

FRANCHISE DISCLOSURE DOCUMENT



Dumpster Dudez Franchising LLC
A Pennsylvania Limited Liability Company
5501 E Lorane Road
Reading, Pennsylvania 19606
484-310-3100
www.dumpsterdudez.com

Dumpster Dudez Franchising LLC d/b/a Dumpster Dudez offers a franchise opportunity to offer residential and commercial dumpster and related products and services to residential and commercial customers.

The total investment necessary to begin operation of a Dumpster Dudez franchise is \$358,000 - \$424,000. This includes \$40,000 to \$50,000 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Brian Johnson, 32 Stonehill Drive, Mohnton, PA 19540; 484-310-3100.

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 to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, 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: February 16, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits E and F.
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 G 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 Dumpster Dudez 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 Dumpster Dudez franchisee?	Item 20 or Exhibits E and F 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 Pennsylvania. 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 Pennsylvania than in your own state.

2. **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.

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.

**MICHIGAN ADDENDUM
TO THE DISCLOSURE DOCUMENT**

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

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

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

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

- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchise'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, logo type, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

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

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

- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards;
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor;
 - (iii) The unwillingness of the proposed transferee to agree in writing

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

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

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

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

Any questions regarding this notice should be directed to Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Lansing, Michigan 48913; telephone number (517) 373-7117.

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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Exhibits

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

The Franchisor, and any Parents, Predecessors, and Affiliates. To simplify the language in this disclosure document, the terms “we,” “us,” and “our” refer to Dumpster Dudez Franchising LLC d/b/a Dumpster Dudez, the Franchisor. The terms “you” and “your” refer to the person or entity that buys this franchise, including any guarantors.

Our principal business address is 5501 E Lorane Road, Reading, Pennsylvania 19606.

We do not have any parents or predecessors.

We have an affiliate, Dumpster Dudez LLC, formed March 16, 2015, a Pennsylvania limited liability company with a principal business address at 5501 E. Lorane Road, Reading, Pennsylvania 19606.

We do business as “Dumpster Dudez.”

Exhibit A contains our agents for service of process.

We are a Pennsylvania limited liability company formed on August 1, 2018.

Our Business and the Franchises Offered.

The franchise offered is to operate a residential and commercial dumpster service by which your business will use trucks to dispatch dumpsters to residential and commercial customers to fill with construction or other debris, then your business will retrieve the dumpsters and dispose of their contents. (“Franchised Business”).

We do not operate a business of the type being franchised. We do not engage in other business activities except the offering of franchises as disclosed here.

The General Market. The general market for this service is developed. Your services will be sold to both individuals and businesses. Sales are year-round however, sales will vary seasonally with peak demand typically in the April through November time period.

Laws and Regulations. Your business may be subject to various federal, state, and local laws and regulations. Drivers must comply with Department of Transportation and state and local laws which may (i) regulate the operation of a waste disposal vehicle; (ii) require advanced driving certification such as a commercial driver’s license; and (iii) require adherence to state insurance requirements. Your business must also comply with laws on the removal and disposal of waste and these laws may limit or prevent you from operating in certain areas. You should investigate the application of these laws further.

Competition. Our primary competition comes from other dumpster rental and trash removal companies.

Our Prior Business Experience. We have offered franchises of the type offered here since January 2019.

Our affiliate, Dumpster Dudez LLC, has operated a business similar to the franchise being offered through this disclosure document since 2015. Dumpster Dudez LLC does not offer franchises or provide products or services to our franchisees.

**ITEM 2
BUSINESS EXPERIENCE**

Dustin Kiene, Chief Executive Officer and Managing Member. Dustin Kiene has served as our Chief Executive Officer and Managing Member since August 2018. From March 2015 to the present, Mr. Kiene has also served in the same positions for our affiliate, Dumpster Dudez LLC in Reading, Pennsylvania. Mr. Kiene also served as Chief Executive Officer of Kiene Hauling, LLC, in Reading, Pennsylvania, from April 2000 to July 2017.

Aaron Warchal, VP of Franchise Operations. Aaron Warchal has served as our Vice President of Operations since November 2021. From February 2021 to the present, Mr. Warchal has also served as a franchisee of ours in Phoenixville, PA. From March 2017 to the present, Mr. Warchal has served as the President of Built Strong Realty & Construction in Phoenixville, PA. From February 2015 to December 2020, Mr. Warchal served as President of Mowjo Lawn Care & Landscaping in Phoenixville, PA.

Brian Johnson, VP of Franchise Development. Brian Johnson has served as our Vice President of Franchise Development since November 2021. From March 2008 to the present, Mr. Johnson has also served as the President & CEO of Mail Shark in Mohnton, PA.

**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**

You must pay to us an initial franchise fee of \$40,000 - \$50,000 for a territory, based upon whether you elect to make installment payments or not for the initial franchise fee, and, if so, which installment plan you select, shown as follows:

Amount of initial franchise fee	Installment terms offered
\$40,000	Full payment up front
\$45,000	\$10,000 down with 24 monthly payments of \$1,458.33
\$48,000	\$15,000 down with 36 monthly payments of \$916.67
\$50,000	\$20,000 down with 48 monthly payments of \$625

Except to the extent that you and we agree to installment payments terms, the initial franchise fee is due to us in full when you return to us signed copies of your Franchise Agreement. The initial franchise fee is fully earned and nonrefundable upon your signing of the franchise agreement and receipt of the funds by us.

ITEM 6 OTHER FEES

<u>Name of Fee (Note 1)</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Royalty Fee	7% of Gross Revenues	The 15 th of each month	We define “Gross Revenues” in Note 2 below.
Third Party Software and POS Fees	Presently \$350-\$1,100 per month	Monthly	You must use and pay for third party software necessary to operate the business through our approved vendor of choice.
Local Advertising	4% of Gross Revenues	Monthly, as incurred by you	We recommend that you spend these funds to promote your business each month pursuant to our guidelines.
Third party charges that we incur on your behalf	Actual amount of charge	At time of expense	If we incur third party charges on your behalf, you agree to reimburse us for any such charges.
Testing or Supplier Approval Fee	\$500 plus our expenses	Upon request	We refund the \$500 fee to you if the product/supplier is approved for use by the entire system.
Client Refunds	The amount of any fee we refund to a client	At time of payment	If you do not resolve a client service complaint and we believe a reasonable basis exists for a refund to the client of all or a portion of the client fees, we may

			make the refund and bill you. You agree to pay the charges.
Renewal Fee	\$2,500	Upon signing a then current form franchise agreement	Paid to enter into a new current franchise agreement at the expiration of the term of your franchise agreement.
Transfer Fee	\$5,000	At the time of transfer.	You pay this fee if you transfer the franchise or a majority ownership interest in it.
Sales, excise or gross receipts tax	Amount of the tax	At time of payment of fees to us which are subject to any tax	You must reimburse us for any tax we pay on any fee imposed on you.
Interest	12% per annum or highest rate allowed by law	As Incurred	Interest is paid to us from the date of nonpayment or underpayment.
Insufficient Funds Fee	\$50 per occurrence	As incurred	You pay this fee for any insufficient funds check or electronic transfer to us.
Indemnification	The amount of any claim, liability or loss we incur from your Franchised Business.	As Incurred	
Assistance Fee in the event of death or incapacity	Reimbursement for reasonable expenditures incurred including travel, lodging, per diem and wages.	At time of expense	In the event of your death or incapacity, we are entitled to reimbursement from you or your estate for any reasonable expenses incurred continuing Services.
Legal fees and expenses	Actual costs incurred	As Incurred	You must pay to us any legal fees and expenses for if we are the prevailing party in litigation with you.

Notes:

1. Fees and ACH Electronic Transfer. Unless otherwise stated, all fees are imposed by, payable to, and collected by us. No fees or other amounts payable to us or our affiliates are refundable. Before you may open for business, you must sign and deliver to us all bank documents needed to permit us to debit your bank account via ACH Electronic Transfer for all fees and payments due to us or our affiliates. See Schedule 2. If you change your bank account or transfer your account to a different bank, you must notify us within one day, and sign and deliver to us and their bank new documents to permit us to debit your bank account within three days.

2. Gross Revenues. “**Gross Revenues**” is defined as the aggregate amount of all revenues generated by your Dumpster Dudez Franchised Business, whether the sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Revenue includes, without limitation, monies or credit received from the sale of services or products, from tangible property of every kind and nature, promotional or otherwise. Gross Revenue does not include good faith refunds, adjustments, credits and allowances actually made by your Dumpster Dudez Franchised Business in compliance with the Operations Manual. Gross Revenue also excludes any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority.

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**ITEM 7
ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT*

<u>Type of Expenditure</u>	<u>Estimated Amount</u>		<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is Made</u>
	<u>Low</u>	<u>High</u>			
Initial Franchise Fee ¹	\$40,000	\$50,000	Check or ACH	Upon entering into Franchise Agreement	Us
Travel and Living Expenses to Attend Initial Training ²	\$2,000	\$3,000	Charge	Before attending initial training	Third-parties
Office Set Up, Business Permits/ Licenses, Security Deposit and Rent (1-month) ³	\$3,000	\$5,000	Check/Charge	Before opening	Third-parties
Computers and Software ⁴	\$3,000	\$5,000	Charge	Before opening	Third-parties
Insurance ⁵	\$2,000	\$3,000	Check/Charge or ACH	Before opening	Insurance company
1 Truck ⁶	\$120,000	\$135,000	Check or ACH	Before opening	Third-parties
24 Dumpsters ⁷	\$150,000	\$160,000	Check or ACH	Before opening	Third-parties
Grand Opening Advertising ⁸	\$5,000	\$10,000	Check/Charge	Prior to opening	Third parties
Professional Fees ⁹	\$3,000	\$6,000	As arranged	Before opening	Attorneys, accountants
Truck and Dumpster Branding Graphics ¹⁰	\$5,000	\$7,000	As incurred	Before opening	Third-parties
Payroll ¹¹	\$0	\$5,000	ACH	Before opening	Employees
Additional funds – 3 Months ¹²	\$25,000	\$35,000	Check/Charge	Before and after opening	Third-parties
Total¹³	\$358,000.00	\$424,000.00			

*None of the fees paid to us in this chart are refundable. Whether such fees paid to third parties are refundable would depend upon their policies.

1. Initial Franchise Fee- The table above assumes the purchase of one territory.

We offer installment payment terms which we disclose in Item 10.

2. Travel and Living Expenses to Attend Initial Training- These are estimate costs for you to attend initial training in Reading, Pennsylvania. Your costs will vary on whether you are local to the area or require travel, lodging, and local transportation, as well as from where you travel, the time of year, the level of lodging you select, and how far ahead you book. If you bring another person to initial training, then your costs would be approximately double the estimated amount.

3. Office Set Up, Business Permits/ Licenses, Security Deposit and Rent (1-month)- You will need a desk, chair, filing cabinet, and printer. Additionally, you will need any required business permits and licenses to operate your business.

Although you can work from a home office for daily management of business, you will be required to open a “commercial office space” with a dedicated mailing address to be used for your “business physical address.” This address will be attached to your webpage and your google profile and also needs to be the address used to register your franchisee legal entity. You will also be required to secure land, typically a half-acre or more, to store your dumpsters and truck when they are not in use.

4. Computers and Software- At present, we require you to have an internet connection, email, a smartphone or tablet, a laptop or desktop computer, iPads for drivers, and such software as we may specify. Your costs will vary depending on what items you may already have.

5. Insurance Deposits and Premiums- You will need to carry insurance as we specify and as required by law.

6. Trucks- You will need one truck with dumpster lift capabilities to begin operations of this franchise. You would normally finance this purchase and make monthly payments over time. However, we include the full cost for a cash purchase in the table above.

7. Dumpsters- You will need to purchase 24 dumpsters to begin operations. You would normally finance this purchase and make monthly payments over time. However, we include the full cost for a cash purchase in the table above.

8. Grand Opening Advertising- We require you to engage in Grand Opening Advertising pursuant to our guidelines to promote the opening of your business.

9. Professional Fees- Represents fees to attorneys, accountants and other advisors for review of the franchise agreement, establishment of a legal entity, setup of accounting systems, and any needed assistance to obtain licenses and permits.

10. Truck and Dumpster Branding Graphics- These are the estimated costs of obtaining a sign company to print and ship to you the pre-approved branding stickers and lettering needed for your Trucks and Dumpsters to adhere to company brand standards. This amount includes having a company apply the graphics on your Truck, but assumes you will apply all of the graphics on the Dumpsters on your own.

11. Payroll- This represents one month of payroll for one employee employed at approximately \$40,000, plus payroll taxes and other employment costs. If you are an owner operation, you will not incur Payroll expense in the early stages of the business.

12. Additional Funds- 3 Months- Represents monies you may spend on uniforms or other miscellaneous expenses, as well as needed working capital.

13. Total- We base this estimate upon the years of experience our management team has in this industry.

These figures are estimates of your initial expenses covering the first three months of your operation. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on: how well you follow our methods and procedures; your management skills; experience and business acumen; local economic conditions; the local market for our services; the prevailing wage rate; and competition. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The Goods or Services Required to be Purchased or Leased:

Advertising and Marketing. You must use advertising material from us, another vendor that we designate, or we must approve the advertising in writing, prior to its use.

Computers and Software. You must use any computer hardware and software that we specify.

Dumpsters. You must use dumpsters pursuant to our specifications, which include color and size requirements and we offer a suggested but not required vendor.

Furniture and Equipment. You must purchase basic furniture and equipment for a home office pursuant to our specifications.

Insurance. You must maintain insurance policies protecting you and us (as additional insured). The policies must be written by an A.M. Best “A” or better rated insurance company and must include the types and minimum amounts of coverage that we specify as well as any other insurance as may be required by state law. At present, we require the following types and minimum amounts of coverage. If your state requires greater coverage amounts for the categories listed below, you must obtain and maintain coverage as required by your state.

COMMERCIAL GENERAL LIABILITY:

Limit Each Occurrence	\$1,000,000
General Aggregate Limit:	\$2,000,000
Products/Completed Operations Aggregate Limit:	\$2,000,000
Waiver of Subrogation for Additional Insureds	
Primary & Non-Contributory coverage for Additional Insureds	

COMMERCIAL OR PERSONAL AUTOMOBILE LIABILITY:

Bodily Injury and Property Damage Combined Single Limit/Aggregate
\$1,000,000/\$2,000,000

Hired and Non-Owned Liability Limit/Aggregate

\$1,000,000/\$2,000,000

Uninsured/Underinsured Motorist Bodily Injury Single Limit/Aggregate

\$1,000,000/\$2,000,000

Liability should be written for “any auto” Symbol 1 or a combination of Symbols 8 and 9 so that coverage is provided for all owned (or scheduled) and hired and non-owned autos.

WORKERS’ COMPENSATION:

Workers’ Compensation:	Statutory (with All States Broad Form)
Employer’s Liability:	\$500,000 per employee, bodily injury by disease; \$500,000 policy limit, bodily injury by disease; \$500,000 per employee, bodily injury by accident.

Waiver of subrogation in favor of Additional Insureds

Stop Gap as required in monopolistic states.

UMBRELLA LIABILITY*	\$1,000,000 each occurrence \$1,000,000 aggregate
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*recommended but not mandatory

SPECIFIC REQUIREMENTS:

Additional Insured: Dumpster Dudez Franchising, LLC must be listed as “Additional Insureds” on all policies except for Workers’ Compensation and Employers’ Liability

All coverage must be primary and noncontributory with respect to Dumpster Dudez Franchising, LLC

All Liability policies must contain a “Waiver of Subrogation” in favor of Dumpster Dudez Franchising, LLC, unless otherwise noted.

Notice of Cancellation and non-renewal: All policies must provide that the policy cannot be canceled, non-renewed or modified without 30 days’ prior written notice to the Franchisee. If the Franchisee receives such notice, Dumpster Dudez Franchising, LLC must be notified within three (3) business days.

Named Insured: The Franchisee(s) named on the Franchise Agreement must be the named insured(s) on all policies.

Certificates of insurance must be sent in upon annual expiration date.

