



## FRANCHISE DISCLOSURE DOCUMENT

Lawn Doctor, Inc.  
a New Jersey corporation  
142 State Route 34  
Holmdel, New Jersey 07733  
(732) 946-4300  
franchiseinformation@lawndocor.com  
www.lawndocorfranchise.com  
www.lawndocor.com

The franchise offered is for the right to operate a business to establish, care for, and maintain lawns and other vegetation.

The total investment necessary to begin operation of a Lawn Doctor franchise is \$133,475 to \$149,027. This includes between \$118,950 to \$122,500 that must be paid to the franchisor. If you choose to add the Holiday Lighting Heroes service line when you acquire your Lawn Doctor franchise, the total investment necessary to begin operation of that service line is \$27,702 to \$42,252. This includes \$16,000 that must be paid to the franchisor. The total investment necessary to begin operation of a Lawn Doctor franchise together with the Holiday Lighting Heroes service line is \$161,177 to \$191,279. This includes between \$134,950 to \$138,500 that must be paid to the franchisor.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Scott D. Frith at 142 State Route 34, Holmdel, New Jersey 07733, (732) 946-4300.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

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

Issuance date of this Franchise Disclosure Document: April 29, 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
<b>How much can I earn?</b>	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 I and J.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit K includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Lawn Doctor business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a Lawn Doctor franchisee?</b>	Item 20 or Exhibits I and J lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 G.

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 arbitration and/or litigation only in its then-current home state (which currently is New Jersey). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in its then-current home state (which currently is New Jersey) than in your own state.

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.

**THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY  
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY**

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.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan  
Consumer Protection Division  
Attn: Franchise  
670 G Mennen Building  
Lansing, Michigan 48913  
Telephone Number: (517) 335-7567

Notwithstanding paragraph (f) above, LDI intends to enforce fully the provisions of the arbitration section of its Franchise Agreement. LDI believes that paragraph (f) is unconstitutional and cannot preclude it from enforcing its arbitration provisions. If you acquire a franchise, you acknowledge that LDI will seek to enforce that section as written, and that the terms of the Franchise Agreement will govern LDI's relationship with you, including the specific requirements of the arbitration section.

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### EXHIBITS

- A - Franchise Agreement
- B - Electronic Funds Transfer Authorization
- C - Assignment and Assumption Agreement
- D - Turf Tamer Stand-On Applicator Equipment Lease Agreement
- E - Turf Tamer Power Seeder Equipment Lease Agreement
- F - Extranet Agreement
- G - List of State Agencies/Agents for Service of Process
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- I - List of Current Strategic-Partners
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- K - Financial Statements
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- M - Franchise Agreement Amendment for Holiday Lighting Heroes Service Line  
State Effective Dates  
Receipts

## **Item 1**

### **THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

To simplify the language in this Lawn Doctor, Inc. Franchise Disclosure Document (“Disclosure Document”), “LDI” means Lawn Doctor, Inc., the franchisor. “You” means the person to whom LDI grants a franchise to operate a Lawn Doctor Business. You must sign the Franchise Agreement (the “Agreement”) attached as Exhibit A in your individual capacity. If you want an entity that you own to operate the franchise, you must sign the Assignment and Assumption Agreement (Exhibit C) under which all the provisions of the Agreement will apply to the entity and its owners (including you).

LDI is a New Jersey corporation and operates primarily under its own name and the trademarks “LAWN DOCTOR” and the green thumb logo. Its principal business address is 142 State Route 34, Holmdel, New Jersey 07733. LDI was incorporated in 1967 under the name “Auto-Lawn of America, Inc.” and changed to its present name in 1973. LDI’s direct parent company is LD Parent, Inc., which has the same principal business address as LDI. LDI’s indirect parent company is CNL Strategic Capital, LLC, whose principal business address is 450 S. Orange Avenue, Suite 1400, Orlando, Florida 32801. If LDI has an agent in your state for service of process, it discloses that agent in Exhibit G.

LDI uses the Agreement to grant franchises for Lawn Doctor Businesses to qualified persons (“Strategic-Partners”) who agree to adhere to the overall mission and core values underlying the Lawn Doctor system and understand that they are the means of delivering on the mission. A “Lawn Doctor Business” is identified by LDI’s trademarks, including “LAWN DOCTOR” and the green thumb logo (the “Marks”) and uses LDI’s systems, standards and know-how. The Lawn Doctor Business that you will operate is referred to as the “Business.”

