employer, which Employer treats as confidential.

2. Employee acknowledges that during his/her employment, Employee may gain knowledge of proprietary Confidential Information or Materials. Employee recognizes that Employer and Franchisor have a compelling need to maintain the confidentiality of such Confidential Information and Materials. Accordingly, Employee agrees that:

- (i) Employee shall receive Franchisor's Confidential Information or Materials in confidence, maintain them in confidence, and use them only in the course of Employee's employment by Employer.
- (ii) Employee will not, during the term of this Agreement or thereafter, directly or indirectly disclose to any other person or entity, or use for Employee's own account, or for other than Employer's business, any Confidential Information or Materials without first obtaining the written consent of Franchisor. Employee shall at all times keep confidential all Confidential Information or Materials of Employer and Franchisor.
- (iii) Employee will retain no copies of, and shall promptly deliver to Employer, upon the termination of Employee's services or at any other time Employer may request any and all documentary and other materials (including software) and all copies thereof in whatever form, including electronic versions thereof, made, compiled or otherwise obtained by or delivered or disclosed to Employee concerning any Confidential Information or Materials of Employer or Franchisor.

3. Employee shall not at any time make copies of any documents or compilations containing some or all of Franchisor's Confidential Information or Materials without the express written permission of Employer.

4. Employee shall not disclose or permit the disclosure of Franchisor's Confidential Information or Materials except to other employees of Employer and only to the limited extent necessary to train or assist other employees of Employer who have also signed Confidentiality Agreements or Non-Disclosure, Non-Solicitation and Non-Competition Agreements.

5. Employee understands and agrees that this Agreement may be enforced by either Employer or by Franchisor.

6. Employee agrees that in the event of a breach of this Agreement, Employer and/or Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions thereof, Employer and/or Franchisor shall be entitled to enforce the provisions of this Agreement against Employee, and may seek, in addition to any other remedies which are made available to it at law or in equity, a temporary and /or permanent injunction and a decree for the specific performance of the terms of this Agreement, without being required to furnish a bond or other security.

7. This Agreement shall be governed by and construed under the laws of _____.

8. If any Court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be unenforceable as written, its provisions shall be determined to be withheld, modified or limited to such extent or in such manner as is necessary for it to be valid and enforceable to the greatest extent possible.

[signatures on the following page]

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

EMPLOYER

By: _____
Name: _____
Title: _____
Date: _____

EMPLOYEE

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT H TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC AMENDMENTS/RIDERS TO THE FRANCHISE AGREEMENT

**AMENDMENT TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT AND RELATED FRANCHISE DOCUMENTS**

REQUIRED BY THE STATE OF ILLINOIS

The **PRESERVE SERVICES** Franchise Agreement between _____ (“Franchisee”) and **PRESERVE SERVICES FRANCHISE SYSTEMS, LLC**, a Massachusetts limited liability company (“Franchisor”) with its principal place of business at 203 Washington Street, #256, Salem, Massachusetts 01970, dated _____ (the “Franchise Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of this Agreement (this “Amendment”):

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisee’s rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Payment of the Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. The financial assurance requirement was imposed by the Office of the Attorney General due to Franchisor’s financial condition.

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

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR: PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT AND RELATED FRANCHISE DOCUMENTS**

FOR THE STATE OF MINNESOTA

The Franchise Agreement between _____ (“Franchisee”) and PRESERVE SERVICES FRANCHISE SYSTEMS, LLC, a Massachusetts limited liability (“Franchisor”), dated _____ (the “Franchise Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of this Agreement (this “Amendment”):

MINNESOTA LAW MODIFICATIONS

1. The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80C.01 et seq., and of the Rules and Regulations promulgated under the Act (collectively the “Franchise Act”). To the extent that the Agreement and Disclosure Document contain provisions that are inconsistent with the following, such provisions are hereby amended:

- a. Franchisee will have the right to use Franchisor’s trademarks, service marks, trade names, logotypes or other commercial symbols (collectively, the “Trademarks”). The Minnesota Department of Commerce requires that Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee’s use of the Trademarks infringes trademark rights of the third party. Franchisor does not indemnify against the consequences of Franchisee’s use of the Trademarks except in accordance with the requirements of the Franchise Agreement, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within ten (10) days after the earlier of (i) actual notice of the claim or (ii) receipt of written notice of the claim, and must therein tender the defense of the claim to Franchisor. If Franchisor accepts the tender of the defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim. If the Franchise Agreement contains a provision that is inconsistent with the Franchise Act, the provisions of the Franchise Agreement shall be superseded by the Act’s requirements and shall have no force or effect.
- b. Franchise Act, Sec. 80C.14, Subd. 3., requires, except in certain specified cases that a franchisee be given 90 days’ notice of termination (within 60 days to cure). If the Franchise Agreement contains a provision that is inconsistent with the Franchise Act, the provisions of the Franchise Agreement shall be superseded by the Act’s requirements and shall have no force or effect.
- c. Franchise Act, Sec. 80C.14, Subd. 4., requires, except in certain specified cases, that a franchisee be given written notice of a franchisor’s intention not to renew 180 days prior to expiration of the franchise and that the franchisee be given sufficient opportunity to operate the franchise in order to enable the franchisee the opportunity to recover the fair market value of the franchise as a going concern. If the Franchise Agreement contains a provision that is inconsistent with the Franchise Act, the provisions of the Franchise Agreement shall be superseded by the Act’s requirements and shall have no force or effect.
- d. Franchise Act, Sec. 80C.14, Subd. 5., requires that Franchisor not unreasonably withhold consent to an assignment, transfer, or sale of the franchise whenever the franchisee to be substituted meets the present qualifications and standards required of the franchisees of the particular franchisor.
- e. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise

Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Furthermore, Minn. Rule 2860.4400J prohibits a Franchisee from waiving his or her rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes.

- f. If the Franchisee is required in the Franchise Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Franchise Act, such release shall exclude claims arising under the Franchise Act, and such acknowledgements shall be void with respects to claims under the Act.
 - g. If the Franchise Agreement requires that it be governed by a state's law, other than the State of Minnesota, those provisions shall not in any way abrogate or reduce any rights you may have as provided for in the Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.
 - h. If the Franchise Agreement requires you to sue the Franchisor outside the State of Minnesota, those provisions shall not in any way abrogate or reduce any rights you may have as provided for in the Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota. As such, the disclosure in the risk factor on the cover page of the Disclosure Document that the Franchise Agreement requires you to bring a claim outside the State of Minnesota is not applicable because of the Franchise Act.
 - i. A Franchisee may file a civil lawsuit in Minnesota for claims arising under Minn. Stat. §80C.17, Subd. 5. Any claims arising under Minn. Stat. §80C.17, Subd. 5 must be brought within three years after the cause of action accrues.
2. Minn. Stat. Sec. 80C.06, Subd. 5 requires you to receive the Disclosure Document at the earlier of: (i) seven days prior to signing the Franchise Agreement; or (ii) seven days prior to our receipt of any consideration.
3. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Minnesota law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.
1. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Franchise Agreement on this _____ day of _____, 20__.

FRANCHISOR: PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT AND RELATED FRANCHISE DOCUMENTS**

REQUIRED BY THE STATE OF NEW YORK

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached Franchise Agreement agree as follows:

1. Section 6(f) of the Franchise Agreement, under the heading “**RENEWAL**” shall be deleted in its entirety, and shall have no force or effect; and the following paragraph shall be substituted in lieu thereof:

“You, except to the extent prohibited by state law, execute a general release, in a form prescribed by Us, of any and all claims You may have against Us and our subsidiaries and affiliates, and their respective officers, directors, shareholders, members, agents and employees; provided, however, that all rights enjoyed by You and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force, it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied;”

2. Section 28(d)(viii) of the Franchise Agreement, under the heading “**ASSIGNMENT; CONDITIONS AND LIMITATION**” shall be deleted in its entirety, and shall have no force or effect; and the following paragraph shall be substituted in lieu thereof:

“You, except to the extent prohibited by state law, have executed a general release of any and all claims against Us and Our subsidiaries and affiliates, and Our respective officers, directors, agents and employees; provided, however, that all rights enjoyed by the transferor and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied;”

3. Section 48 of the Franchise Agreement, under the heading “**GOVERNING LAW; CONSENT TO VENUE AND JURISDICTION**” shall be amended by adding the following section at the end of the Section:

“The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisee by General Business Law of New York State, Sections 680-695.”

4. Each provision of this Amendment to the Franchise Agreement shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16 are met independently without reference to this Amendment.

5. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement

of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR: PRESERVE SERVICES FRANCHISE SYSTEMS, LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

EXHIBIT I TO THE DISCLOSURE DOCUMENT

LIST OF CURRENT & FORMER FRANCHISEES

Current Franchisees:

MASSACHUSETTS

Territory: Boston Metro West
New Beginning Services, Inc
365 Boston Post Rd #164
Sudbury MA 01776
Nei Dacosta
781.280.0299
Nei@preserveservices.com

Territory: Boston Metro West South
M & H Contracting
95 Washington St #280
Canton, MA 02021
781-562-3414
Mark Peterson
Mark@preserveservices.com

Territory: Cape Cod & The Islands
102 Myrtle Street, Apt. 2
Medford, MA 02155
Ronaldo Fioroti (Transfer and Terminated in 2024)

Territory: South Shore Boston Metro
BABS Construction Inc.
125 Church St, Ste 90-116
Pembroke MA 02359
781-974-0081
Richard Babineau
Rich@preserveservices.com

Territory: Surrounding Boston Downtown
MXN Contracting LLC
1005 Boylston Street #312, Newton MA 02461
617-651-8363
617-850-5594
Mathew Nicholson
Matt@preserveservices.com

Territory: Worcester/495 Corridor
Lioness Construction Inc.

100 Boston Tpke Rd, Ste J9b#309
Shrewsbury, MA 01545
508-475-9291
Caroline Strine

NEW HAMPSHIRE

Territory: New Hampshire and 495 Loop to 93
Nirvana Construction LLC
308 Lafayette Rd Unit 11 #338
Seabrook, NH 03874-4537
603-288-0096
603-519-6336
Marcelo Castro
Marcelo@preserveservices.com

NORTH CAROLINA

Territory: Raleigh
Hamlock Construction
1249 Kildaire Farm Road, #347
Cary, NC 27511
919-995-5892
Eric Locklear
Franchisees Signed but not Open:

Auqulazer LLC
22 Bates Road
Mashpee, MA 02649
508-444-0194
Timothy Connolly
Signed 6/28/24, opened in 2025

Former Franchisees:

Ferre Construction Inc.
Hyannis, MA 02601
978-398-6953
Brenda Ferreira
Transfer

Cape Cod & The Islands
102 Myrtle Street, Apt. 2
Medford, MA 02155
Ronaldo Fioroti (Transfer and Terminated in 2024)

**EXHIBIT J TO THE DISCLOSURE DOCUMENT
CONFIDENTIAL OPERATIONS MANUAL TABLE OF CONTENTS**

INDEX

ABOUT PRESERVE SERVICES

Mission Statement	3
Company Culture	7
Business Model	9
Guiding Principles for Success	13

BUSINESS PRACTICES

How to Run a Successful Franchise	19
Business Evolution	21
Construction Calendar	22
Setting Up Your Business	25
How PSFS Serves the Franchisee	29
Communications Policy	33
Authorized Services	35
Employees	37
Personal Development	39
Marketing and Public Relations	45
Charitable Giving	51
Equipment	53

PRODUCTION

Estimating	59
Selling	63
Organizing Projects	67
Managing Project	69
Authorized Installers	73
Common Job Problems	79
Clients to Avoid	83
Audits and Information Requests	87



FINANCES

Financial Management	91
PSFS SCH Weekly Transfers	95
Insurances	97

PAINTING

Exterior Painting Project Flow.....	101
Production Notes	103
Paint	105
Glossary	111
Paint Failures	119
Quiz - Part I	133
Quiz - Part II	137
Factors for Paint Longevity	143
How to Paint a House	147
Application Options	157
Paint Spills	159
What Exterior Products to Recommend	163
Quiz - Part III	171
Common Complaints	175
Common Questions	179
Quiz - Part IV	183

INTERIOR PAINTING

Interior Painting Basics	189
Production Notes	193
Common Wall and Ceiling Materials	195
Wall and Ceiling Finishes	197
Prep Issues	201
Doors	205
Paint Arounds	207
Tools	211



CARPENTRY

Production	215
Materials	221
Carpentry Project Flow	227
Carpentry Installation	231
Glossary	249
Components of a House	257
Wall Framing	259
Parts of a House	261
Parts of a Door	263
Parts of a Window	265
Window Types	267
Quiz	269