Leased Location. You must have an office location that has a dedicated commercial mailing address. Your business must be registered to this office address. You may work from home, but still will be required to have this office address. You will also need a location to store your truck and dumpsters which allows such storage per local zoning requirements.

Truck. You will need a truck with dumpster lift capabilities to operate this business, in order to operate this franchise. We offer a suggested but not required supplier.

Uniforms. You must purchase uniforms from a designated vendor, or pursuant to our specifications.

Whether we or our Affiliates are Approved Suppliers:

We are currently an approved supplier of advertising material but not the only approved supplier of such items. Our affiliate is not currently an approved supplier of goods or services to franchisees.

Officer Interests in Suppliers:

Our officers, Dustin Kiene, Aaron Warchal, and Brian Johnson, own an interest in us.

Alternative Suppliers:

We do not maintain written criteria for approving suppliers and thus these criteria are not available to you or your proposed supplier. We do permit you to contract with alternative suppliers if approved by us and they meet our criteria. We charge \$500 plus any costs incurred to test another supplier that you propose. We refund the \$500 fee to you if we approve the product/supplier for use by the entire franchise system. If you wish to propose to us another supplier, you may submit the proposed supplier that you wish for us to consider in writing. We will examine the quality of the items and the supplier's ability to supply a sufficient quantity in a timely way with good customer service to determine whether to consider adding the supplier to our list of approved vendors. We will notify you within 60 days if we approve or disapprove of an alternative supplier. If we revoke approval for a supplier, we will provide written notice to you.

Issuance and Modification of Specifications:

We issue and modify specifications and standards to franchisees or approved suppliers through our Operations Manual or through informational bulletins we issue from time to time.

Revenue from Required Purchases:

We and our affiliate may derive revenue or other material consideration from required purchases or leases by you.

In our last fiscal year ending December 31, 2023, neither we nor our affiliates earned revenue or other material consideration from required purchases or leases by franchisees.

Required Purchases as a Proportion of Costs:

We estimate that required purchases described above will be approximately 50-70% of all purchases and leases by you of goods and services to establish a franchise and approximately 30-50% of your operating costs.

Supplier Payments to Us:

Designated suppliers may make payments to us from franchisee purchases.

In the fiscal year ended December 31, 2023, we did not yet receive any supplier rebates but may receive supplier rebates in the future.

Purchasing or Distribution Cooperatives:

At this time, we do not have any purchasing or distribution cooperatives.

Purchase arrangements:

We negotiate purchase arrangements with suppliers, including price terms, for the benefit of our franchisees.

Material Benefits:

We do not provide material benefits to you based on your use of a particular supplier. However, when your franchise is up for renewal, to continue your franchise rights, we require you to be in compliance with your franchise agreement, which includes compliance with any supplier standards that are contained in our Operations Manual.

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**ITEM 9
FRANCHISEE’S OBLIGATIONS**

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

Franchisee’s Obligations	Section In Franchise Agreement	Item in Disclosure document
a. Site selection and acquisition/lease	3, 6.2	11
b. Pre-opening purchases/leases	6.10, 6.11, 6.12, 6.13	7, 8
c. Site development and other pre-opening requirements	6.2	11
d. Initial and ongoing training	5.9, 6.1, 6.8	11
e. Opening	6.3	11
f. Fees	4, 7, 14.3, 16, 20.10	5, 6, 7, 8, 11
g. Compliance with standards and policies/Manual	6.4	8, 11
h. Trademarks and proprietary information	8, 9	13, 14
i. Restrictions on products/services offered	6.6	8, 16
j. Warranty and customer service requirements	6.7	6
k. Territorial development and sales quotas	3	12
l. Ongoing product/service purchases	6.10, 6.11, 6.12, 6.13	8
m. Maintenance, appearance & remodeling requirements	Not Applicable	Not Applicable
n. Insurance	6.9	8
o. Advertising	7	8, 11
	14.3	6

Franchisee's Obligations	Section In Franchise Agreement	Item in Disclosure document
p. Indemnification		
q. Owner's participation/management/staffing	6.5	15
r. Records and reports	10	11
s. Inspections and Audits	10	11
t. Transfer	15	17
u. Renewal	2.2	17
v. Post-termination obligations	12	15, 16, 17
w. Non-competition covenants	13	15, 16, 17
x. Dispute resolution	20	17

ITEM 10 FINANCING

We offer installment payment options on the initial franchise fee, depending upon your creditworthiness, as follows:

Amount of initial franchise fee	Installment terms offered	Annual Percentage Rate of Interest ("APR")
\$40,000	Full payment up front	0%
\$45,000	\$10,000 down with 24 monthly payments of \$1,458.33	7.14%
\$48,000	\$15,000 down with 36 monthly payments of \$916.67	8.08%
\$50,000	\$20,000 down with 48 monthly payments of \$625	8.33%

The following table summarizes other key terms of the installment payments that we offer per the table above.

Whether a Person Other than the Franchisee Must Personally Guarantee the Debt	If the franchisee is an entity, its owners must personally guarantee the debt
Liability Upon Default	Termination of Franchise Agreement; you must pay entire amount due, our attorney fees, and court costs in collecting debt.

Waiver of Defenses or Other Legal Right on Default	Waiver of right to jury trial; any right to presentment, demand, notice of non-performance, or the right to require us to proceed against the other persons.
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Otherwise, we do not offer direct or indirect financing. We do not guarantee your note, lease or obligation. We do not have a practice or intent to sell, assign, or discount to a third party all or part of any financing arrangement.

**ITEM 11
FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND
TRAINING**

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

Obligations Before Opening:

Initial Training. We provide an initial training program in or near Reading, Pennsylvania or another location of our choosing. The topics covered in initial training are described in the chart below in this Item 11. (Franchise Agreement, Section 5.1).

Site Selection. We do not provide site selection assistance. You may work from home or any office location. However, you must have a dedicated commercial office space with a dedicated mailing address and have the business registered to this address. This cannot be your home. You must also have a place where you can store your truck and your dumpsters in a location where zoning permits such storage. (Franchise Agreement, Section 5.2).

Assistance to obtain equipment and supplies. We provide guidance to obtain equipment and supplies. We provide the names of approved vendors or specifications for these items. (Franchise Agreement Section 5.3).

Operations Manual. We provide access to our Operations Manual (“Manual”) to offer guidance in the operation of your Franchised Business. (Franchise Agreement, Section 5.4).

Marketing Assistance. We provide support and advice to you in the conduct of advertising. (Franchise Agreement, Sections 5.6 and 7.4).

Length of Time Before Opening. The typical length of time between the signing of the Franchise Agreement and the opening of your Franchised Business is 90 days. You agree to begin operations and be open for business no later than 4 months from the time both parties execute the franchise agreement. If you do not begin operations in this time frame, we may terminate your franchise agreement or allow you more time. (Franchise Agreement, Section 6.3).

You should normally be able to open for business within 30-60 days after the completion of initial training. Factors that may affect the time length to open include the time it takes to obtain any needed license and permits and acquire trucks and dumpsters.

During the Operation of the Franchise:

Operational Support. We offer assistance with operating problems and issues that you may encounter. (Franchise Agreement, Section 5.5).

Pricing. We will offer assistance in helping you to understand your costs and how sales prices will affect profitability on jobs to assist you in establishing pricing. (Franchise Agreement, Section 5.5).

Marketing Support. We provide support and advice to you in the conduct of advertising. (Franchise Agreement, Section 5.6 and 7.4).

Computer Hardware and Software Systems. We may specify computer hardware and software systems to assist in the operation of your Franchised Business. (Franchise Agreement, Section 5.7).

Additional Training or Seminars. We may elect to offer additional training or seminars. (Franchise Agreement, Section 5.8).

Advertising Program and Fund:

Grand Opening Advertising. You agree to spend a minimum of \$5,000 - \$10,000 pursuant to our guidelines to promote the opening of your Franchised Business. (Franchise Agreement, Sections 4.4 and 7.2).

Local Advertising. We recommend that you spend a minimum of 4% of Gross Revenues per month pursuant to our guidelines on local advertising, marketing, and promotional activities. (Franchise Agreement, Sections 4.5 and 7.3).

Advertising Fund. We do not charge an Advertising Fee nor maintain an Advertising Fund.

We may nonetheless conduct advertising using online, radio, television, direct mail, billboards, print or other advertising. We may use local, regional, or national advertising. We may produce advertising material in-house or through outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located. (Franchise Agreement, Sections 4.3 and 7.4).

Use of Your Own Advertising Material. You may use your own advertising materials provided that you submit them to us and we approve them, in writing, and they adhere to federal, state and local law. If our written approval is not received within 14 days from the date we received the material, the material is deemed disapproved. You may not use a Social Media Platform or Social Media Materials without our prior written approval.

Advertising Council. We do not have an advertising council composed of franchisees that advises us on advertising policy, but reserve the right to form one in the future.

Advertising Cooperative. You are not required to participate in a local or regional advertising cooperative.

Computer Systems:

We require you to have an internet connection, email, a smartphone or tablet, a laptop or desktop computer and Microsoft Office and Quickbooks software. You will generate and store operational, customer, and sales data in your computer system. Depending on what computer systems you already have, these items can be purchased for approximately \$3,000- \$5,000.

Neither we nor our affiliates or any third party have any obligation to provide ongoing maintenance, repairs, upgrades or updates. You must maintain your computer systems in good working order and must replace, update or upgrade your hardware systems as we require. There is no contractual limitations on the frequency or cost of the obligation. The estimated annual cost of optional or required maintenance, updating, upgrading, or support contracts to your computer systems is approximately \$1,000 - \$1,500.

Independent Access to Information. We have and you are required to provide independent access to the information that will be generated or stored in your computer systems, which includes, but not limited to, customer, transaction, and operational information. There are no contractual limitations on our right to access the information. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business. If, as part of a review of your business, we request a copy of any business records, you must send us at your expense these records within five business days of receiving our request.

Operations Manual:

Exhibit H contains the Table of Contents to the Operations Manual along with the page count per chapter. The total page count of the Operations Manual is 70 pages.

Initial Training Program:

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
<ul style="list-style-type: none">- Administration- Business Philosophy and Vision- Accounting- Insurance Requirements- Regulatory Compliance & Licensing- Docket	6	0	Reading, PA

- Service Operations - Equipment Standards - Equipment Operations - Dumping Operations	4	4	Reading, PA
- Business Management - Pricing Strategies - Company Appearance Standards - Authorized Services - Hours of Operation	1	4	Reading, PA
- Sales and Marketing - Sales - Marketing - Customer Service - Community Relations	1	4	Reading, PA
Total	12 hours	12 hours	

The following Instructors teach our initial training program: Dustin Kiene, Aaron Warchal, and Brian Johnson. Item 2 above discloses the nature and length of the Instructors’ experience.

We set forth the length of the Instructors’ experience in the industry and with the franchisor below:

<u>Instructor</u>	<u>Years of Experience in the Field</u>	<u>Years of Experience with the Franchisor*</u>
Dustin Kiene	9	9
Aaron Warchal	3	3
Brian Johnson	2	2

*Includes years of experience with any of our affiliates.

We intend to hold initial training classes quarterly, or more often if necessary, at leased classroom space in or near Reading, Pennsylvania.

We use the Operations Manual, manuals, handouts, and PowerPoint presentations to conduct initial training.

We do not charge for you to attend initial training, but you are responsible for travel, lodging, transportation, meal costs, and your employees’ wages to attend initial training.

We require that you attend initial training along with any General Manager if you have one. You may enroll spouses, adult children, and other personnel upon our approval. You must successfully complete initial training to our satisfaction to operate a franchise within 90 days of signing the franchise agreement. We advise you during or immediately after initial training if you have successfully completed the course.

Additional Training Programs or Refresher Courses. At present, we do not have any additional training or refresher courses for franchisees but reserve the right to add such classes later.

ITEM 12 TERRITORY

We grant you a territory in which to operate your Franchised Business, as set forth on Schedule 1 to the Franchise Agreement.

The typical territory will normally include an amount of single family dwelling units of 150,000-220,000 and will be for a specific geographic area that we define by zip code.

We use the United States Postal Service data updated on a monthly basis provided to us by Valassis (or another source that we deem reliable) to validate the number of single family dwelling units in each zip code.

You may relocate the Franchised Business provided that you stay within your Territory. We would not normally approve the opening of additional outlets in your territory as the Franchised Business is offered at the customer's location and there would be no business reason to open additional outlets within a territory.

We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises.

You will receive an exclusive territory within which we promise not to establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks.

Except as may be permitted pursuant to online or social media advertising guidelines, or Cross Territorial Protocols, you agree to limit your marketing and services to locations solely within your Territory.

Continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency. We may not modify your territory boundaries even if there is an increase in population in your territory.

We or an affiliate does not reserve the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks; however, we may direct such sales to you.

We or an affiliate also reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory of products or services under trademarks different from the ones that you will use under the franchise agreement.

We are not obligated to pay compensation to you for soliciting or accepting orders from inside your territory.

You may not normally solicit or transact business outside your territory, including through other channels of distribution such as catalog sales, telemarketing, or other direct marketing, except any

permitted online or social media advertising you may do in accordance with our guidelines may extend outside your territory. HOWEVER, you may solicit or transact business outside your territory if no franchised or corporate outlet owns the area outside your territory in which you are soliciting or transacting business. If, at any time in the future, the area outside your territory become owned by another franchisee or run by a corporate outlet, you will forfeit the rights to serve those zip codes and any jobs being fulfilled in those zip codes moving forward.


We reserve the right to implement Cross Territorial Protocols which govern cross territorial issues such as a single customer needing services in multiple territories and you agree to abide by those rules, which may include distribution of revenues among affected franchisees.

Neither we nor an affiliate operates, franchises, or has plans to operate or franchise a business under a different trademark which such business sells or will sell goods or services similar to those you will offer, but we reserve the right to do so.

However, we reserve the right in the future to acquire, be acquired by, participate in a merger, or otherwise affiliate with a business that operates or franchises a business under a trademark that is not the same or substantially similar to the trademark licensed to you and that sells or will sell similar goods or services. If we are purchased by, purchase, or merge with another franchisor offering similar services, and the other franchisor that has outlets in your territory, we would not allow such outlets to use the same or similar marks that you are being allowed to use through this franchise to offer the same or similar services as your franchise offers.

**ITEM 13
TRADEMARKS**

The franchise agreement licenses to you the right to use the following principal trademarks (“Marks”) registered or applied for with the U.S. Patent and Trademark Office (“USPTO”):

Description of Mark	Serial/Registration Number	Principal or Supplemental Register of the USPTO	Registration Date
DUMPSTER DUDEZ	5463716	Principal	May 8, 2018
	7286264	Principal	January 23, 2024

We have filed all required affidavits and renewals.

There are currently no effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court; or any pending infringement, opposition, or cancellation proceeding in which we unsuccessfully sought to prevent registration of a trademark in order to protect a trademark licensed by the franchisor. There are no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

There are no currently effective agreements that significantly limit our rights to use or license the use of our trademarks listed in this section.

If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Marks, you must promptly notify us. We are not required to protect your right to use the principal trademarks listed in this item, nor protect you against claims of infringement or unfair competition arising out of your use of the trademarks.

We have the sole right to control any administrative proceedings or litigation involving a trademark licensed by us to you. The Franchise Agreement does not require us to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you or if the proceeding is resolved unfavorably to you.

If we discontinue or modify our Marks, you must adopt and use any new marks as required by us. Any expenses you incur because of adopting and using these marks are your responsibility.

We do not know of any superior prior rights or infringing uses that could materially affect your use of our Marks anywhere except the following companies that have been notified of their potential infringement: (1) Dumpster Dudes LLC in Apache Junction, Arizona, has been infringing on our marks since approximately 2018; and (2) The Dump Dude, LLC in Temple Texas has been using a similar mark since approximately 2021.

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

At this time, we do not hold any patents. We claim a copyright to our Operations Manual, marketing material such as our website text, and other printed material, although we have not presently filed a registration of those copyrights. We consider all of these items confidential and proprietary. Upon termination of your franchise agreement, you must return to us our Operations Manuals and any confidential information.