The primary activity of the Business is to establish, care for and maintain lawns and other vegetation in an identified territory. LDI also may require you to provide other services, including mosquito control. You will analyze lawn problems and care requirements, formulate and apply lawn chemicals and seed, market and promote the Business, and operate and maintain necessary equipment. You may offer optional services, such as liming, fungus control, grub treatments, and tree and shrub feeding. You will apply chemicals to a customer’s lawn with a unique delivery device, the “Turf Tamer Stand-On Applicator,” and grass seed with the “Turf Tamer Power Seeder.” You lease the Turf Tamer Stand-On Applicator from LDI by signing the Turf Tamer Stand-On Applicator Equipment Lease Agreement (the “Turf Tamer Stand-On Applicator Lease”) attached as Exhibit D. You also lease the Turf Tamer Power Seeder (except in certain areas of the U.S. as described in Item 5) from LDI by signing the Turf Tamer Power Seeder Equipment Lease Agreement attached as Exhibit E (the “Turf Tamer Power Seeder Lease”). (The Turf Tamer Stand-On Applicator Lease and the Turf Tamer Power Seeder Lease together are the “Equipment Leases.”)

The principal customers of a Lawn Doctor Business will be homeowners, although commercial customers (including industrial parks, office buildings and apartment complexes) may also use the services. Strategic-Partners compete with national and local companies who



provide similar services directly or through franchisees. Potential customers of a Lawn Doctor Business also represent a form of competition; the homeowner or commercial customer may already be performing its own lawn care and conditioning. The services provided by a Lawn Doctor Business reduce a customer's workload and time commitment and provide a more comprehensive and uniform lawn treatment.

Lawn Doctor Businesses also have the right, but no obligation, to add the "Holiday Lighting Heroes" holiday lighting and décor service line as an authorized service to be offered and sold by their Businesses (the "HLH Service Line"). The HLH Service Line is a method for designing, installing, maintaining, removing, and storing holiday lighting and décor. LDI intends the HLH Service Line to complement the lawn and other vegetation care and conditioning services offered and performed by Lawn Doctor Businesses by adding another service line you can offer and sell to customers in your franchised territory. You would sign our Franchise Agreement Amendment for Holiday Lighting Heroes Service Line (Exhibit M) ("HLH Service Line FA Amendment"). LDI has made the HLH Service Line available to Lawn Doctor Businesses since approximately February 2024. If you want to add the HLH Service Line, you must add it for all of your Lawn Doctor Businesses (you cannot offer the HLH Service Line at less than all of your Lawn Doctor Businesses).

LDI has offered franchises since 1967 under a variety of agreement forms. LDI does not now operate any Lawn Doctor Businesses and has never granted franchises in any other lines of business. LDI's wholly-owned subsidiary, LADO Agency, Inc., a New Jersey corporation ("LADO"), purchases advertising, marketing and promotional content on behalf of the Marketing Fund. LADO's principal business address is 142 State Route 34, Holmdel, New Jersey 07733. LADO has never operated a Lawn Doctor Business or offered franchises in any line of business.

LDI is affiliated (by virtue of the same parent company) with Mosquito Hunters, LLC ("MH"), which has the same principal business address as LDI. MH offers and grants franchises for "MOSQUITO HUNTERS/HUMBUG HOLIDAY LIGHTING" businesses offering outdoor pest control services specializing in the eradication of mosquitoes through regular spraying applications and a follow-up maintenance program as well as holiday lighting and decor. MH's predecessor began offering franchises under the MOSQUITO HUNTERS name in January 2015 and had sold 8 franchises as of May 2018 when MH acquired the Mosquito Hunters franchise system. MH added holiday lighting and décor as a central part of the "combination" franchise opportunity beginning in April 2024, although existing Mosquito Hunters Businesses received the opportunity to add the HUMBUG HOLIDAY LIGHTING service line to their existing businesses beginning in December 2023. MH has never operated or offered franchises for a Lawn Doctor Business and has not offered franchises in any other line of business. As of December 31, 2023, there were 128 franchised MOSQUITO HUNTERS businesses in operation in the United States.