ROOFING

Roofing Basics	285
Shingles	291
Skylights	295
Roofing Issues	297
Roofing Project Workflow	301
Quiz	305
Roofing - Installation	309
Quality Control	321
Glossary	325
Quiz	331
Flat Roofs	337
Installation – Rubber Membrane Roof	341
Quiz	347

DECKS

Deck Basics	355
Concrete	357
Project Flow	359
Building Code	365
Deck Installation	369
Quiz - Part I	373
Quiz - Part II	377
Glossary	385



FORMS AND TEMPLATES

Estimating Templates

- Painting
- Interior Painting
- Roofing
- Carpentry
- Decks

Set Up Checklist

Selecting Outlet Territory - Instructions

Initial Package - Clothing Order Form



EXHIBIT K TO THE DISCLOSURE DOCUMENT

FRANCHISE COMPLIANCE QUESTIONNAIRE

PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
FRANCHISE COMPLIANCE QUESTIONNAIRE

As you prepare to enter into a Franchise Agreement with Franchisor, it is important to determine whether any statements or promises were made to you, either orally or in writing, which were not authorized by Franchisor and which may be untrue, inaccurate or misleading.

Please provide honest and complete responses to each of the following:

1. Have you received and personally reviewed our Franchise Agreement and all its attachments? Yes ____ No ____

CONSIDER THE FOLLOWING QUESTIONS IN REGARD TO INFORMATION PROVIDED DIRECTLY FROM FRANCHISOR OR ITS REPRESENTATIVES (NOT ITS FRANCHISEES):

2. Has any employee, broker or other person representing Franchisor made any statements or promises concerning the revenues, profits or operating costs of a **PRESERVE SERVICES** franchise? Yes ____ No ____

3. Has any employee, broker or other person representing Franchisor made any statements or promises, other than those disclosed at Item 19 of the Disclosure Document, concerning the amount of money you may earn in the operating of a **PRESERVE SERVICES** franchise? Yes ____ No ____

4. Has any employee, broker or other person representing Franchisor made any statements or promises concerning the likelihood of success that you should or might expect to achieve from operating a **PRESERVE SERVICES** franchise? Yes ____ No ____

5. Has any employee, broker or other person representing Franchisor made any statements or promises concerning the advertising, marketing, training or support service or assistance that we will furnish to you that contradicts any information in the FDD? Yes ____ No ____

6. Has any employee, broker or other person representing Franchisor made any statements or promises concerning the costs you may incur in starting or operating a **PRESERVE SERVICES** franchise that contradicts any information in the FDD? Yes ____ No ____

7. Has any employee, broker or other person representing Franchisor made any statements or promises or agreements relating to a **PRESERVE SERVICES** franchise that contradicts any information in the FDD? Yes ____ No ____

If you have answered Yes to any of the questions numbered 2 through 7 above, please provide a full explanation *for each*. Attach additional pages if necessary.

8. I signed the Franchise Agreement and Addendum (if any) on _____, _____, and acknowledge that no Agreement or Addendum is effective until signed and dated by Franchisor.

RESIDENTS OF THE STATE OF CALIFORNIA AND FRANCHISEES WITH A BUSINESS TO BE LOCATED IN CALIFORNIA ARE NOT REQUIRED TO COMPLETE THIS QUESTIONNAIRE.

NOTE FOR RESIDENTS OF THE STATE OF MARYLAND AND FRANCHISEES WITH A BUSINESS TO BE LOCATED IN MARYLAND: Any representations requiring prospective

franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

RESIDENTS OF THE STATE OF WASHINGTON AND FRANCHISEES WITH A BUSINESS TO BE LOCATED IN WASHINGTON ARE NOT REQUIRED TO COMPLETE THIS QUESTIONNAIRE:
This Questionnaire does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Your answers are important to us and we will rely on them; by signing this Questionnaire, you are representing that you have responded truthfully to all of the above questions.

Date: _____ Prospective Franchisee: _____

EXHIBIT L TO THE DISCLOSURE DOCUMENT

**PRESERVE SERVICES FRANCHISE SYSTEMS, LLC
GENERAL RELEASE**

FORM OF GENERAL RELEASE

This General Release ("Release") is made and entered into on this day of _____, 20__ by and between Preserve Services Franchise Systems, LLC ("Franchisor") and _____ ("Franchisee").