You will not directly or indirectly disclose, publish, disseminate or use our “Confidential Information” except as authorized in the Franchise Agreement. You may use our Confidential Information to perform your obligations under the Franchise Agreement, but in doing so you will only allow dissemination of our Confidential Information on a need-to-know basis and only to those individuals that have been informed of the proprietary and confidential nature of such Confidential Information. We may share performance data of your franchised business between us, our employees and affiliates, our franchisees and their employees. You agree to keep such performance data confidential.

“Confidential Information” means our information or data (oral, written, electronic or otherwise), including, without limitation, a trade secret, that is valuable and not generally known or readily available to third parties obtained by you from us during the term of the Franchise Agreement. The Confidential Information of ours includes all intellectual property associated with our Franchise system, all other materials relating to our Franchise system that are not a matter of public record, and all information generated during the performance of the Franchise Agreement.

“Customer Data” is considered Confidential Information, and includes all information about Customers that may be collected in connection with their use of your services, including, but not limited to, name, telephone number, address and email address. We retain all right, title, and interest in and to the Customer Data, including all intellectual property rights.

Upon termination of your franchise agreement, you must return to us our Operations Manuals and any Confidential Information, including Customer Data. You may never - during the initial term, any renewal term, or after the Franchise Agreement expires or is terminated - reveal any of our Confidential Information to any other person or entity or use it for the benefit of any other person or business.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You are not required to participate personally in the direct operation of your Franchised Business but we recommend it. You may instead hire a General Manager to run the Franchised Business day to day, but the General Manager must first successfully complete our initial training. If the franchisee is a business entity, the General Manager is not required to have an equity interest in the franchise.

We require you to obtain a signed nondisclosure and non-competition agreement from any General Manager that you hire.

You agree to accurately and completely furnish to us the names, contact information, and ownership percent on anyone owning an interest in this franchise on the Signature Page to the Franchise Agreement. As a result, co-owners in a franchisee entity will be bound by all the terms of the franchise agreement, including the guarantee, confidentiality, and non-compete duties in it. No change to the owners or ownership percentages are permitted without our prior written consent.

We do not require your spouse to guarantee the performance of any obligations under the franchise agreement, however, if your spouse is a co-owner of the franchise or franchisee entity, then you and your spouse will both guarantee performance under the franchise agreement.

[remainder of page intentionally left blank]

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer for sale through your franchised business only such products and services that we have approved in writing. We may designate products or services as optional or mandatory. You may not sell any goods or services that we have not authorized or approved.

You are required to sell all goods or services that we authorize, except as approved by us. We may change the types of authorized goods and services sold by franchisees. There are no limits on our right to make changes to the authorized goods and services sold by franchisees, however, we may not fundamentally alter the nature of the franchise offered. We may, at our sole discretion, revoke approval of a previously approved goods or services, at which case you must immediately stop selling the revoked services or products.

We set a range of recommended charges per dumpster size and a recommended range for other fees based on the cost of doing business in your area. We recommend that you follow any promotions that we may offer, but do not require you to do so.

For the duration of your franchise agreement, you may not offer competitive services in the states and territories of the United States unless you receive our prior written consent.

You are bound by a 2 year 25 mile post-term non-compete agreement that prohibits you from offering competitive services.

[remainder of page intentionally left blank]

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 Agreement	Summary
a. Length of the franchise term	2	10 years.
b. Renewal or extension of the term	2	Can be renewed for successive terms if you are in compliance with your Franchise Agreement (“Agreement”).
c. Requirements for franchisee to renew or extend	2	Renewing your Franchise Agreement means that you are able to continue your operations as a franchisee for an additional term. You must pay renewal fee, sign a general release of claims, notify us in writing at least 180 days before the expiration of the Agreement, and sign our then current Agreement, which may contain materially different terms and conditions than your original contract.
d. Termination by franchisee	11.1	You may terminate the Agreement if you do not renew or sell the franchise pursuant to the terms of the Agreement.
e. Termination by franchisor without cause	None	Not applicable
f. Termination by franchisor with cause	11.2, 11.3	We can terminate only if you default.
g. “Cause” defined – curable defaults	11.3	Violate the Agreement, Manual, any other agreement with us, or owe monies to us more than 30 days past due, and do not cure such breach within 30 days after notice.
h. “Cause” defined – non-curable defaults	11.2	Do not pass initial training, fail to obtain our approval of a site or open on time, become insolvent, commit a material violation of law, abandon the Franchised Business, submit a materially false Franchise Application, fraud, uncured default of other agreement, fail to pay suppliers an amount exceeding \$3,000 for more than 60 days; fail to permit us to inspect or audit your franchise; or commit three or more breaches within 12 months.
i. Franchisee’s obligations on termination/renewal	12	Cease operating; stop using our marks; deliver to us business records; pay debts due to us; cancel or

Provision	Section In Franchise Agreement	Summary
		assign telephone numbers; assist in lease transfer and our purchase of your assets, at our option; return Manual and Confidential Information to us; cancel fictitious names; adhere to the post-term covenants not to compete or solicit; adhere to other post term duties; execute any necessary documents.
j. Assignment of contract by franchisor	15.1	We may assign to a successor in interest who remains bound by terms of Agreement.
k. "Transfer" by franchisee – defined	15.2	Includes transfer of a controlling interest in the franchisee entity, either in one singular transaction or through an aggregation of multiple transactions; transfer or sale of all or substantially all of your assets.
l. Franchisor's approval of transfer by franchisee	15.2	We have the right to approve all transfers.
m. Conditions for franchisor's approval of transfer	15.5	<p>You must be:</p> <ul style="list-style-type: none"> -current in monetary obligations; -in compliance with the Franchise Agreement; -execute any transfer, amendment, or release forms that we may require; -provide to us a copy of the proposed transfer documents; -transferee must meet our criteria; -transferee must execute our then-current Franchise Agreement; -pay to us the Transfer Fee; -transferee must satisfactorily complete our initial training program; -comply with the post-termination provisions; -transferee must obtain necessary licenses and permits; -obtain any lessor approval for transfer; -the transfer must be made in compliance with any laws that apply to the transfer; -the purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation; -you must request that we provide the prospective transferee with our current franchise disclosure document.

Provision	Section In Franchise Agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	15.6	We have a right of first refusal to match any purchase offer for your franchise, any interest in the franchise, or substantially all the assets of the Franchised Business.
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable
p. Death or disability of franchisee	16	Transfer must be commenced within 60 days, completed within 6 months; we must approve the transferee, transferee must attend and successfully complete training, and sign our current Agreement.
q. Non-competition covenants during the term of the franchise	13	No competition allowed in the United States and its territories.
r. Non-competition covenants after the franchise is terminated or expires	13	No competition for 2 years within the territory, or 25 miles from the boundaries of the territory or other territory.
s. Modification of the agreement	17	No modifications except to Operations Manual. Revisions to the Manual will not unreasonably affect the franchisee's obligations, including economic requirements, under the Agreement.
t. Integration/merger clause	19	Only the terms in the franchise agreement are binding (subject to federal or state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable. No claim in any franchise agreement(s) is intended to disclaim the representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	20	You must mediate claims against us. Illinois, Maryland, and Washington franchisees must also arbitrate claims against us.
v. Choice of forum	20	Litigation must take place in Pennsylvania (subject to state law).
w. Choice of Law	20	Pennsylvania law governs (subject to applicable state law).

**ITEM 18
PUBLIC FIGURES**

We do not use any public figure in the management or control of the franchisor or to promote our franchise.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

FPR #1-Affiliate Earnings

Here, we set forth the Gross Revenues and Adjusted Earnings Before Tax, Interest, Depreciation and Amortization for our sole affiliate outlet, Dumpster Dudez, LLC, located in Berks, PA, for the 2019 - 2023 calendar years:

	Dumpster Dudez of Berks: Affiliate				
<i>First Full Year in Business was 2017</i>	2019	2020	2021	2022	2023
Gross Revenue	\$507,829	\$764,021	\$943,298	\$1,037,003	\$1,286,383
Expenses Before Tax, Interest, Depreciation & Amortization	\$325,811	\$508,901	\$582,224	\$701,060	\$802,040
Earnings Before Tax, Interest, Depreciation & Amortization	\$182,018	\$255,120	\$361,074	\$335,943	\$484,343
7% Royalty Adjustment	\$35,548	\$53,481	\$66,031	\$72,590	\$90,047
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization	\$146,470	\$201,639	\$295,043	\$263,353	\$394,296
Adjusted Earnings % of Sales	28.84%	26.39%	31.28%	25.40%	30.65%

There are material operational differences between the company outlet whose results are reported in the table above and a franchise outlet that a franchisee would operate. In particular, while the company outlet and a franchisee outlet would offer the same goods and services to the same client base, the company outlet has operated since 2017.

In addition, there are financial differences. A franchised outlet would incur Royalties. So we impute those costs in the tables above under the category, “7% Royalty Adjustment.”

We would also note that we do not show a salary or owner’s draw in the tables above. If you take a salary or draw, the Adjusted Earnings Before Tax, Interest, Depreciation & Amortization would be reduced by the amount of your salary or draw.

In each of the columns for the Years 2019 – 2023 in the table above, one (1) out of one (1) outlet, or 100%, attained or surpassed the Adjusted Earnings Before Tax, Interest, Depreciation & Amortization shown each year.

FPR #2-Franchisee Earnings

Here, we set forth the Profit and Loss Statement for our franchised outlets that operated an entire year in either 2021 or 2022, or 2023 or more than one of those years.

As of December 31, 2021, we had 2 franchised outlets, 1 of which had operated the entire 2021 calendar year, and therefore met the criteria for inclusion below.

As of December 31, 2022, we had 8 franchised outlets, 2 of which operated the entire 2022 calendar year, and therefore met the criteria for inclusion below:

As of December 31, 2023, we had 18 franchised outlets, 7 of which operated the entire 2023 calendar year, and therefore met the criteria for inclusion below:

	Dumpster Dudez of Lancaster, PA				
<i>First Full Year in Business was 2021</i>	2019	2020	2021	2022	2023
Gross Revenue			\$78,477	\$123,003	\$190,621
Expenses Before Tax, Interest, Depreciation & Amortization			\$47,211	\$82,663	\$113,253
Earnings Before Tax, Interest, Depreciation & Amortization			\$31,266	\$40,340	\$77,368
7% Royalty Adjustment			\$5,494	\$8,610	\$13,343
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization			\$25,772	\$31,730	\$64,025
Adjusted Earnings % of Sales			32.84%	25.80%	33.59%

	Dumpster Dudez of Main Line, PA				
<i>First Full Year in Business was 2022</i>	2019	2020	2021	2022	2023
Gross Revenue				\$457,768	\$531,277
Expenses Before Tax, Interest, Depreciation & Amortization				\$315,102	\$378,785
Earnings Before Tax, Interest, Depreciation & Amortization				\$142,666	\$152,492
7% Royalty Adjustment				\$29,644	\$37,189
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization				\$113,022	\$115,303
Adjusted Earnings % of Sales				24.69%	21.70%

	Dumpster Dudez of Arkansas				
<i>First Full Year in Business was 2023</i>	2019	2020	2021	2022	2023
Gross Revenue					\$181,086
Expenses Before Tax, Interest, Depreciation & Amortization					\$95,242
Earnings Before Tax, Interest, Depreciation & Amortization					\$85,844
7% Royalty Adjustment					\$12,676
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization					\$73,168
Adjusted Earnings % of Sales					40.41%

	Dumpster Dudez of Lehigh Valley				
<i>First Full Year in Business was 2023</i>	2019	2020	2021	2022	2023
Gross Revenue					\$223,423
Expenses Before Tax, Interest, Depreciation & Amortization					\$161,294
Earnings Before Tax, Interest, Depreciation & Amortization					\$62,129
7% Royalty Adjustment					\$15,640
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization					\$46,489
Adjusted Earnings % of Sales					20.81%

	Dumpster Dudez of Knoxville West				
<i>First Full Year in Business was 2023</i>	2019	2020	2021	2022	2023
Gross Revenue					\$111,273
Expenses Before Tax, Interest, Depreciation & Amortization					\$83,389
Earnings Before Tax, Interest, Depreciation & Amortization					\$27,884
7% Royalty Adjustment					\$7,789
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization					\$20,094
Adjusted Earnings % of Sales					18.06%

	Dumpster Dudez of NorthEast Cincinnati				
<i>First Full Year in Business was 2023</i>	2019	2020	2021	2022	2023
Gross Revenue					\$279,880
Expenses Before Tax, Interest, Depreciation & Amortization					\$213,044
Earnings Before Tax, Interest, Depreciation & Amortization					\$66,836
7% Royalty Adjustment					\$19,592
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization					\$47,244
Adjusted Earnings % of Sales					16.88%

	Dumpster Dudez of Columbus, OH				
<i>First Full Year in Business was 2023</i>	2019	2020	2021	2022	2023
Gross Revenue					\$229,601
Expenses Before Tax, Interest, Depreciation & Amortization					\$103,448
Earnings Before Tax, Interest, Depreciation & Amortization					\$126,153
7% Royalty Adjustment					\$16,072
Adjusted Earnings Before Tax, Interest, Depreciation & Amortization					\$110,081
Adjusted Earnings % of Sales					47.9%

For 2021: One (1) outlet out of the one (1) outlet, or 100%, attained or surpassed the stated result (Adjusted Earnings Before Tax, Interest, Depreciation & Amortization) in the table above.

For 2022:

Dumpster Dudez of Lancaster: 2 out of 2 outlets, or 100%, attained or surpassed the stated result in the table above.

Dumpster Dudez of Main Line: 1 out of 2 outlets, or 50%, attained or surpassed the stated result in the table above.

For 2023:

Dumpster Dudez of Lancaster: 4 out of 7 outlets, or 57%, attained or surpassed the stated result in the table above.

Dumpster Dudez of Main Line: 1 out of 7 outlets, or 14%, attained or surpassed the stated result in the table above.

Dumpster Dudez of Arkansas: 3 out of 7 outlets, or 43%, attained or surpassed the stated result in the table above.

Dumpster Dudez of Lehigh Valley: 6 out of 7 outlets, or 86%, attained or surpassed the stated result in the table above.

Dumpster Dudez of Knoxville West: 7 out of 7 outlets, or 100%, attained or surpassed the stated result in the table above.

Dumpster Dudez of NorthEast Cincinnati: 5 out of 7 outlets, or 71%, attained or surpassed the stated result in the table above.

Dumpster Dudez of Columbus, OH: 2 out of 7 outlets, or 29%, attained or surpassed the stated result in the table above.

Notes Applicable to all tables above:

Gross Revenue represents all revenues generated. Gross Revenue does not include good faith refunds, adjustments, credits and allowances actually made. Gross Revenue also excludes any sales taxes or other taxes collected from customers and paid directly to the appropriate taxing authority.

Expenses Before Tax, Interest, Depreciation & Amortization: means all expenses incurred in operating the business excluding tax, interest, depreciation & amortization.

Earnings Before Tax, Interest, Depreciation & Amortization: represents the income made prior to removing any expenses associated with tax, interest, depreciation or amortization.

7% Royalty Adjustment: is a calculation used to make an adjustment to any location to show numbers all with an equal calculation of 7% royalty rate.

Adjusted Earnings Before Tax, Interest, Depreciation & Amortization: represents the adjusted income after consideration of 7% royalty.

Adjusted Earnings % of Sales: represents the percent of income compared to sales after all adjustments made.

You may have other items that impact your cash flow that are not considered expenses in the above tables including by not limited to: Owner Distributions, Income Tax, Interest Payments and Principal Payments.