LDI is affiliated (by virtue of the same parent company) with ecomaids LLC ("EM"), which has the same principal business address as LDI. EM offers and grants franchises for "ECOMAIDS" businesses providing environmentally-friendly home cleaning services. EM has offered franchises since September 2019, although its predecessor began offering franchises in

August 2012. EM has never operated or offered franchises for a Lawn Doctor Business and has not offered franchises in any other line of business. As of December 31, 2023, there were 62 franchised ECOMAIDS businesses in operation in the United States.

LDI is affiliated (by virtue of the same parent company) with Elite Franchising Corp. (“Elite”), whose principal business address is 4 - 28 Steve Fonyo Dr., Kingston, ON (CANADA) K7M 8N9. Elite provides window cleaning, gutter cleaning, house washing, and screen cleaning services to residential and commercial customers as well as holiday lighting and décor services. Elite’s predecessor began franchising in 2013. Elite commenced offering franchises in May 2023. Elite has never operated or offered franchises for a Lawn Doctor Business and has not offered franchises in any other line of business. As of December 31, 2023, there were 8 franchised ELITE businesses operating in Canada.

LDI is affiliated (by virtue of the same parent company) with Sparkle Squad, LLC (“SS”), which has the same principal business address as LDI. SS offers and grants franchises for “SPARKLE SQUAD” businesses, which provide residential and commercial window cleaning services to a height of up to 60 feet, gutter cleaning, screen cleaning, house washing, pressure washing, and soft washing services, and holiday lighting and décor services. SS has offered franchises since September 2023. SS has never operated or offered franchises for a Lawn Doctor Business and has not offered franchises in any other line of business. As of December 31, 2023, there were no franchised Sparkle Squad businesses operating in the United States.

Except for LADO, MH, EM, Elite, SS, and the LLC affiliates identified below, LDI has no predecessors or affiliates disclosable in this Item. Most existing Strategic-Partners operate their Lawn Doctor Businesses under franchise agreements that are different from the Agreement attached to this Disclosure Document as Exhibit A.

You must comply with federal and state licensing and regulatory requirements for pesticide applicators, including the Federal Insecticide, Fungicide and Rodenticide Act. There may be other laws that apply to the Business, and you should investigate these laws.

### **Levine Leichtman Capital Partners (“LLCP”) Affiliate Franchise Programs**

#### **Our Affiliated Franchise Programs**

Through common ownership with investment funds controlled by LLC, an affiliate, we are affiliated with the franchise programs listed below. None of these affiliates has offered franchises in any line of business other than as listed below or conducted a Lawn Doctor Business:

- (1) Tropical Smoothie Cafe, LLC (“TSC”) franchises the right to develop and operate Tropical Smoothie Cafe restaurants (“Tropical Smoothie Cafe Restaurants”), which are customer-driven businesses that sell a variety of premium, handcrafted smoothies made with select fruit and vegetables blended fresh in the restaurant using proprietary recipes, as well as specialty sandwiches, flatbreads, wraps, and salads. TSC or its

predecessors have offered franchises since 1998. As of December 31, 2023, there were 1,371 franchised Tropical Smoothie Cafe Restaurants in operation in the United States. TSC's principal place of business is located at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338.

- (2) Kilwins Chocolates Franchise, Inc. ("Kilwins") franchises the right to operate a "Kilwins Full Line Chocolates, Confectionery & Ice Cream Store" or a "Kilwins Ice Cream & Chocolates Shop," which specializes in the sale of Kilwins-approved hand-crafted chocolates, Kilwins brand original recipe ice cream, fudge, and other confections. Kilwins has been operating stores since 1993 and franchising stores since March 1981. As of December 31, 2023, there were 164 Kilwins stores in operation in the United States. Kilwins' principal place of business is located at 1050 Bay View Road, Petoskey, Michigan 49770.

## **Item 2**

### **BUSINESS EXPERIENCE**

#### **Chief Executive Officer, Treasurer and Director: Scott D. Frith**

Mr. Frith was appointed Chief Executive Officer of LDI in December 2011. Mr. Frith also has been Chairman of MH, EM, and SS located in Holmdel, New Jersey, and Elite, located in Kingston, Ontario, since May 2018, May 2019, September 2023, and October 2022, respectively. He was LDI's Vice President of Marketing and Franchise Development from July 2005 to December 2011 and LDI's Marketing Director from February 2000 until December 2011. Mr. Frith held various positions at LDI from November 1995 to February 2000, including Marketing Assistant and Marketing Operations Manager.