WITNESSETH:

WHEREAS, Franchisor and Franchisee are parties to a **PRESERVE SERVICES** Franchise Agreement (the "Franchise Agreement") dated _____, 20__, granting Franchisee the right to operate a **PRESERVE SERVICES** business under Franchisor's proprietary marks and system.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained in this Release, and other good and valuable consideration, receipt of which is hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

Franchisee, for itself and its successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the "Releasors"), irrevocably and absolutely releases and forever discharges Franchisor and its successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the "Releasees"), of and from all claims, obligations, actions or causes of action (however denominated), whether in law or in equity, and whether known or unknown, present or contingent, for any injury, damage, or loss whatsoever arising from any acts or occurrences occurring as of or prior to the date of this Release relating to the Franchise Agreement, the business operated under the Franchise Agreement, and/or any other agreement between any of the Releasees and any of the Releasors. The Releasors, and each of them, also covenant not to sue or otherwise bring a claim against any of the Releasees regarding any of the claims being released under this Release.

This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

This General Release shall not apply to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

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

FRANCHISOR
Preserve Services Franchise Systems , LLC
By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE
By: _____
Name: _____
Title: _____
Date: _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
Illinois	April 29, 2025
Michigan	June 3, 2025
Minnesota	Pending
New York	Pending
Rhode Island	January 10, 2025, as amended April 30, 2025
Virginia	February 25, 2025, as amended May 23, 2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT M TO THE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Preserve Services Franchise Systems, LLC ("PSFS") offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, it or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that PSFS provide you with this Disclosure Document at the earlier of the first personal meeting or ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale. Iowa and Michigan require that PSFS provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale.

If PSFS does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Agency listed in Exhibit A.

The name, principal business address, and telephone number of the franchise seller offering this PRESERVE SERVICES franchise is: Sean O'Connor, 203 Washington Street, #256, Salem, Massachusetts 01970, (866) 250-1610.

Other Sellers: _____

Issuance Date: April 30, 2025. See Exhibit A for our registered agents authorized to receive service of process.

I received a Disclosure Document dated April 30, 2025, that included the following Exhibits:

A. Agent for Service of Process	H. State Specific Amendments to the Franchise Agreement
B. Financial Statements	I. List of Current & Former Franchisees
C. State Specific Addenda	J. Confidential Operations Manual Table of Contents
D. Franchise Agreement	K. Franchise Compliance Questionnaire
E. Non-Disclosure, Non-Solicitation and Non-Competition Agreement	L. General Release
F. Spousal Non-Disclosure and Non-Competition Agreement	M. Receipts
G. Employee Confidentiality Agreement	

Please return one signed copy of this Receipt to the attention of Sean O'Connor, Preserve Services Franchise Systems, LLC, 203 Washington Street, #256, Salem, Massachusetts 01970 or by electronic transmission (email) to us at franchise@preserveservices.com.

Date Disclosure Document Received: _____

Date Receipt Signed: _____

By: _____

Print Name

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Preserve Services Franchise Systems, LLC ("PSFS") offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, it or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that PSFS provide you with this Disclosure Document at the earlier of the first personal meeting or ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale. Iowa and Michigan require that PSFS provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale.

If PSFS does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Agency listed in Exhibit A.

The name, principal business address, and telephone number of the franchise seller offering this PRESERVE SERVICES franchise is: Sean O'Connor, 203 Washington Street, #256, Salem, Massachusetts 01970, (866) 250-1610.

Other Sellers: _____

Issuance Date: April 30, 2025. See Exhibit A for our registered agents authorized to receive service of process.

I received a Disclosure Document dated April 30, 2025 that included the following Exhibits:

A. Agent for Service of Process	H. State Specific Amendments to the Franchise Agreement
B. Financial Statements	I. List of Current & Former Franchisees
C. State Specific Addenda	J. Confidential Operations Manual Table of Contents
D. Franchise Agreement	K. Franchise Compliance Questionnaire
E. Non-Disclosure, Non-Solicitation and Non-Competition Agreement	L. General Release
F. Spousal Non-Disclosure and Non-Competition Agreement	M. Receipts
G. Employee Confidentiality Agreement	

Please return one signed copy of this Receipt to the attention of Sean O'Connor, Preserve Services Franchise Systems, LLC, 203 Washington Street, #256, Salem, Massachusetts 01970 or by electronic transmission (email) to us at franchise@preserveservices.com.

Date Disclosure Document Received: _____

Date Receipt Signed: _____

By: _____

Print Name