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

Written substantiation of the financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with 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 Brian Johnson, 32 Stonehill Drive, Mohnton, PA 19540; 484-310-3100, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1

**System Wide Outlet Summary
For Years 2021 to 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	1	2	+1
	2022	2	8	+6
	2023	8	18	+10
Company-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	2	3	+1
	2022	3	9	+6
	2023	9	19	+10

Table No. 2

**Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2021 to 2023**

State	Year	Number of Transfers
All States	2021	0
	2022	0
	2023	0
Total	2021	0
	2022	0
	2023	0

Table No. 3

Status of Franchised Outlets
For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired By Franchisor	Ceased Operations-Other Reasons	Franchised Stores Operating at Year End
Arkansas	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
California	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Florida	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
Louisiana	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Nevada	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	0
New York	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
North Carolina	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	0
Ohio	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Pennsylvania	2021	1	1	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Tennessee	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Utah	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired By Franchisor	Ceased Operations-Other Reasons	Franchised Stores Operating at Year End
	2023	1	0	0	0	0	1*	0
Virginia	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	3	0	0	0	0	3
Wisconsin	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Total	2021	1	1	0	0	0	0	2
	2022	2	6	0	0	0	0	8
	2023	8	11	0	0	0	1	18

*Location Closed in Utah and Moved to Nevada.

Table No. 4

**Status of Company-Owned Outlets*
For Years 2021-2023**

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

*Company outlets refers to outlets run by our affiliate, Dumpster Dudez LLC, as disclosed in Item 1.

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Table No. 5
Projected Openings as of December 31, 2023

State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	1	0
Alaska	0	1	0
Arizona	0	1	0
Arkansas	0	1	0
California	0	1	0
Colorado	0	1	0
Connecticut	0	1	0
Delaware	0	1	0
D. of Columbia	0	1	0
Florida	0	1	0
Georgia	0	1	0
Idaho	0	1	0
Illinois	0	1	0
Indiana	0	1	0
Iowa	0	1	0
Kansas	0	1	0
Kentucky	0	1	0
Louisiana	0	1	0
Maine	0	1	0
Maryland	0	1	0
Massachusetts	0	1	0
Michigan	0	1	0
Minnesota	0	1	0
Mississippi	0	1	0
Missouri	0	1	0
Montana	0	1	0
Nebraska	0	1	0
Nevada	0	1	0
New Hampshire	0	1	0
New Jersey	1	1	0
New Mexico	0	1	0
New York	0	1	0
North Carolina	0	1	0
North Dakota	0	1	0
Ohio	0	1	0
Oklahoma	0	1	0
Oregon	0	1	0
Pennsylvania	0	1	0
Rhode Island	0	1	0

South Carolina	0	1	0
South Dakota	0	1	0
Tennessee	0	1	0
Texas	0	1	0
Utah	0	1	0
Vermont	0	1	0
Virginia	0	1	0
Washington	0	1	0
West Virginia	0	1	0
Wisconsin	0	1	0
Wyoming	0	1	0
TOTALS	1	50	0

Exhibit E contains a list of the names of all current franchisees and the address and telephone number of each of their outlets.

Exhibit F contains a list of the names, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who have not communicated with us within 10 weeks of the Issuance 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.

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

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

ITEM 21 FINANCIAL STATEMENTS

Exhibit G contains our audited financial statements for the fiscal years ended December 31, 2023, 2022, and 20210.

ITEM 22 CONTRACTS

The proposed agreements regarding this franchise offering are included as exhibits to this Disclosure Document as follows:

- C. Franchise Agreement
 - Schedule 1-Territory
 - Schedule 2-Automatic Bank Draft Authorization
 - Schedule 3-Franchisee Disclosure Acknowledgment

Schedule 4-State Addenda to the Franchise Agreement
D. Release

ITEM 23
RECEIPT

Exhibit J contains two copies of a Receipt of our Disclosure Document.

EXHIBIT A

State Administrators and Agents for Service of Process

State	State Administrator	Agent for Service of Process
California	Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013 2101 Arena Boulevard Sacramento, CA 95834 (866) 275-2677	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013
Connecticut	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299
Hawaii	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Office of Attorney General Franchise Division 500 South Second Street Charlottesville, IL 62706 (217) 782-4465	Illinois Attorney General Office of Attorney General Franchise Division 500 South Second Street Charlottesville, IL 62706
Indiana	Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681	Secretary of State, Securities Division West Washington Street, Room E-111 Indianapolis, IN 46204
Kentucky	Kentucky Attorney General 700 Capitol Avenue Frankfort, Kentucky 40601-3449 (502) 696-5300	
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place	Maryland Securities Commissioner 200 St. Paul Place

	Baltimore, MD 21202 (410) 576-6360	Baltimore, MD 21202-2020
Michigan	Department of Attorney General Consumer Protection Division – Franchise Unit 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913 (517) 373-7117	Department of Attorney General 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913
Minnesota	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198
Nebraska	Nebraska Department of Banking and Finance 1200 N Street-Suite 311 Post Office Box 95006 Lincoln, Nebraska 68509 (402) 471-3445	
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21 st Floor New York, NY 10005 (212)-416-8222	New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492 Phone
North Dakota	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920 (401) 462-9588	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920 (401) 462-9588
South Dakota	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501
Texas	Secretary of State Statutory Document Section	

	P.O. Box 12887 Austin, TX 78711 (512) 475-1769	
Utah	Department of Commerce Division of Consumer Protection 160 East 300 South Salt Lake City, Utah 84111-0804 (801) 530-6601	
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Securities Administrator Washington State Department of Financial Institutions 150 Israel Rd., SW Tumwater, WA 98501
Wisconsin	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703 (608) 266-8557	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703

EXHIBIT B

STATE ADDENDA TO THE DISCLOSURE DOCUMENT

**CALIFORNIA ADDENDUM
TO THE DISCLOSURE DOCUMENT**

As to franchises governed by the California Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

Item 3 of the Disclosure Document is amended by adding the following paragraph:

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

Item 17 of the Disclosure Document is amended by adding the following paragraphs:

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

Item 17.g. of the Disclosure Document is modified to state that, in addition to the grounds for immediate termination specified in Item 17.h., the franchisor can terminate upon written notice and a 60 day opportunity to cure for a breach of the Franchise Agreement.

Item 17.h. of the Disclosure Document is modified to state that the franchisor can terminate immediately for insolvency, abandonment, mutual agreement to terminate, material misrepresentation, legal violation persisting 10 days after notice, repeated breaches, judgment, criminal conviction, monies owed to the franchisor more than 5 days past due, and imminent danger to public health or safety.

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement requires application of the laws of Pennsylvania. This provision may not be enforceable under California law.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

YOU MUST SIGN A GENERAL RELEASE OF CLAIM IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER

OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CODE §§31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE §20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§20000 THROUGH 20043).

Our website is located at www.DumpsterDudez.com

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

The highest interest rate allowed by law in California is ten percent (10%) annually.

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

Initial Fee Deferral:

Item 5 of the Disclosure Document is amended by adding the following:

The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all of its pre-opening obligations and franchisee is open for business. For any development agreement, the payment of the develop and initial fee attributable to a specific unit is deferred until that unit is open.

ILLINOIS ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Illinois Franchise Disclosure Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Illinois law governs the Franchise Agreement.
2. 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.
3. The conditions under which your Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision of the Franchise Agreement purporting to bind you to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.
5. 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.
6. Initial Fee Deferral- Items 5 and 7 are modified to also provide that we defer collection of all initial fees until we have satisfied our pre-opening obligations to you and you have commenced doing business under the Franchise Agreement. The Illinois Attorney General's Office imposed this deferral requirement due to our financial condition.

MARYLAND ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.b. is modified to also provide, “The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17.u. is modified to also provide, “This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.”

3. Item 17.v. is modified to also provide, “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

4. 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.

Initial Fee Deferral:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

MINNESOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
 1.
 - Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
 - Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
 - The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

Initial Fee Deferral-

Items 5 and 7 of the Disclosure Document are amended to also add the following: The franchisor defers the receipt of the initial franchise fee until the franchised business opens.

**NEW YORK ADDENDUM
TO THE DISCLOSURE DOCUMENT**

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, 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 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the North Dakota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Restrictive Covenants: To the extent that covenants not to compete apply to periods after the term of the franchise agreement, they are generally unenforceable under North Dakota law.

Applicable Laws: North Dakota law will govern the franchise agreement.

Jurisdiction and Venue: The provisions concerning choice of law and jurisdiction and venue are hereby deleted and in their place is substituted the following language:

“You agree to bring any claim against us, including our present and former employees, agents, and affiliates, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association.”

Waiver of Trial by Jury: Any waiver of a trial by jury will not apply to North Dakota Franchises.

Waiver of Exemplary & Punitive Damages: Any waiver of punitive damages will not apply to North Dakota Franchisees.

General Release: Any requirement that the franchisee sign a general release upon renewal of the franchise agreement does not apply to franchise agreements covered under North Dakota law.

Enforcement of Agreement: Any requirement in the Franchise Agreement that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Item 17(u) of the Disclosure Document is modified to provide that the site of mediation and arbitration shall be agreeable to all parties and may not be remote from the franchisee's place of business.

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.

Initial Fee Deferral:

Items 5 and 7 of the Disclosure Document are modified to also state that the franchisor defers the receipt of the initial franchise fee until all initial obligations owed to the franchisee under the

franchise agreement or other documents have been fulfilled by the franchisor and the franchisee is open for business.

**RHODE ISLAND ADDENDUM
TO THE DISCLOSURE DOCUMENT**

As to franchises governed by the Rhode Island Franchise Investment Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 17.m. of the Disclosure Document is revised to provide:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act prohibits a franchisee to be restricted in choice of jurisdiction or venue. To the extent any such restriction is purported to be required by us, it is void with respect to all franchisees governed under the laws of Rhode Island.

Item 17.w. of the Disclosure Document is revised to provide:

Rhode Island law applies.

**SOUTH DAKOTA ADDENDUM
TO THE DISCLOSURE DOCUMENT**

As to franchises governed by the South Dakota Franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 5 of the Disclosure Document is revised to also provide:

“The Franchise Disclosure Document is amended to also state that the initial franchise fee will be paid only after the franchisor fulfills its pre-opening obligations to the Franchisee and the Franchisee is open for business.”

**VIRGINIA ADDENDUM
TO THE DISCLOSURE DOCUMENT**

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 5 of the Disclosure Document is modified to also provide as follows: “The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.”

WASHINGTON ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Washington Franchise Investment Protection Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Use of Franchise Brokers. The franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

Initial Fee Deferral:

Item 5 is amended to also provide: "Initial fees will be deferred until the Franchisor has fulfilled its initial pre-opening obligations to the franchisee and the franchisee is open for business."

**WISCONSIN ADDENDUM
TO THE DISCLOSURE DOCUMENT**

As to franchises governed by the Wisconsin Fair Dealership Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17 is modified to also provide,

If the franchise agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

DUMPSTER DUDEZ FRANCHISING LLC

EXHIBIT C

FRANCHISE AGREEMENT



Payment Tier Selected:

Check Tier Selected	Amount of initial franchise fee	Installment terms offered
	\$40,000	Full payment up front
	\$45,000	\$10,000 down with 24 monthly payments of \$1,458.33
	\$48,000	\$15,000 down with 36 monthly payments of \$916.67
	\$50,000	\$20,000 down with 48 monthly payments of \$625

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WHEREAS, Dumpster Dudez Franchising LLC d/b/a Dumpster Dudez (“we,” “us,” or “our”) offers a franchise opportunity to offer residential and commercial dumpster and related products and services to residential and commercial customers (“System”). Our system utilizes specified marketing techniques and operating procedures; and

WHEREAS, Franchisee and all Signators identified on the signature page to this Agreement, in your personal capacity, (collectively “Franchisee,” “you,” or “your”) desire to utilize our System and our trade names, service marks, and trademarks (collectively, the “Marks”); and

NOW, THEREFORE, for value received, we and Franchisee (“the Parties”) agree as follows:

1. GRANT OF FRANCHISE

1.1 Grant of Franchise. Subject to the terms of this franchise agreement (“Agreement” or “Franchise Agreement”), we grant to you a franchise (“Franchised Business”) using our system and our Marks in the territory described in Schedule 1 (“Territory”). You agree to abide by the terms of this Agreement.

2. TERM AND RENEWAL

2.1. Term. This Agreement will be effective for a ten (10 year term beginning on the Effective Date specified in this Agreement.

2.2 Renewal. You may renew for another term by signing our then current franchise agreement if you are in compliance with this Agreement and meet the other conditions for renewal. You may also renew future franchise agreements if you are in compliance with such agreements and meet the other conditions for renewal by signing our then current franchise agreement. To renew, you must exercise a general release of all claims that you might have against us. Other terms, conditions, and fees may vary. If you wish to renew, you must notify us in writing at least 180 days before the expiration of this Agreement.

3. TERRITORY

We grant you a territory in which to operate your Franchised Business, as set forth on Schedule 1 to the Franchise Agreement.

You may relocate the Franchised Business provided that you stay within your Territory. We would not normally approve the opening of additional outlets in your territory as the Franchised Business is offered at the customer’s location and there would be no business reason to open additional outlets within a territory.

We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises.

You will receive an exclusive territory within which we promise not to establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks.

Except as may be permitted pursuant to online or social media advertising guidelines, or Cross Territorial Protocols, you agree to limit your marketing and services to locations solely within your Territory.

Continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency. We may not modify your territory boundaries even if there is an increase in population in your territory.

We or an affiliate does not reserve the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks; however, we may direct such sales to you.

We or an affiliate also reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory of products or services under trademarks different from the ones that you will use under the franchise agreement.

We are not obligated to pay compensation to you for soliciting or accepting orders from inside your territory.

You may not normally solicit or transact business outside your territory, including through other channels of distribution such as catalog sales, telemarketing, or other direct marketing, except any permitted online or social media advertising you may do in accordance with our guidelines may extend outside your territory. HOWEVER, you may solicit or transact business outside your territory if no franchised or corporate outlet owns the area outside your territory in which you are soliciting or transacting business. If, at any time in the future, the area outside your territory become owned by another franchisee or run by a corporate outlet, you will forfeit the rights to serve those zip codes and any jobs being fulfilled in those zip codes moving forward.

We reserve the right to implement Cross Territorial Protocols which govern cross territorial issues such as a single customer needing services in multiple territories and you agree to abide by those rules, which may include distribution of revenues among affected franchisees.

Neither we nor an affiliate operates, franchises, or has plans to operate or franchise a business under a different trademark which such business sells or will sell goods or services similar to those you will offer, but we reserve the right to do so. However, we reserve the right in the future to acquire, be acquired by, participate in a merger, or otherwise affiliate with a business that operates or franchises a business under a different trademark and that sells or will sell similar goods or services.

4. FEES AND PAYMENTS

4.1 Initial Franchise Fee. You must pay to us an initial franchise fee of \$40,000 - \$50,000 for a territory, based upon whether you elect to make installment payments or not for the initial franchise fee, and, if so, which installment plan you select, shown as follows:

Amount of initial franchise fee	Installment terms offered
\$40,000	Full payment up front
\$45,000	\$10,000 down with 24 monthly payments of \$1,453.33
\$48,000	\$15,000 down with 36 monthly payments of \$916.67
\$50,000	\$20,000 down with 48 monthly payments of \$625

Except to the extent that you and we agree to installment payments terms, the initial franchise fee is due to us in full when you return to us signed copies of your Franchise Agreement. The initial franchise fee is fully earned and nonrefundable upon your signing of the franchise agreement and receipt of the funds by us.

4.2 Royalty Fee. You agree to pay to us a Royalty Fee of 7% of Gross Revenues.

“**Gross Revenues**” is defined as the aggregate amount of all revenues generated by your Dumpster Dudez Franchised Business, whether the sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Revenue includes, without limitation, monies or credit received from the sale of services or products, from tangible property of every kind and nature, promotional or otherwise. Gross Revenue does not include good faith refunds, adjustments, credits and allowances actually made by your Dumpster Dudez Franchised Business in compliance with the Operations Manual. Gross Revenue also excludes any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority.

4.3 Software and POS Fees. You agree to pay such third party software and POS fees as we may specify.

4.4 Grand Opening Advertising. You agree to expend a minimum of \$5,000 - \$10,000 with third parties to promote the opening of your Franchised Business pursuant to our guidelines.

4.5 Local Advertising. We recommend that you spend a minimum of 4% of Gross Revenues per month to promote your Franchised Business, pursuant to our specifications, and provide proof of such expenditures to us as we may require.