#### **Chief Financial Officer and Secretary: John (Jack) Miskin**

Mr. Miskin became LDI's Chief Financial Officer and Secretary in November 2016. Mr. Miskin also has been Chief Financial Officer and Secretary of MH, EM, and SS located in Holmdel, New Jersey, and Elite, located in Kingston, Ontario, since May 2018, May 2019, September 2023, and October 2022, respectively.

#### **Vice President of Marketing: Chris McGeary**

Mr. McGeary became LDI's Vice President of Marketing in April 2015. Mr. McGeary also has been Vice President of Marketing of MH and EM, located in Holmdel, New Jersey, and Elite, located in Kingston, Ontario, since May 2018, May 2019, and October 2022, respectively.

Vice President of Operations: David Newman

Mr. Newman became LDI's Vice President of Operations in October 2012. He previously served as LDI's Director of Field Support from December 2003 to October 2012 and Regional Business Consultant from December 1998 to December 2003.

Senior Vice President of Franchise Development: Eric Martin

Mr. Martin became LDI's Senior Vice President of Franchise Development in May 2017 and is based in Omaha, Nebraska. Mr. Martin also has been Senior Vice President of Franchise Development of MH, EM, and SS located in Holmdel, New Jersey, and Elite, located in Kingston, Ontario, since May 2018, May 2019, September 2023, and October 2022, respectively.

Director/Manager: Matthew Frankel

Mr. Frankel has served as a Director/Manager of LDI since February 2019. He is currently a Managing Partner at Levine Leichtman Capital Partners, located in Beverly Hills, California, with which he has been associated since 2010.

Director/Manager: David Wolmer

Mr. Wolmer has served as a Director/Manager of LDI since February 2019. He is currently a Partner, Co-Chief Operating Officer, and General Counsel of Levine Leichtman Capital Partners, located in Beverly Hills, California, with which he has been associated since 2008.

Director/Manager: Greg Flaster

Mr. Flaster has served as a Director/Manager of LDI since January 2020. He is currently a Managing Director of Levine Leichtman Capital Partners, located in Beverly Hills, California, with which he has been associated since May 2019.

**Item 3**

**LITIGATION**

Anthony O. Hurman Jr. and Candace M. Hurman v. Mosquito Hunters, LLC, Scott D. Frith and Andy Fuller (American Arbitration Association, Case Number 1-22-005-2915, filed on December 19, 2022). The claimants, a former Mosquito Hunters franchisee, allege that the respondents fraudulently induced them into signing a franchise agreement and then subsequently breached the agreement. They seek compensatory damages of \$150,000, punitive damages, arbitration costs, and attorneys' fees and costs. On March 14, 2024, Mosquito Hunters, LLC filed a counter-demand against the claimants seeking damages of at least \$100,000 for their abandonment of their franchise and breach of their covenant not to sue. Mosquito Hunters, LLC, Mr. Frith, and Mr. Fuller deny the claims made against them and intend to defend against them vigorously. Hearings are scheduled for mid-September 2024.

Other than this action, 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**

The initial franchise fee you must pay LDI is comprised of the following components: (1) an initial license fee of \$45,000 for the right to use the Marks during the term of the Agreement; (2) an initial training, supply and support fee of \$70,600, which is used to cover costs incurred in providing marketing programs, initial training, guidance and assistance, advertising and sales promotion support, set-up of bookkeeping systems, office supplies, hand tools and accessories, and repair parts; (3) a nonrefundable deposit of \$3,350 for the Turf Tamer Stand-On Applicator Lease; and (4) a nonrefundable deposit of \$3,050 for the Turf Tamer Power Seeder Lease. You must pay LDI this nonrefundable initial franchise fee of \$122,000 in full when you sign the Franchise Agreement and related leases. In certain states where agronomic conditions are not conducive to a seeding program (as determined by LDI), the Turf Tamer Power Seeder is removed from the initial franchise package and the initial franchise fee is reduced to \$118,950.

The initial franchise fee is uniform for all Strategic-Partners. LDI is a participant in the “VetFran,” “MinorityFran,” “Green Fran,” and “First Responder” Initiatives and offers a 10% reduction in the \$45,000 initial license fee portion of the initial franchise fee to qualified U.S. military veteran, minority, Green Industry, and First Responder candidates, respectively (but these discounts cannot be combined).