4.6 Third Party Charges. If we incur third party charges on your behalf, you agree to reimburse us for any such charges. You are solely responsible for all fees and expenses to third parties required to operate your Franchised Business.

4.7 Testing/ Inspection Fees to Approve a Supplier. You agree to pay to us \$500 plus our costs incurred if you request us to test and inspect a new product or supplier. We refund the \$500 fee to you if we approve the product/supplier for use by the entire franchise system.

4.8 Client Refunds. If you do not resolve a client service complaint and we believe a reasonable basis exists for a refund to the client all or a portion of the client's fees, we may pay the client directly and bill you. You agree to pay the charges.

4.9 Renewal Fee. You agree to pay to us a Renewal Fee of \$2,500 to enter a new franchise agreement and continue your rights as a franchisee for an additional term.

4.10 Transfer Fee. You agree to pay to us a Transfer Fee of \$5,000 if you wish to transfer ownership of the rights under this Franchise Agreement, or a majority of the ownership of this Agreement or in an entity holding this Agreement. We do not charge a transfer fee if the owners of this Agreement transfer this Agreement into an entity owned by the same owners with the same ownership percentages or upon your death or disability for transfer to a spouse, parent, or child.

4.11 Sales, Excise or Gross Receipts Tax. If required by the federal government, state or locality in which your Franchised Business is located, products or fees may be subject to sales, excise, gross receipts or similar type tax, which you must pay to us at the same time and in the same manner as you pay underlying costs and fees to us.

4.12 Sales, Income, and Other Taxes. You shall be solely responsible for paying all sales, income, and other taxes imposed upon you with respect to your operation of the Franchised Business.

For example, it may also be that certain products, services, or revenues that your Franchised Business sells or receives, may be subject to state or local tax. We may in some instances initially charge or receive those taxes ourselves and then remit them to you. In any event, you are responsible for paying such taxes as apply to the sales and revenues of your Franchised Business.

4.13 Interest. You agree to pay the lesser of 12% per annum or the maximum amount permitted by law, if less, on any amounts owed to us that are more than 30 days past due.

4.14 Insufficient Funds Fee. You agree to pay to us \$50 per occurrence for any insufficient funds check or electronic transfer from you to us.

4.16 Payment Period and Method. You must pay to us the Royalty and Advertising Fees on the 15th of each month as to Gross Revenues in the prior month. You must pay to us other recurring fees at the same time. You must pay to us all other fees when incurred. Before you may open for business, you must sign and deliver to us all bank documents needed to permit us to debit your bank account via ACH Electronic Transfer for all fees and payments due to us or our affiliates. If you change your bank account or transfer your account to a different bank, you must notify us within one day, and sign and deliver to us and their bank new documents to permit us to debit your bank account within three days. We reserve the right to modify the payment methods and schedule in our Operations Manual.

5. OBLIGATIONS OF FRANCHISOR

5.1. Initial Training. We provide a three (3) day initial training program in or near Reading, Pennsylvania.

5.2 Site Selection. We do not provide site selection assistance. You may work from home or any office location. However, you must have a dedicated commercial office space with a dedicated mailing address and have the business registered to this address. This cannot be your home. You must also have a place where you can store your truck and your dumpsters in a location where zoning permits such storage.

5.3 Assistance to obtain equipment and supplies. We provide guidance to obtain equipment and supplies. We provide the names of approved vendors or specifications for these items.

5.4 Operations Manual. We provide you access to our proprietary and confidential Operations Manual, as well as any other manuals and writings prepared by us for your use in operating a Franchised Business (“Manual”). We may disseminate the Manual electronically. We may revise the Manual from time to time to adjust for legal or technological changes, competition, or attempts to improve in the marketplace.

5.5 Operational Support. We provide support to you in operational problems and issues that you may encounter in the operation of your Franchised Business.

5.6 Marketing Support. We provide support and advice to you in the conduct of advertising.

5.7 Software and Computer Systems. We may specify software and computer systems to assist in the operation of your Franchised Business.

5.8 Additional Training or Seminars. We may elect to offer and require you to attend, either live or electronically, additional training or seminars that we may offer.

6. OBLIGATIONS OF FRANCHISEE

6.1 Training. You must successfully complete our initial training within 90 days of the Effective Date of this Agreement and before you may operate the Franchised Business.

6.2 Site Selection. You agree to work from your home or another location within your territory.

6.3 Starting Date. You agree to be operational within 4 months of the Effective Date of this Agreement.

6.4 Operations Manual. You agree to operate the Franchised Business according to the then current Operations Manual as well as information bulletins and guidance that we disseminate electronically.

6.5 Participation. You are not required to participate personally in the direct operation of your Franchised Business but we recommend it. You may instead hire a General Manager to run the Franchised Business day to day, but the General Manager must first successfully complete our initial training. The General Manager is not required to have an equity interest in the franchise.

We require you to obtain a signed nondisclosure and non-competition agreement from any General Manager that you hire.

You agree to accurately and completely furnish to us the names, contact information, and ownership percent on anyone owning an interest in this franchise on the Signature Page to the Franchise Agreement. No change to the owners or ownership percentages are permitted without our prior written consent.

6.6 Authorized Products and Services Only. You may offer for sale through your franchised business only such products and services that we have approved in writing. We may designate products or services as optional or mandatory. You may not sell any goods or services that we have not authorized or approved.

You are required to sell all goods or services that we authorize, except as approved by us. We may change the types of authorized goods and services sold by franchisees. There are no limits on our right to make changes to the authorized goods and services sold by franchisees, however, we may not fundamentally alter the nature of the franchise offered. We may, at our sole discretion, revoke approval of a previously approved goods or services, at which case you must immediately stop selling the revoked services or products.

We set a range of recommended charges per dumpster size and a recommended range for other fees based on the cost of doing business in your area. We recommend that you follow any promotions that we may offer, but do not require you to do so.

6.7 Customer Service. You shall interact with prospective and actual customers in a professional and respectful businesslike manner and diligently fulfill your obligations to them when they engage your services.

6.8 Employee Training. You shall train your employees to competently and professionally carry out their duties and offer excellent customer service. You are solely responsible for hiring, firing, compensating, paying applicable payroll taxes and day-to-day supervision and control over your employees.

6.9 Insurance. You are required to have insurance as may be required by your state laws and as we may specify in the Operations Manual. You must name us and all our officers, directors, members and agents and others as their interest may appear on a primary, noncontributory basis as an additional insured on these policies and send proof of same to us. Certificates of insurance must be sent in upon annual expiration date.

6.10 Software and Computer Systems. You agree to purchase or use such computer hardware and software capability that we specify to operate your Franchised Business.

6.11 Uniforms. You must purchase uniforms from our designated vendor or pursuant to our specifications.

6.12 Dumpsters and Truck. You must use dumpsters pursuant to our specifications, which include color and size requirements and we offer a suggested but not required vendor. You will need to purchase 24 dumpsters to begin operations. You will need one (1) truck with dumpster lift capabilities to operate this business, in order to operate this franchise. We offer a suggested but not required vendor.

6.13 Laws and Regulations. You agree to comply with all federal, state, and local laws, and regulations. You agree to secure all necessary permits, certificates, licenses, and consents to operate your business.

7. ADVERTISING

7.1 Advertising Guidelines and Approval. Your advertising and promotions shall conform to the following requirements:

- a) You shall advertise and promote only in a manner that will reflect favorably on us;
- b) You shall use our advertising templates or, if you wish to use your own material, you shall submit to us for written approval all advertising and promotional material, including proposed signage and social media, prior to its use. If our written approval is not received within 14 days from the date we received the material, the material is deemed disapproved.
- c) You agree to participate in all promotional programs that we create, offer or advertise.
- d) Your advertising must comply with federal, state, and local laws.

7.2 Grand Opening Advertising. You agree to expend a minimum of \$5,000 to \$10,000 with third parties to promote the opening of your Franchised Business pursuant to our guidelines.

7.3 Local Advertising. We recommend that you spend a minimum of 4% of Gross Revenues per month to promote your Franchised Business and provide proof of such expenditures to us as we may require.

7.4 Advertising Fund. We do not charge an Advertising Fee nor maintain an Advertising Fund.

Nonetheless, we may conduct advertising using online, radio, television, direct mail, billboards, print or other advertising. We may use local, regional, or national advertising. We may produce advertising material in-house or through outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located.

7.5 Publicity. Except as required by law, you may not make any press release or other public announcement respecting the subject matter of this Agreement without our written consent as to the form of such press release or public announcement.

7.6 Name and Likeness. You give us permission to use your name and likeness in all forms and media for advertising, trade, and any other lawful purposes.

8. TRADEMARKS

8.1 Use of the Marks. We allow and require you to use our Marks to hold out your Franchised Business to the public. You agree to use only our Marks as we develop them for this purpose. Use of our Marks must be in accordance with our Operations Manual.

8.2 Entity Name Requirements. You may not use the words “Dumpster Dudez” or any confusingly similar words, as any part of the name of a corporation, LLC or other entity. However, “Dumpster Dudez” followed by your entity number, or such other designation as we shall specify, shall be your “doing business as” name for an entity which owns this franchise, sometimes also called your “assumed name,” “trading as” name, or “fictitious name.”

8.3 No Confusingly Similar Marks. You agree not to use any marks that could be confused with our Marks.

8.4 Update to our Marks. We may replace, modify, or add to our Marks. If we replace, modify, or add additional marks, you agree to update or replace your supplies, etc. to reflect the new marks, at your expense, in the time frame we provide at the time of such an update.

8.5 Infringement Claims. If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Marks, you must promptly notify us.

8.6 Control of Proceedings. We have the sole right to control any administrative proceedings or litigation involving a trademark licensed by us to you. We are not required to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you or if the proceeding is resolved unfavorably to you.

9. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

9.1 Definition. “Confidential Information” means our information or data (oral, written, electronic or otherwise), including, without limitation, a trade secret, that is valuable and not generally known or readily available to third parties obtained by you from us during the term of the Franchise Agreement. The Confidential Information of ours includes all intellectual property associated with our Franchise system, all other materials relating to our Franchise system that are not a matter of public record, and all information generated during the performance of the Franchise Agreement.

9.2 Confidentiality. You will not directly or indirectly disclose, publish, disseminate or use our Confidential Information except as authorized herein. You may use our Confidential Information to perform your obligations under this Agreement, but in doing so will only allow dissemination of our Confidential Information on a need-to-know basis and only to those individuals that have been informed of the proprietary and confidential nature of such Confidential

Information.

9.3 Return of Information. Upon termination or expiration of this Agreement, you will return to us all of our Confidential Information embodied in tangible form, and will destroy, unless otherwise agreed, all other sources that contain or reflect any such Confidential Information. Notwithstanding the foregoing, you may retain Confidential Information as needed solely for legal, tax, and insurance purposes, but the information retained will remain subject at all times to the confidentiality restrictions of this Agreement.

9.4 Customer Data. We retain all right, title, and interest in and to the Customer Data, including all intellectual property rights therein and thereto. However, you may use the Customer Data during the Term of this Agreement as permitted by this Agreement or our Manual. “Customer Data” means any and all information about Customers that may be collected in connection with their use of your franchise services, including, but not limited to, name, telephone number, address and email address. Customer Data shall be considered Confidential Information for purposes of this Agreement.

9.5 Intellectual Property Ownership. We own the Franchise system and all intellectual property associated with it. To the extent you have or later obtain any intellectual property, other property rights, or interests in the Franchise system by operation of law or otherwise, you hereby disclaim such rights or interests and will promptly assign and transfer such entire interest exclusively to us. You will not undertake to obtain, copyright, trademark, service mark, trade secret, patent rights or other intellectual property right with respect to the Franchise system.

9.6 Suggestions. You agree that we may incorporate into our business operations any suggestions, enhancement requests, recommendations, or other feedback provided by you or anyone else and we shall have sole rights and title to such suggestions.

9.7 Performance Data. You agree that we may share performance data from your Franchised Business between our employees, franchisees and their employees. You agree to keep such performance data confidential.

10. REPORTS AND REVIEW

10.1 Reports. You must send us or permit us to access your software to pull such reports in the time and manner we may specify in the Operations Manual or otherwise.

10.2 Profit and Loss and Tax Return. By January 30 of each year, you must send us an unaudited profit and loss statement of the Franchised Business, in the manner and form we specify, for the 12-month period ending the prior December 31. By April 30 of each year, you must send to us your tax return which contained the revenue and expenses of your Franchised Business for the prior year.

10.3 Reviews. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business. This includes the right to inspect and copy all tax returns and bank statements that may

show revenues from the Franchised Business. We also have the right to require that you implement a plan to resolve issues that we discern from any review we conduct.

10.4 Time Frame to Furnish Documents. If, as part of a review of your business operations, we request a copy of any business records related to the Franchised Business, you must send us at your expense these records within five (5) business days of receiving our request.

10.5 Independent Access to Information. You agree that we have and that you will provide independent access to the information that will be generated or stored in your computer systems, which includes, but not limited to, customer, transaction, and operational information. You must at all times give us unrestricted and independent electronic access to your computer systems and information.

11. TERMINATION

11.1 Termination by You. You may terminate this Agreement by not renewing; that is by notifying us in writing of your desire to not renew at least 180 days prior to the expiration of this Agreement. If you terminate pursuant to this paragraph, you must still comply with all of the provisions of this Agreement that require performance post-termination.

11.2 Termination by Us. We may terminate this Agreement without notice and the opportunity to cure for any of the following reasons:

- a) If you do not pass our initial training in accordance with our passing standards;
- b) If you fail to open on time;
- c) If you become insolvent, meaning unable to pay your bills in the ordinary course as they become due;
- d) If you commit a material violation of any law, ordinance, rule, or regulation of a governmental agency or department reasonably associated with the operation of the Franchised Business or if you are convicted of, or plead guilty or no contest to a felony;
- e) If you abandon the Franchised Business or discontinue the active operation of the Franchised Business for three or more business days, except when active operation is not reasonably possible, such as because of a natural disaster;
- f) If you include a materially false representation or omission of fact in your Confidential Franchise Application to us;
- g) If you or your principals commit any fraud or misrepresentation in the operation of the Franchised Business;
- h) If you or your principals materially breach any other agreement with us or any of our affiliates, or threaten any material breach of any such agreement, and fail to cure such breach within any permitted period for cure;

- i) You fail to pay suppliers an amount exceeding \$3,000 for more than 60 days;
- j) You fail to permit us to inspect or audit your franchise; or
- k) If you commit three or more breaches of this Agreement, the Operations Manual, or any other agreement with us, in any 12-month period regardless of whether such breaches were cured after notice.

11.3 Termination by Us with Opportunity to Cure. We may terminate this Agreement, after sending you notice and an opportunity to cure within thirty (30) days, if:

- a) You violate any other term or condition of this Agreement, the Operations Manual, or any other agreement with us; or
- b) Any amount owing to us from you is more than 30 days past due.

11.4 No Refund of Initial Fee. We have no obligation to return or refund any fee to you upon termination of this Agreement.

12. POST TERMINATION OBLIGATIONS

If this Agreement expires, is not renewed, or is terminated for any reason by any party, including a sale of the Franchised Business, you must immediately:

- a) Cease operating the Franchised Business;
- b) Stop identifying yourself as a franchisee of ours and discontinue using any of our Marks or any marks which are likely to be confused with our Marks;
- c) Deliver to us the original and all copies, both paper and electronic, of the business records of your Franchised Business (retaining only such copies as you need for legal or tax purposes);
- d) Pay to us all amounts owing to us;
- e) At our request, cancel or assign to us all telephone numbers under your ownership used in the Franchised Business;
- f) Reimburse customers for any fees paid for services not yet rendered;
- g) At our option, and upon our request, use your best efforts to assist in our taking over the lease of the location of your Franchised Business, whether it be through a new lease or assignment;
- h) At our option, offer to us the right to purchase your props, equipment, signage, and supplies within 30 days of the date of termination for the adjusted book value, which is the

undepreciated book value of the assets on your most recently filed federal tax return prior to the date of the termination or expiration;

- i) Deliver to us any paper and electronic copies of the Operations Manual and any Confidential Information;
- j) Cancel all fictitious name or other listings which you have filed for use of any of the Marks;
- k) Adhere to the provisions of the post-term covenants not to compete and not to solicit;
- l) Abide by any other covenant in this Agreement that requires performance by you after you are no longer a franchisee; and
- m) Execute, from time to time, any necessary papers, documents, and assurances to effectuate the intent of this Section 12.