If you operate an existing Lawn Doctor Business, are in compliance with the terms of all agreements with LDI, are in sound financial condition, and have demonstrated a desire and ability to make the commitment of time and capital necessary to operate an additional Lawn Doctor Business, LDI may offer you the right to operate an additional Lawn Doctor Business under a separate franchise agreement for a reduced initial franchise fee. If you sign such a franchise agreement, you will pay an initial franchise fee of \$25,000 that entitles you to operate the Lawn Doctor Business using the Marks in the Territory granted under the new agreement. You will not receive for that additional Lawn Doctor Business the standard initial training, support and supplies which LDI provides to new Strategic-Partners. You must pay the entire initial franchise fee for the additional Lawn Doctor Business when you sign the franchise agreement, although financing is available.

LDI also offers a reduced initial franchise fee to employees of Strategic-Partners who have 5 years of experience in the Lawn Doctor system and qualify to become Strategic-Partners.

The initial franchise fee is reduced by \$10,000 for qualified employees. The initial franchise fees LDI received during its 2023 fiscal year ranged from \$103,950 to \$117,000.

LDI currently has a policy under which it pays a \$15,000 referral fee to any Strategic-Partner, LDI employee or vendor who refers to LDI a candidate who (i) is not currently in the Lawn Doctor system, (ii) has not previously inquired about becoming a Strategic-Partner, and (iii) later becomes a Strategic-Partner. LDI may amend or cancel this policy in the future.

If you voluntarily choose to add the HLH Service Line to your Lawn Doctor Business when you sign the franchise agreement (or at a later time), you must pay LDI a \$10,000 service line fee when you sign the HLH Service Line FA Amendment. You also must pay LDI \$6,000 during November and December—when you are about to begin offering the HLH Service Line to customers—for advertising and marketing to drive media-based leads specific to the offer, sale, and provision of HOLIDAY LIGHTING HEROES holiday lighting and décor services in your Territory.

**Item 6**

**OTHER FEES**

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks*
Royalty and Service Fee	10% of Net Revenues	Payable weekly on the Net Revenues of the preceding week	“Net Revenues” are the actual gross revenues collected from customers, whether for cash or credit, plus all other revenues derived from the Business, excluding taxes collected from customers, and refunds and adjustments.
Technology Fee	Currently starts at \$150 with a scheduled increase to \$250 (subject to additional potential increases—see “Remarks” column)	Payable monthly	The Technology Fee currently is \$150 per month until the cumulative Net Revenues of your Business reach \$1,000,000, at which time the Technology Fee is currently scheduled to increase to \$250 per month (provided, however, that LDI reserves the right, in its sole judgment, to increase the monthly Technology Fee from time to time during the Franchise Agreement’s term, not to exceed \$500 per month). The first monthly payment is not due until your Business commences operations.

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks*
Out-of-Territory Royalty Fee	15% of Net Revenues earned outside of Strategic-Partner's Territory	Same as Royalty and Service Fee	The 15% Out-of-Territory Royalty is paid in addition to the 10% of Net Revenues paid for the Royalty and Service Fee.
Local Marketing Fund	Maximum of 5% of Net Revenues	To be determined (See note 1)	LDI may require Strategic-Partners to establish local marketing funds. You must contribute the amount determined by a majority vote of Lawn Doctor Businesses in your local fund. Your contribution will be credited against the amount you are required to spend in your Territory (see below).
Marketing and Promotion Fund	Maximum of 5% of Net Revenues (See notes 2 and 3)	Payable weekly together with the Royalty and Service Fee	LDI will maintain one or more national and regional marketing funds directed by LDI. Your contribution to this Marketing Fund will be credited against the amount you are required to spend in your Territory. LDI will specify the amount of your contribution at least 30 days before the start of any Marketing Fund.
Local Advertising	Unspent amount of required local advertising activities	Within 60 days after end of calendar year	You must spend each calendar year during the franchise term (beginning in the first full calendar year after you sign the Agreement) the greater of \$30,000 or 10% of your Net Revenues to market your Business in your Territory. If you fail to do so, you must pay LDI the unspent amount. To the extent LDI does not spend any advertising amounts included in the initial franchise fee within the first operational year of your Business, LDI will spend the balance in the subsequent calendar year and apply that balance toward your annual local marketing and promotion expenditures in that year.

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks*
Centrally Managed Media Boost Program	\$5,000	As incurred	Payable only if you begin operations after the optimal season starting point and elect to invest into supplemental corporate-directed media programs to drive media-based leads (the “Centrally Managed Media Boost Program”). There is no obligation to participate in this optional program.
HLH Service Line Advertising/Marketing	Greater of \$6,000 or 5% of immediately-preceding calendar year’s Net Revenues from offer, sale, and provision of HOLIDAY LIGHTING HEROES holiday lighting and décor services by your Lawn Doctor Business.	50% payable to LDI by 2 <sup>nd</sup> Friday of each November, and the remaining 50% payable by the 2 <sup>nd</sup> Friday of each December	LDI uses money to drive media-based leads specific to offer, sale, and provision of HOLIDAY LIGHTING HEROES holiday lighting and décor services in your Territory. (This advertising/marketing obligation is calculated on an aggregate basis across all of your franchises.)
Call Center Fees	Currently \$750 per month (monthly charge begins after your 1st year of operation).	Monthly	During the 1st year of operation, the fixed monthly fees are included in initial franchise fee.  We have the right to increase the Call Center Fees due to increased costs or for other reasons. However, we currently do not expect that Call Center Fees will exceed \$1,000 per month
Turf Tamer Stand-On Applicator Lease	\$335.40, plus sales tax	Monthly	Payment is due to LDI over an 84-month period. You may elect to pay the rent in a lump sum payment of \$22,350, payable to LDI when you sign the lease.



Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks*
Turf Tamer Power Seeder Lease	\$305.96, plus sales tax	Monthly	Payment is due to LDI over a 72-month period. You may elect to pay the rent in a lump sum payment of \$18,700, payable to LDI when you sign the lease.  If you live in an area of the country where agronomic conditions are not conducive to seeding, you will not acquire a Turf Tamer Power Seeder.
Transfer Fee	75% of the then-current initial license fee component of the initial franchise fee payable by a Strategic-Partner who is new to the Lawn Doctor system	10% of the then-current initial license fee component of the initial franchise fee is payable when you declare your intent to sell your Business; the remaining amount is due before the transfer is completed	Due when you transfer the Business or a controlling ownership interest in the Business is transferred.  The 10% amount is not refundable if you do not complete the transfer.
Broker Fee	Then-current amount (currently \$25,000)	As incurred	Due if we engage a third-party broker or consultant on your behalf to assist in selling your Business.
Interest on Late Payments	Highest legal rate for open account business credit, not to exceed 1.5% per month	As incurred	LDI's current policy is to charge interest at the rate of 1% per month, but this policy is subject to change at any time.
Inspections and Audits	Cost of an audit (amount of which depends on circumstances and extent of your non-compliance)	Within 15 days after receipt of the inspection or audit report	Payable only if audit shows an understatement of at least 3% of Net Revenues, or if you fail to furnish reports and other information.
Indemnification	Will vary under circumstances and depend on nature of third-party claim	As incurred	You must reimburse LDI if LDI is held liable for claims arising from your operation of the Business.
Costs and Attorneys' Fees	Will vary under circumstances and depend on nature of your non-compliance	As incurred	You must reimburse LDI for fees and costs it incurs from your failure to make payments, submit reports or comply with the Agreement.

Column 1	Column 2	Column 3	Column 4
Type of Fee	Amount	Due Date	Remarks*
Fine for Failure to Provide Materials for Inspection	\$500 per day	As incurred	You must pay LDI \$500 for each day you fail to provide any books, records, or other requested materials for inspection, plus LDI's reasonable expenses resulting from the delay.
Fine for Use of Unauthorized Advertising	\$250	As incurred	Fine is assessed on a per item and per occurrence basis.
Customer Complaint Reimbursement	Out-of-pocket cost reimbursement	As incurred	To satisfy complaints by your customers with regard to the quality or other aspects of your services, LDI may refund any fees or charges and reimburse your customers for any damage that they claim you or your employees caused to their property. LDI may charge you for any amounts it pays or refunds to your customers in order to reimburse itself.
Tax Reimbursement	Cost reimbursement	As incurred	You must reimburse LDI for any taxes it must pay to any state taxing authority on account of either your operations or your payments to LDI.