13. NON-COMPETE AND NO SOLICITATION.

13.1 Non-Compete.

- a) **In-Term.** You will not, during the Term of this Agreement, in the United States or its Territories, directly or indirectly, offer a dumpster rental service for a fee or charge, except in the provision of such services through the Franchised Business.
- b) **Post-Term.** You will not, for a period of two years after expiration or termination of this Agreement, or a sale or assignment of the Franchised Business, in the Territory or within 25 miles of the boundaries of the Territory or another Territory franchised by us and in operation at that time, directly or indirectly, for a fee or charge, offer a dumpster rental service.

13.2 No Solicitation of Customers. You will not, for a period of two years after expiration or termination of this Agreement, in the Territory or within twenty-five (25) miles of the boundaries of the Territory, directly or indirectly solicit the patronage of any client served by your prior Franchised Business during the last 24 months that you were a franchisee, or such shorter time as you were a franchisee, for the purpose of offering such person or entity, for a fee or charge, a dumpster rental service.

13.3 Waiver of Bond. You agree that if we bring suit to enforce Sections 12, 13.1 or 13.2 above, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

13.4 Severability. If any covenant or provision of Section 13.1 or 13.2 is determined to be void or unenforceable, in whole or in part, it shall be deemed severed and removed from this Agreement and shall not affect or impair the validity of any other covenant or provision. Further, these obligations are considered independent of any other provision in this Agreement and the existence of any claim or cause of action by either party to this Agreement against the other, whether based

upon this agreement or otherwise, shall not constitute a defense to the enforcement of these obligations.

14. ADDITIONAL IN-TERM AND POST-TERM COVENANTS

14.1 Maintenance of Goodwill. You agree not to disparage us or our current and former employees, agents, members, or directors. During the term of this Agreement, you agree not to do any act harmful, prejudicial, or injurious to us.

14.2 Independent Contractor. You and we are independent contractors to each other. Neither you nor we is an agent, fiduciary, partner, employee, or a participant in a joint venture, and neither you nor we has the authority to hold out as such to third parties. You do not have any authority to bind or obligate us. We are not and will not be liable for any act, omission, debt, or other obligation of yours.

14.3 Indemnity. You are responsible for all loss or damage and for all contractual liability to third parties originating in or in connection with the operation of the Franchised Business and for all claims or demands for damage directly or indirectly related. You agree to defend, indemnify, and hold harmless us and our employees, officers, directors, and members with respect to any such claim, loss, or damage, including our costs and attorney fees.

15. TRANSFER

15.1 Assignment by Us. We may assign this Agreement to an assignee who agrees to remain bound by its terms. We do not permit a sub-license of the Agreement.

15.2 Transfer by You. You may transfer this Franchise Agreement, any interest under this Agreement, or substantially all the assets of the Franchised Business only if we approve, and you comply with the provisions in this Section 15. A transfer includes the transfer of a controlling interest in the franchisee entity, either in one singular transaction or through an aggregation of multiple transactions; or a transfer or sale of all or substantially all of your assets. We shall not unreasonably withhold approval. If this Agreement is held by joint tenants or tenants in common, all joint tenants or tenants in common must join in any transfer of an ownership interest in this Agreement, except any person who is deceased or under a legal disability.

15.3 Transfer to a Controlled Entity. A "Controlled Entity" is an entity in which you are the beneficial owner of 100% of each class of voting ownership interest. A transfer to a Controlled Entity shall not trigger the Right of First Refusal, described in Section 15.6 below. At the time of the desired transfer of interest to a Controlled Entity, you must notify us in writing of the name of the Controlled Entity and the name and address of each officer, director, shareholder, member, partner, or similar person and their respective ownership interest. We do not charge a transfer fee for this change.

15.4 Transfer within an Entity. A transfer of interest within an entity shall not trigger the Right of First Refusal described in Section 15.6 below if only the percentage ownership, rather than the identity of the owners, is changing. Prior to the time of the desired transfer of interest within an

entity, you must notify us in writing of the name and address of each officer, director, shareholder, member, partner or similar person and their respective ownership interest. Each such person of the Controlled Entity shall sign the then current amendment and release forms and/or Franchise Agreement as required by us, and you shall pay to us the applicable transfer fee specified in Section 4 above.

15.5 Conditions for Approval of Transfer. We may condition our approval of any proposed sale or transfer of the franchised business or of your interest in this Agreement upon satisfaction of the following occurrences:

15.5.1 You are current in all monetary obligations to us, our affiliates, and our designated/approved suppliers and vendors;

15.5.2 You are in full compliance with this Agreement;

15.5.3 You execute any transfer, amendment, or release forms that we may require;

15.5.4 You or the transferee will provide to us a copy of the proposed documents as we may request to evidence the transfer;

For a transfer under Section 15.2 above, the following conditions also apply:

15.5.5 The transferee must be approved by us and demonstrate to our satisfaction that s/he meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business to be transferred; and has adequate financial resources and capital to meet the performance obligations under this Agreement;

15.5.6 The transferee must execute our then-current Franchise Agreement;

15.5.7 You or the transferee must pay to us the Transfer Fee specified in Section 4 above;

15.5.8 The transferee must satisfactorily complete our initial training program at the transferee's expense within the time frame we establish;

15.5.9 You must comply with the post-termination provisions of this Agreement;

15.5.10 The transferee must obtain within the time limits set by us and maintain thereafter, all permits and licenses required for operation of the Franchised Business;

15.5.11 To the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer;

15.5.12 The transfer must be made in compliance with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises;

15.5.13 The purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation and performance under its franchise agreement;

15.5.14 You must request that we provide the prospective transferee with our current franchise disclosure document;

15.5.15 Our approval of the transfer will not constitute a waiver of any claims we may have against the transferring party;

15.5.16 We will have the right to disclose to any prospective transferee such revenue reports and other financial information concerning the Franchised Business as you have supplied us hereunder; and

15.5.17 In any event, we may withhold or condition our consent to any transfer as we deem appropriate based on the circumstances of the transfer or otherwise.

15.6 Right of First Refusal. If you have received and desire to accept a signed, bona fide offer to purchase or otherwise transfer the Franchise Agreement, any interest in it, or substantially all the assets of the Franchised Business, you shall grant us the option (the "Right of First Refusal") to purchase the Franchised Business as provided here:

- a) Within fourteen (14) days of receipt of the offer, you shall offer the Right of First Refusal to us by notice in writing, including a copy of the signed offer to purchase which you received ("Notice"). We shall have the right to purchase the Franchised Business or interest in the Franchised Business at and for the price and upon the terms set out in the Notice, except that we may substitute cash for any non-cash form of payment proposed and we shall have 60 days after the exercise of our Right of First Refusal to close the said purchase. Should we wish to exercise our Right of First Refusal, we will notify you in writing within 15 days from its receipt of the Notice. Upon the giving of such notice by us, there shall immediately arise between us and you, or its owners, a binding contract of purchase and sale at the price and upon the terms contained in the Notice.
- b) If we do not exercise our Rights of First Refusal, you may transfer the Franchised Business or ownership interest therein according to the terms set forth in the Notice, provided that you satisfy the conditions in Section 15.5 above and complete the sale within 90 days from the day on which we received the Notice. If you do not conclude the proposed sale transaction within the 90-day period, the Right of First Refusal granted to us shall continue in full force and effect.

16. DEATH OR INCAPACITY

In the event of your death or incapacity, you, or your estate, as the case may be, must actively begin the process to seek a transfer of your rights under this Agreement within 60 days and must complete the transfer within 6 months of your death or incapacity. If you or your estate fails in either respect, then we may terminate this Agreement. The new Franchisee must pay the transfer fee specified above, meet

our qualifications, complete initial training, and enter into a new Franchise Agreement. And we are entitled to reimbursement from you or your estate for any reasonable expenses incurred continuing Services from the date of your death or incapacity until transfer or termination. The term “incapacity” means a condition that prevents you from reasonably carrying out your duties under this Agreement.

17. MODIFICATION

No modifications to this Agreement will have any effect unless such modification is in writing and signed by you and by our authorized officer. We may, however, modify the provisions of the Manual, without your consent, as discussed in Section 5.

18. NON-WAIVER OF BREACH

The failure of either party to enforce any one or more of the terms or conditions of this Agreement shall not be deemed a waiver of such terms or conditions or of either party's rights thereafter to enforce each and every term and condition of this Agreement.

19. FULL UNDERSTANDING

This Agreement, including the schedules, is the entire agreement between the parties. This Agreement supersedes all other prior oral and written agreements and understandings between you and us with respect to the subject matter of this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document we furnished to you.

20. GOVERNING LAW

20.1 Choice of Law. Except as to claims governed by federal law, Pennsylvania law governs all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties (“Claims”). However, no laws regulating the sale of franchises or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

20.2 Jurisdiction and Venue. You and we agree that venue and jurisdiction for any Claims, except those required to be submitted to arbitration, shall be proper solely in the state and federal court nearest to our corporate headquarters, presently located in Reading, Pennsylvania. However, if you are an Illinois resident or your franchise territory is located in Illinois, Maryland, or Washington State, you agree to bring any Claims, if at all, solely in arbitration before the American Arbitration Association in the city or county where our corporate headquarters are located.

20.3 Jury Waiver. In any trial between any of the parties as to any Claims, you and we agree to waive our rights to a jury trial and instead have such action tried by a judge.

20.4 Class Action Waiver. You agree to bring any Claims, if at all, individually and you shall not join such claim with claims of any other person or entity or bring, join or participate in a class action against us.

20.5 Punitive Damages Waiver. As to any Claims, you and we agree to waive our rights, if any, to seek or recover punitive damages.

20.6 Limitation of Actions. You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

20.7 Prior Notice of Claims. As a condition precedent to commencing an action for a Claim, you must notify us within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

20.8 Mediation. Before you may bring any Claim against us, you agree to try for a period of 60 days to mediate such claim before a mutually agreed to mediator in the city or county where our headquarters are located. If we can not mutually agree on a mediator, you and we agree to use the mediation services of the American Arbitration Association (“AAA”), and split any AAA and mediator fees equally.

20.9 Waiver of bond. You agree that if we are forced to bring suit to enforce any provision of this Agreement, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

20.10 Attorney Fees. If we are the substantially prevailing party as to any Claims, you agree to reimburse our costs and attorney fees incurred in pursuing or defending the Claims.

20.11 Third Party Beneficiaries. Our officers, directors, members, shareholders, agents, and employees are express third party beneficiaries of the terms of the Governing Law provisions contained herein.

20.12 Survival. All of the covenants contained in this Agreement that may require performance after the termination or expirations of this Agreement will survive any termination or expiration of this Agreement.

20.13 Severability Clause. If any covenant or provision in this Agreement is determined to be void or unenforceable, in whole or in part, it shall be deemed severed and removed from this Agreement and shall not affect or impair the validity of any other covenant or provision of this Agreement.

21. RELEASE OF PRIOR CLAIMS

By executing this Agreement, the undersigned entity, if any, and individuals, on behalf of yourselves and your heirs, legal representatives, successors and assigns, and each assignee of this Agreement, forever releases and discharges us, our past and present employees, agents, members, officers, and directors, including any of our parent, subsidiary and affiliated entities, their respective past and present employees, agents, members, officers, and directors, from any and all claims relating to or arising out of any franchise agreement between the parties executed prior to the date of this Agreement, and all other claims relating to any dealings between any of the parties. However, this release does not apply

to any claim you may have arising from representations in our Franchise Disclosure Document, or its exhibits or amendments.

22. NOTICES

You shall give any required notice or request in writing by mail or courier, postage fully prepaid, delivered personally, or by facsimile, to our CEO, at our corporate office, presently 5501 E Lorane Road, Reading, PA 19606. Telephone: 484-310-3100. We may also give any such notice to you in the same manner at the address indicated below your signature on this Agreement, such other more current address as we may have for you, or by e-mail.

23. ACKNOWLEDGMENTS

You acknowledge that you have read our Franchise Disclosure Document and this Agreement and that you are familiar with their contents. You acknowledge that you have independently investigated the business offered hereunder and base your decision to purchase solely on such investigation. You acknowledge that we have recommended, and that you have had the opportunity to obtain, review of this Agreement and our Franchise Disclosure Document (“FDD”) by your lawyer, accountant or other business advisor prior to execution. Except as may be stated in Item 19 of our Franchise Disclosure Document, you acknowledge that no person is authorized to make and no person has made any representations to you as to the actual, projected or potential sales, volumes, revenues, profits or success of our franchise. You further acknowledge and agree that you are not a third party beneficiary to any agreement between us and any other franchisee.

24. GUARANTY

The Franchisee named at the top of the following page agrees to abide by the terms of this Agreement. The signature of an individual or individuals as sole proprietors, joint tenants, or tenants in common constitutes their personal agreement to such terms. The signature of an individual or individuals on behalf of an entity constitutes the entity’s agreement to such terms.

In addition, the signatures of all individuals below, in any capacity, also constitute their personal joint and several agreement to perform all the obligations in and relating to this Agreement, including, but not limited to, the obligations stated in **Paragraphs 12-14 above**, the obligation to make specified payments, and pay any other debts due to us. All Signators below waive any right to presentment, demand, notice of non-performance, or the right to require us to proceed against the other Signators.

Franchisee: _____ Entity Number: _____

Type: _____ (Sole Proprietor, LLC, Corp., Joint Tenants with Right of Survivorship (“JTROS”), Tenants in Common, Partnership).*

SIGNATORS:

By: _____ By: _____
(Signature) (Signature)

(Printed Name) (Printed Name)

Title: _____ Title: _____

Address: _____ Address: _____

Ownership Percent: _____ % (see note below) Ownership Percent: _____ % (see note below)

By: _____ By: _____
(Signature) (Signature)

(Printed Name) (Printed Name)

Title: _____ Title: _____

Address: _____ Address: _____

Ownership Percent: _____ % (see note below) Ownership Percent: _____ % (see note below)

Dumpster Dudez Franchising LLC

By: _____ Effective Date: _____
Brian Johnson, VP

***Joint Tenants with Right of Survivorship is typically for married couples and must be owned equally by each tenant, 50-50 for two owners, and if one spouse passes away, the other automatically receives the decedent’s share. Tenants in common is normally for non-spouses and if one passes away, his or her share passes by will or state law to his or her heirs.**

**SCHEDULE 1 TO THE FRANCHISE AGREEMENT
TERRITORY**

Your Territory shall be as follows:

**SCHEDULE 2
AUTOMATIC BANK DRAFT AUTHORIZATION**

ACH Origination Authorization

Please complete the following with your banking information and attach a voided check:

Company Name: _____

Name of Financial Institution: _____

Address of Financial Institution: _____

Routing Number: _____

Account Number: _____

I hereby authorize Dumpster Dudez Franchising LLC and the financial institution named above to initiate entries to my checking or savings accounts as identified above in accordance with the terms of my franchise agreement and, if necessary, to initiate adjustments for any transactions credited in error. This authority will remain in effect until I notify either Dumpster Dudez Franchising LLC or the above-named financial institution in writing to cancel it in such time as to afford a reasonable opportunity to act on such instructions. I can stop payment of any entry by notifying the above-named financial institution at least 3 days before my account is scheduled to be charged. I can have the amount of an erroneous charge immediately credited to my account for up to 15 days following issuance of my statement by the above-referenced financial institution or up to 60 days after deposit, whichever occurs first.

Signature: _____

Printed Name of Person Signing: _____

Title (if any): _____

Application Date: _____

Telephone Number: _____

Applicant's Address: _____

SCHEDULE 3

FRANCHISEE DISCLOSURE ACKNOWLEDGEMENT

[Not to be used as to any franchise sale in or to residents of CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI]

Do not sign this Acknowledgment if you are a resident of Maryland or your franchise is to be operated in Maryland.

You and we are preparing to enter into a Franchise Agreement. This Acknowledgement is to determine whether any statements or promises were made to you that we did not authorize or are untrue, inaccurate or misleading, to ensure you have been properly represented, and that you understand the limitations on claims you may make relating to your franchise. **You cannot sign or date this Acknowledgement the same day as the Receipt for the Franchise Disclosure Document. You must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses.

- Yes__ No__ 1. Have you received and personally reviewed the Franchise Agreement and each attachment or schedule attached to it?
- Yes__ No__ 2. Do you understand all the information contained in the Franchise Agreement?
- Yes__ No__ 3. Have you received and personally reviewed the Franchise Disclosure Document we provided?
- Yes__ No__ 4. Do you understand all the information contained in the Franchise Disclosure Document?
- Yes__ No__ 5. Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor?
- Yes__ No__ 6. Do you understand the risks of developing and operating this franchise?
- Yes__ No__ 7. Do you understand that your investment involves substantial business risks and that there is no guarantee that your business will be profitable?
- Yes__ No__ 8. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, the economy, labor and supply costs and other relevant factors?
- Yes__ No__ 9. Do you acknowledge that the success of your franchise in large part relies upon your ability as an independent business person and your active participation in the day to day operation of the business?

Yes__ No__ 10. Do you agree that no employee or other person speaking on our behalf has made any statement, promise, or agreement, that is contrary to or different from what is stated in the Franchise Disclosure Document and Franchise Agreement?

Yes__ No__ 11. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue you will generate, that is not contained in Item 19 of the Franchise Disclosure Document or that is contrary to, or different from, the information contained in Item 19 of the Franchise Disclosure Document, and that you have not made a decision to purchase your franchise based on any such representations?

Yes__ No__ 12. Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning this franchise, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding?

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any 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 or the Washington Franchise Investment Protection Act.

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.

By signing below, you are representing that you have responded truthfully to the above questions.

[Not to be signed as to any franchise sale in or to residents of CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI]

Name of Applicant (please print)

Signature

Date: _____

Explanation of any negative responses (Refer to Question Number):

**CALIFORNIA ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

Sections 10.2 and 10.3 are deleted and in their place are substituted the following:

10.2 Termination by Us Without Right to Cure. We may terminate this Agreement without notice and the opportunity to cure for any of the following reasons:

(a) The franchisee or the business to which the franchise relates has been judicially determined to be insolvent, all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor, or the franchisee admits his or her inability to pay his or her debts as they come due;

(b) The franchisee abandons the franchise by failing to operate the business for five consecutive days during which the franchisee is required to operate the business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts and circumstances for the franchisor to conclude that the franchisee does not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake, or other similar causes beyond the franchisee's control;

(c) The franchisor and franchisee agree in writing to terminate the franchise;

(d) The franchisee makes any material misrepresentations relating to the acquisition of the franchise business or the franchisee engages in conduct which reflects materially and unfavorably upon the operation and reputation of the franchise business or system;

(e) The franchisee fails, for a period of 10 days after notification of noncompliance, to comply with any federal, state, or local law or regulation, including, but not limited to, all health, safety, building, and labor laws or regulations applicable to the operation of the franchise;

(f) The franchisee, after curing any failure in accordance with Section 10.3 engages in the same noncompliance whether or not such noncompliance is corrected after notice;

(g) The franchisee breaches the franchise agreement three or more times in a 12-month period, whether or not corrected after notice;

(h) The franchised business or business premises of the franchise are seized, taken over, or foreclosed by a government official in the exercise of his or her duties, or seized, taken over, or foreclosed by a creditor, lienholder, or lessor, provided that a final judgment against the franchisee remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed); or a levy of execution has been made upon the license granted by the franchise agreement or upon any property used in the franchised business, and it is not discharged within five days of such levy;

(i) The franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise;

(j) The franchisee fails to pay any franchise fees or other amounts due to the franchisor or its affiliate within five days after receiving written notice that such fees are overdue; or

(k) The franchisor makes a reasonable determination that continued operation of the franchise by the franchisee will result in an imminent danger to public health or safety.

10.3 Termination by Us with Opportunity to Cure. We may terminate this Agreement, after sending you notice and a 60 day opportunity to cure, for any other breach of this Agreement.

No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Initial Fee Deferral:

The Agreement is amended by adding the following:

The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all of its pre-opening obligations and franchisee is open for business. For any development agreement, the payment of the develop and initial fee attributable to a specific unit is deferred until that unit is open.

FRANCHISEE:

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By:_____

By:_____

Brian Johnson, VP

By:_____

Date:_____

**ILLINOIS ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Illinois law governs the Franchise Agreement.

2. 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.

3. Franchisee rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. 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.

5. 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.

6. Initial Fee Deferral- The Franchise Agreement is modified to also provide that we defer collection of all initial fees until we have satisfied our pre-opening obligations to you and you have commenced doing business under the Franchise Agreement. The Illinois Attorney General's Office imposed this deferral requirement due to our financial condition.

FRANCHISEE:

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____

By: _____

Brian Johnson, VP

By: _____

Date: _____

**MARYLAND ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

2. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

3. A general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. Section 23 of the Franchise Agreement, titled "Acknowledgments," is deleted.

6. 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.

Initial Fee Deferral:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

FRANCHISEE:

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____

By: _____

Brian Johnson, VP

By: _____

Date: _____

MINNESOTA ADDENDUM TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

Also, a court will determine if a bond is required.

Any Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

Initial Fee Deferral-

The franchise agreement is amended to also add the following: The franchisor defers the receipt of the initial franchise fee until the franchised business opens

FRANCHISEE:

By: _____

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____

Brian Johnson, VP

NORTH DAKOTA ADDENDUM TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. You are not required to sign a general release upon renewal of the franchise agreement.
2. The franchise agreement is amended to also provide as follows:

“Covenants not to compete are generally considered unenforceable in the State of North Dakota.”

3. The provisions concerning choice of law, jurisdiction and venue, jury waiver, and waiver of punitive damages are hereby deleted and in their place is substituted the following language:

“You agree to bring any claim against us, including our present and former employees, agents, and affiliates, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association.”

4. The provision concerning limitation of actions is modified to provide that the statute of limitations under North Dakota Law will apply.

5. The provisions concerning mediation and arbitration are modified to also provide that the site of mediation and arbitration shall be agreeable to all parties and may not be remote from your place of business.

6. North Dakota law governs any cause of action arising out of the franchise agreement.

7. Any requirement in the Franchise Agreement that requires you to pay all costs and expenses incurred by us in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

8. 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.

9. Initial Fee Deferral:

The Franchise Agreement is modified to also state that the franchisor defers the receipt of the initial franchise fee until all initial obligations owed to the franchisee under the franchise

agreement or other documents have been fulfilled by the franchisor and the franchisee is open for business.

FRANCHISEE:

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____

By: _____

Brian Johnson, VP

**RHODE ISLAND ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the franchise agreement contains any provisions that conflict with the Rhode Island Franchise Investment Act, the provisions of this Addendum shall prevail to the extent of such conflict.

2. Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

3. Any provision in the franchise agreement requiring the application of the laws of a state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

4. The Rhode Island Franchise Investment Act stipulates that you cannot release or waive any rights granted under this Act. Any provision of this franchise agreement, which constitutes a waiver of rights granted under the Act, is superseded.

5. You agree to bring any claim against us, including our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association.

FRANCHISEE:

By: _____

By: _____

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____

Brian Johnson, VP

Date: _____

**SOUTH DAKOTA ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- 1. The Franchise Agreement is clarified to also indicate that 50% of the initial franchise fee and 50% of royalties are deemed paid for the use of our Marks and 50% are deemed paid for our training, support, and franchise system.

- 2. Initial Fee Deferral. The Franchise Agreement is revised to also provide:

“The Franchise Disclosure Document is amended to also state that the initial franchise fee will be paid only after the franchisor fulfills its pre-opening obligations to the Franchisee and the Franchisee is open for business.”

FRANCHISEE:

FRANCHISOR:
Dumpster Dudez Franchising, LLC

By: _____

By: _____
Brian Johnson, VP

By: _____

Date: _____

**VIRGINIA ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

The Franchise Agreement is modified to also provide as follows: “The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.”

FRANCHISEE:

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____

By: _____

Brian Johnson, VP

By: _____

Date: _____

WASHINGTON ADDENDUM TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The General Release required in Sections 2.2 and 21 of the Franchise Agreement will not act as a waiver of any claim under the Washington Franchise Investment Protection Act.

Section 14.3 of the Franchise Agreement is modified to also indicate that the franchisee shall not be required to indemnify the franchisor for any liability to the franchisor resulting from the franchisor's gross negligence or willful misconduct.

Section 23 of the Franchise Agreement is deleted.

Initial Fee Deferral:

The franchise agreement is amended to also provide: "Initial fees will be deferred until the Franchisor has fulfilled its initial pre-opening obligations to the franchisee and the franchisee is open for business."

FRANCHISEE:

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____

By: _____

Brian Johnson, VP

By: _____

Date: _____

**WISCONSIN ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the Franchise Agreement contains any provision that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.
2. The Franchise Agreement is amended to also include the following language:

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

FRANCHISEE:

By: _____

By: _____

FRANCHISOR:

Dumpster Dudez Franchising, LLC

By: _____
Brian Johnson, VP

Date: _____

EXHIBIT D
RELEASE

THIS RELEASE is made and given by _____,
("Releasor") with reference to the following facts:

1. Releasor and Dumpster Dudez Franchising LLC (Releasee) are parties to one or more franchise agreements.
2. The following consideration is given:

_____ the execution by Releasor of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise"); or

_____ Releasor's consent to Releasee's transfer of its rights and duties under the Franchise Agreement; or

_____ Releasor's consent to Releasee's assumption of rights and duties under the Franchise Agreement; or

_____ [insert description]

3. Release- Franchisee and all of Franchisee's guarantors, members, employees, agents, successors, assigns and affiliates fully and finally release and forever discharge Releasee, its past and present agents, employees, officers, directors, members, Franchisees, successors, assigns and affiliates (collectively "Released Parties") from any and all claims, actions, causes of action, contractual rights, demands, damages, costs, loss of services, expenses and compensation which Franchisee could assert against Released Parties or any of them up through and including the date of this Release.
4. THIS IS A SPECIFIC RELEASE GIVING UP ALL RIGHTS WITH RESPECT TO THE TRANSACTIONS OR OCCURRENCES THAT ARE BEING RELEASED UNDER THIS AGREEMENT.
5. California Releasor- You represent and warrant that YOU EXPRESSLY WAIVE ANY AND ALL RIGHTS AND BENEFITS UNDER CALIFORNIA CIVIL CODE §1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

6. The above Release shall not apply to any liabilities arising under the California Franchise Investment Law, the California Franchise Relations Act, Indiana Code § 23-2-2.5.1 through 23-2-2.7-7, the Maryland Franchise Registration and Disclosure Law, Michigan Franchise Investment Law, Minnesota Franchise Act, North Dakota franchise laws, the Rhode Island Investment Act, and the Washington Franchise Investment Protection Act.

Franchisee:

Dumpster Dudez Franchising LLC

By: _____

By: _____

Brian Johnson, VP

Printed Name: _____

Date: _____

Title: _____

EXHIBIT E

LIST OF CURRENT FRANCHISEES

The following is a list of the names of all Franchisees and the address and telephone number of each of their outlets as of the end of our most recently completed fiscal year.

Operational Outlets (as of 12/31/2023):

Arkansas

Ezest Solutionz, LLC dba Dumpster Dudez of NW Arkansas
Phillip Ezell
9338 W. Forest Hills Dr.
Fayetteville, AR 72704
479-305-2996

California

Sequoia Harper, Inc. dba Dumpster Dudez of Orange County
Robert Baird
325 Onyx Avenue
Balboa Island, CA 92662
949-994-6511

Florida

American Grit Dumpsters, LLC dba Dumpster Dudez of Treasure Coast
Brannon Fain and Mike Young
3111 SE Aster Lane, Apt. 1702
Stuart, FL 34994
772-279-4900

Chubeck Enterprises Inc.
George Chubeck and Crystal Chubeck
3118 Wandering Oaks Dr.
Orange Park, FL 32065
904-867-0809

Louisiana

TF Dumpsters LLC
4025 Parkwood Drive
Shreveport, LA 71119
318-610-3355

Nevada

Prospex Industries Inc. dba Dumpster Dudez of Southern Utah
Kevin Rogers and Kat Rogers
419 S. Cordero Dr.
Ivins, UT 84738
435-817-6826

New York

Purpole Dot Dumpster Rentals Inc. dba Dumpster Dudez of Rochester
Larado Bulkley
460 B Canisteo St
Hornell, NY 14843
607-346-66319

North Carolina

Amal22, LLC
Maher Haeba
6020 Bacarra Lane, Apt 101
Raleigh, NC 27606
919-701-9955

Ohio

Just Call Dad, LLC dba Dumpster Dudez of Columbus, OH
Mitch Scott
15116 State Route 104,
Ashville, OH 43103
614-374-8132

Transformative Horizons, LLC dba Dumpster Dudez of NE Cincinnati
Joe Jankowski
711 Miami Heights Court
Loveland, OH 45140
513-223-4250

Pennsylvania

Dumpster Dudez of Lancaster, LLC
Lindsay and Brent Davies
431 Rugby Road
Birdsboro, PA 19508
484-772-5004

DDML, LLC dba Dumpster Dudez of Main Line

Aaron Warchal
63 S. Spring Lane
Phoenixville, PA 19460
610-334-5452

KSH Removal Services, LLC dba Dumpster Dudez of Lehigh Valley
Jeff Kelly, Chad Harman, Eric Sotzin
259 Wheatfield Rd.
Sinking Spring, PA 19608
484-529-4330

Tennessee

Hometown Restoration Group, LLC dba Dumpster Dudez of Knoxville West
Jesse Cornett and Jaron Dishner
11650 Edison Dr.
Knoxville, TN 37932
865-455-6838

Virginia

Oakley Associates, LLC dba Dumpster Dudez of Richmond
Michael Oakley
1726 Windingridge Drive
Henrico, VA 23238
804-707-4008

Hansen Enterprises, LLC dba Dumpster Dudez of Northern Virginia
Travis and Brittney Hansen
1100 Hickory Trail
Winchester, VA 22602
540-264-9933

DDHR, LLC dba Dumpster Dudez of Hampton Roads
Jamey Menser
204 Shackleford Rd
Yorktown, VA 23693
757-731-6030

Wisconsin

Bins Cycle, Inc.
Rich Hewitt, Jean Ryan and Jan Cliff
2424 Judith Lane
Waukesha, WI 53188
435-817-6826

Franchise Agreement Signed But Outlet Not Yet Open (as of 12/31/2023):

New Jersey

313 Enterprises, LLC dba Dumpster Dudez of South Jersey
Joe Vento
5 Halleck St.
Berlin, NJ 08009
609-685-3114

EXHIBIT F

LIST OF FORMER FRANCHISEES

The following is a list of Franchisees who had an outlet terminated, cancelled, not renewed or otherwise ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who had not communicated with us within ten weeks of the date of the disclosure document issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Florida

Glencoe Solutions, LLC
Wolf-Peter and Laura Schmidt
7901 4th St. N, Suite 300
St. Petersburg, FL 33702
941-557-4916
(Unable to obtain Visa)

Ohio

We Love Trash OH Inc.
Tricia, Bruce J, Bruce R. and Polly Lorenzo
1271 Ivy St. NW
N. Canton, OH 44720
330-354-6225
(Never opened)

Utah

Prospex Industries Inc. dba Dumpster Dudez of Southern Utah*
Kevin Rogers and Kat Rogers
419 S. Cordero Dr.
Ivins, UT 84738
435-817-6826
***Closed Utah and moved to Nevada**

EXHIBIT G

Financial Statements

**DUMPSTER DUDEZ FRANCHISING, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

DUMPSTER DUDEZ FRANCHISING, LLC
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MUHAMMAD ZUBAIRY, CPA PC

Certified Public Accountant

646.327.7013

INDEPENDENT AUDITOR'S REPORT

**To the Member of
Dumpster Dudez Franchising, LLC**

Opinion

We have audited the financial statements of Dumpster Dudez Franchising, LLC (the "Company") which comprise the balance sheet as of December 31, 2023, and the related statement of operations and changes in member's equity, and cash flows for the year ended December 31, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Dumpster Dudez Franchising, LLC as of December 31, 2023, 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 ABC Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dumpster Dudez Franchising, LLC 's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dumpster Dudez Franchising, 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.



Muhammad Zubairy, CPA PC
Westbury, NY
February 8, 2024

DUMPSTER DUDEZ FRANCHISING, LLC
BALANCE SHEETS

	<u>ASSETS</u>	
	YEAR ENDED DECEMBER 31	
	<u>2023</u>	<u>2022</u>
Current Assets		
Cash	\$ 74,018	\$ 11,655
Restricted Cash	—	260,000
Accounts receivable	274,901	74,792
Contract Asset	3,000	1,000
Total Current Asset	<u>351,919</u>	<u>347,447</u>
 Contract Assets-net of current	 24,084	 8,000
 Total Assets	 <u>\$ 376,003</u>	 <u>\$ 355,447</u>

LIABILITIES AND MEMBER'S EQUITY (DEFICIT)

Current Liabilities		
Accounts payable and Accrued Expenses	\$ 866	\$ 34
Payroll Liabilities	—	4,665
Due to affiliate	178,148	86,148
Contract Liabilities	73,500	20,500
Security Fee	—	260,000
Total Current Liabilities	<u>252,514</u>	<u>371,347</u>
 Contract Liabilities, net of current	 438,792	 173,792
 Member's Equity (Deficit)	 <u>(315,303)</u>	 <u>(189,692)</u>
 Total Liabilities and Member's Equity (Deficit)	 <u>\$ 376,003</u>	 <u>\$ 355,447</u>

See notes to financial statements

DUMPSTER DUDEZ FRANCHISING, LLC
STATEMENT OF OPERATIONS AND MEMBER'S EQUITY (DEFICIT)

	YEAR ENDED DECEMBER 31	
	2023	2022
Revenues		
Franchise Fee	\$ 122,000	\$ 80,708
Royalties	120,961	12,327
Other Income	3,256	—
Total Revenue	<u>246,217</u>	<u>93,035</u>
Operating Expenses	<u>371,828</u>	<u>281,446</u>
Net Income (Loss)	(125,611)	(188,411)
Member's Equity (Deficit) - Beginning	(189,692)	(1,281)
Member's (Distributions)	<u>—</u>	<u>—</u>
Member's Equity (Deficit) - Ending	<u><u>\$ (315,303)</u></u>	<u><u>\$ (189,692)</u></u>

See notes to financial statements

DUMPSTER DUDEZ FRANCHISING, LLC
STATEMENT OF CASH FLOWS

	YEARS ENDED DECEMBER 31	
	2023	2022
Cash Flows From Operating Activities		
Net Income (Loss)	\$ (125,611)	\$ (188,411)
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in assets and liabilities		
Accounts Receivable	(200,109)	(74,792)
Contract Assets	(18,084)	(9,000)
Accounts payable	832	(1,247)
Payroll Liabilities	(4,665)	4,665
Due to affiliate	92,000	76,148
Contract Liabilities	318,000	194,292
Security Fee	(260,000)	260,000
	(197,637)	261,655
 Cash Flows (Used) By Investing Activities		
Member's (distributions)	—	—
 Net Increase (Decrease) in Cash	(197,637)	261,655
 Cash - Beginning	271,655	10,000
 Cash - Ending	\$ 74,018	\$ 271,655

See notes to financial statements

DUMPSTER DUDEZ FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

A1. THE COMPANY

Dumpster Dudez Franchising, LLC is a Pennsylvania limited liability company that was formed in December 2015 to offer franchises to provide residential and commercial dumpster and related products and services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statements have been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to disbursement of cash.

Franchise Arrangements-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted the right to operate a Dumpster Dudez franchise using the Company's system for a specified number of years. At December 31, 2022 and 2023, there are eight and eighteen franchise operating, respectively.

Concentration of Credit Risk-Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of \$ 250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

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

Taxes on Income-The Company has elected to be taxed as a limited liability corporation for federal and state income tax purposes. Income and expenses for the Company pass through directly to the member and is reported on their individual income tax returns.

3. REVENUE RECOGNITION

The Company records revenue in accordance Accounting Standards Board ("FASB") and Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The transaction price attributable to performance obligations are recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation are amortized over the life of the related franchise agreements. Commission paid for franchises are amortized over the life of the franchise agreement. The Company adopted ASC-606 and ASU 2021-02 using the modified retrospective method starting with January 1, 2019.

DUMPSTER DUDEZ FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

4. CONTRACT LIABILITY AND CONTRACT ASSETS

In compliance with the Financial Accounting Standards Board (“FASB”) new accounting standards for revenue recognition (“Topic 606”), the Company records its non-refundable franchise fees, net of amounts earned based on allowable direct services, as deferred revenues, to be recognized over the life of the franchise agreement. The non-refundable franchise fees received but not yet earned as of December 31, 2023, and 2022, were \$512,292 and \$194,292, respectively. The deferred commissions as of December 31, 2023, and 2022, were \$27,084 and \$9,000, respectively.

5. SECURITY FEE

The Company collected \$260,000 from its franchisee to equip the Franchisee with truck and dumpster for operational use. The funds are held in the company’s account rather than an escrow account held by an agent. \$110,000 is restricted towards Truck Security fee and \$150,000 is restricted towards dumpster security fee for the franchisee. The security fee was paid back in 2023 as the franchisee is no longer operational

5. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through February 8, 2024, which is the date the financial statements were available to be issued.

**DUMPSTER DUDEZ FRANCHISING, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2022**

DUMPSTER DUDEZ FRANCHISING, LLC
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Balance Sheet	Page 2
Statement of Operations and Member's Equity	Page 3
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Footnotes	Page 5 - 7

MONIS J. SIDDIQUI, CPA P.C.

Certified Public Accountant

917.309.5670

INDEPENDENT AUDITOR'S REPORT

**To the Member of
Dumpster Dudez Franchising, LLC**

Opinion

We have audited the financial statements of Dumpster Dudez Franchising, LLC (the "Company") which comprise the balance sheet as of December 31, 2022, and the related statement of operations and changes in member's equity, and cash flows for the year ended December 31, 2022, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Dumpster Dudez Franchising, LLC as of December 31, 2022, 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 ABC Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dumpster Dudez Franchising, LLC 's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dumpster Dudez Franchising, 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.



Monis Siddiqui, CPA P.C.

Bellerose, NY

February 14, 2023

DUMPSTER DUDEZ FRANCHISING, LLC
BALANCE SHEETS

<u>ASSETS</u>		<u>DECEMBER 31</u>	
		<u>2022</u>	<u>2021</u>
Current Assets			
Cash		\$ 11,655	\$ 10,000
Restricted Cash		260,000	—
Accounts receivable		74,792	—
Deferred commission expense		1,000	—
Total Current Asset		<u>347,447</u>	<u>10,000</u>
Deferred commission expense-net of current		8,000	—
Total Assets		<u>\$ 355,447</u>	<u>\$ 10,000</u>
 <u>LIABILITIES AND MEMBER'S EQUITY (DEFICIT)</u>			
Current Liabilities			
Accounts payable		\$ 34	\$ 1,281
Payroll Liabilities		4,665	—
Due to affiliate		86,148	10,000
Deferred franchise fees		20,500	—
Security Fee		260,000	—
Total Current Liabilities		<u>371,347</u>	<u>11,281</u>
Deferred franchise fees, net of current		173,792	—
Member's Equity (Deficit)		<u>(189,692)</u>	<u>(1,281)</u>
Total Liabilities and Member's Equity (Deficit)		<u>\$ 355,447</u>	<u>\$ 10,000</u>

See notes to financial statements

DUMPSTER DUDEZ FRANCHISING, LLC
STATEMENT OF OPERATIONS AND MEMBER'S EQUITY (DEFICIT)

	DECEMBER 31	
	2022	2021
Revenues		
Franchise Fee	\$ 80,708	\$ 10,000
Royalties	12,327	5,500
Total Revenue	<u>93,035</u>	<u>15,500</u>
 Operating Expenses	 <u>281,446</u>	 <u>3,729</u>
 Net Income (Loss)	 (188,411)	 11,771
 Member's Equity (Deficit) - Beginning	 (1,281)	 3,700
 Member's (Distributions)	 <u>—</u>	 <u>(16,752)</u>
 Member's Equity (Deficit) - Ending	 <u>\$ (189,692)</u>	 <u>\$ (1,281)</u>

See notes to financial statements

DUMPSTER DUDEZ FRANCHISING, LLC
STATEMENT OF CASH FLOWS

	DECEMBER 31	
	2022	2021
Cash Flows From Operating Activities		
Net Income (Loss)	\$ (188,411)	\$ 11,771
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in assets and liabilities		
Royalties receivable	—	200
Accounts Receivable	(74,792)	—
Deferred commission expense	(1,000)	—
Deferred commission expense-net of current	(8,000)	—
Accounts payable	(1,247)	(3,423)
Payroll Liabilities	4,665	—
Due to affiliate	76,148	7,250
Deferred franchise fees	20,500	—
Security Fee	260,000	—
Deferred franchise fees, net of current	173,792	—
	<u>261,655</u>	<u>15,798</u>
Cash Flows (Used) By Investing Activities		
Member's (distributions)	—	(16,752)
	<u>—</u>	<u>(16,752)</u>
Net Increase (Decrease) in Cash	261,655	(954)
Cash - Beginning	10,000	10,954
Cash - Ending	<u>\$ 271,655</u>	<u>\$ 10,000</u>

See notes to financial statements

DUMPSTER DUDEZ FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

A1. THE COMPANY

Dumpster Dudez Franchising, LLC is a Pennsylvania limited liability company that was formed in December 2015 to offer franchises to provide residential and commercial dumpster and related products and services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statements have been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to disbursement of cash.

Franchise Arrangements-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted the right to operate a Dumpster Dudez franchise using the Company's system for a specified number of years. At December 31, 2021 and 2020, there are two and one franchise operating, respectively.

Concentration of Credit Risk-Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of \$ 250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

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

Taxes on Income-The Company has elected to be taxed as a limited liability corporation for federal and state income tax purposes. Income and expenses for the Company pass through directly to the member and is reported on their individual income tax returns.

3. REVENUE RECOGNITION

In May 2014, the FASB issued a new accounting standard ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)", that attempts to establish a uniform basis for recording revenue to virtually all industries' financial statements. The revenue standard's core principle is to recognize revenue when promised goods or services are transferred to customers in an amount that reflects the consideration expected to be received for those goods or services. Additionally, the new guidance requires enhanced disclosure to help financial statement users better understand the nature, amount, timing and uncertainty of the revenue recorded.

The Financial Accounting Standards Board (FASB) has issued Accounting Standard Update ASU 2021-02, (Subtopic 952-606): *Practical Expedient* to address concerns about the complexity of applying Accounting

DUMPSTER DUDEZ FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

3. REVENUE RECOGNITION (cont'd)

Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* to private company franchisors, specifically relating to the amount and timing of revenue recognition for initial franchise fees. The practical expedient simplifies the identification of certain performance obligations in franchise license agreements, allowing franchisors to account for pre-opening services, as distinct from the franchise license and recognize these services as a single performance obligation.

Subtopic 952-606 provides that private company franchisors may account for the following pre-opening services as distinct from the franchise license:

- Assistance in the selection of a site.
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation.
- Training of the franchisee's personnel or the franchisee.
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping.
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes or about regulations affecting the franchisee's business; and
- Inspection, testing, and other quality control programs.

The transaction price attributable to performance obligations are recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation is amortized over the life of the related franchise agreement. During the period ending December 31, 2022, and 2021, the Company sold seven (7) and one (1) franchise each year respectively. The recognizable income for pre-opening costs for 2021, exceeded \$10,000 franchise fee 2021, resulting in no deferred revenue in 2021. The recognizable income for 2022 including the pre-opening costs for 2022 was \$80,708 with \$192,292 in deferred revenues.

5. SECURITY FEE

The Company collected \$260,000 from its franchisee to equip the Franchisee with truck and dumpster for operational use. The funds are held in the company's account rather than an escrow account held by an agent. \$110,000 is restricted towards Truck Security fee and \$150,000 is restricted towards dumpster security fee for the franchisee.

5. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Subsequent to the balance sheet date, the former sole owner of Dumpster Dudez Franchising, LLC has two new partners with each partner owning an equal share of the Company. The new partners received this equity position in exchange for their knowledge and proven business strengths in growing franchise business concepts, with the goal of expanding it as a national franchise. There was no

DUMPSTER DUDEZ FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

5. SUBSEQUENT EVENTS (cont'd)

monetary or like kind exchange for the equity provided. Subsequent events were evaluated through January 14, 2022, the date at which the financial statements were issued.

EXHIBIT H

Operations Manual Table of Contents

<u>Chapter Name</u>	<u>Page Count</u>
Table of Contents	6
Chapter 1: Introduction	5
Chapter 2: Welcome to Dumpster Dudez	3
Chapter 3: Support Resources	2
Chapter 4: Pre-opening Timetable and Obligations	11
Chapter 5: Training Requirements	3
Chapter 6: Staffing Your Dumpster Dudez Franchise	5
Chapter 7: Company Policies	4
Chapter 8: Operation and Maintenance	2
Chapter 9: Equipment, Computer Systems, Inventory, and Supplies	2
Chapter 10: Administration	3
Chapter 11: Reports, Audits, and Inspections	2
Chapter 12: Vehicle Administration	2
Chapter 13: Marketing	3
Chapter 14: Sales and Pricing	1
Chapter 15: Insurance Requirements and Risk Management	3
Chapter 16: Corporate Structure and Financing	7
Chapter 17: Trademarks and Trade Secrets – Protection Policies	3
Chapter 18: Renewal, Transfer and Closing	4
Chapter 19: Expansion and Relocation Requirements	1
Thank you for Franchising with Dumpster Dudez!	1
Total Pages	70

EXHIBIT I
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
California	Pending
Illinois	Pending
Maryland	Pending
Michigan	February 7, 2024
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**EXHIBIT J
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 Dumpster Dudez Franchising LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

The franchisor is Dumpster Dudez Franchising LLC located at 5501 E Lorane Road, Reading, Pennsylvania 19606. Its telephone number is 484-310-3100.

Issuance Date: February 16, 2024

The franchise seller for this offering is:

X	Brian Johnson, 32 Stonehill Drive, Mohnton, PA 19540; 484-310-3100
X	Willie Katinowsky, 5501 E Lorane Road, Reading, PA 19606; 484-877-7607
X	Aaron Warchal, 63 S. Spring Lane, Phoenixville, PA 19460; 610-334-5452

We authorize the respective state agencies identified in Exhibit A to receive service of process for us in the particular state.

I have received a disclosure document dated February 16, 2024 that included the following Exhibits:

- A. List of State Administrators and Registered Agents
- B. State Addenda to the Disclosure Document
- C. Franchise Agreement
 - Schedule 1-Territory
 - Schedule 2-Automatic Bank Draft Authorization

Schedule 3-Franchisee Disclosure Acknowledgment
Schedule 4-State Addenda to the Franchise Agreement

- D. Release
- E. List of Current Franchisees
- F. List of Former Franchisees
- G. Financial Statements
- H. Table of Contents of Operations Manual
- I. State Effective Dates
- J. Receipts

PROSPECTIVE FRANCHISEE:

Date you received this Disclosure Document

If an individual:

If a business entity:

Name of Business Entity

Signature

By: _____
Signature

Printed Name

Printed Name/Title

Address

Address

(Telephone number)

(Telephone number)

Please sign, date, and retain this copy for your records.

**EXHIBIT J
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.

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New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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- J. Receipts

PROSPECTIVE FRANCHISEE:

Date you received this Disclosure Document

If an individual:

If a business entity:

Name of Business Entity

Signature

By: _____
Signature

Printed Name

Printed Name/Title

Address

Address

(Telephone number)

(Telephone number)

Please sign, date, and return this copy to us.