\* Unless noted, the payments described on this chart are nonrefundable, currently are uniformly imposed, and are not collected in whole or in part on behalf of any party other than LDI.

1. As of the issuance date of this Disclosure Document, there are no local marketing funds.
2. As of the issuance date of this Disclosure Document, there are 15 regional Marketing Funds in: Atlanta, GA; Baltimore, MD; Chicago, IL; Colorado Springs, CO; Dallas, TX; Denver, CO; Lancaster, PA; Nashville, TN; New York, NY (2 regional funds); Philadelphia, PA; Raleigh, NC; Richmond, VA; Roanoke, VA; and Washington, DC. If the Business is located in an area where there is a regional Marketing Fund, you will pay 5% of your Net Revenues to that Marketing Fund. LDI does not have any company-owned Lawn Doctor Businesses; therefore, LDI does not have any voting power on the advertising contributions charged by any local Marketing Funds.
3. You must participate in a national Marketing Fund. LDI began collecting national Marketing Fund contributions from franchisees in January 2018. LDI bases, and has based, a franchisee's required weekly contributions to the national Marketing Fund for a calendar year on the franchisee's Net Revenues during the previous calendar year, as follows:

Calendar Year	Yearly Net Revenues	Contribution to national Marketing Fund
2023	Under \$175,000 during 2022	2% of Net Revenues
	Over \$175,000 during 2022	Approximately \$106 per week (\$5,500 annually)
2024	Under \$175,000 during 2023	2% of Net Revenues
	Over \$175,000 during 2023	Approximately \$106 per week (\$5,500 annually)
2025	Under \$175,000 during 2024	2% of Net Revenues
	Over \$175,000 during 2024	Approximately \$106 per week (\$5,500 annually)

You must contribute the above amounts to the national Marketing Fund for each Territory in which you operate the Business. LDI exempts new Lawn Doctor Businesses (or additional territories acquired by existing Lawn Doctor franchisees) from contributions to the national Marketing Fund in both their first partial and their first full calendar years of operations (i.e., if you open your Business during 2024, you need not pay LDI any national Marketing Fund contributions during 2024 or 2025). If the Business is located in an area where there is a regional Marketing Fund, LDI will adjust your contributions to that regional Marketing Fund so that your total contributions to the Marketing Fund (both regional and national) do not exceed 5% of the Business's Net Revenues. In no event will national Marketing Fund contributions for your Territory exceed 5% of the Business's Net Revenues.

*[Item 7 begins on next page]*

**Item 7**

**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Column 1 Type of Expenditure*	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Initial Franchise Fee (Total) <sup>1</sup>	\$118,950 to \$122,000 consisting of:	Cash or financed as described in <u>Item 10</u>	Upon your signing the Agreement	LDI
- Initial License Fee	- \$45,000			
- Initial Marketing Program, Training Supply and Support Fee <sup>2</sup>	- \$70,600			
- Turf Tamer Stand-On Applicator Lease Deposit	- \$3,350			
- Turf Tamer Power Seeder Lease Deposit	- \$0 to \$3,050 (not applicable in certain situations)			
Service Vehicle <sup>3</sup>	\$1,430 to \$1,500	As agreed	Monthly lease payments	Supplier
Shipping of Turf Tamer Power Seeder <sup>4</sup>	\$0 to \$500	Cash	Upon shipment	LDI
Computer Software <sup>5</sup>	\$225	Cash	Initial payment and monthly payments	Supplier
Computers <sup>6</sup>	\$0 to \$2,000	As incurred	As agreed	Suppliers
Opening Inventory	\$500	Cash	As incurred	Suppliers
Rental Space <sup>7</sup>	\$0 to \$3,000	As agreed	Monthly lease payments	Landlord
Training Expenses (per attendee) <sup>8</sup>	\$1,900 to \$2,400	As incurred	As agreed	Suppliers
Utility/Security Deposit	\$200	As incurred	As agreed	Suppliers
Insurance <sup>9</sup>	\$350 to \$650	As incurred	As agreed	Suppliers

Column 1 Type of Expenditure*	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Additional Funds - 3 Months <sup>10</sup>	\$9,920 to \$16,052	As incurred	As incurred	Marketing, utilities, vendors, insurer, employees, and transportation
TOTAL ESTIMATED INITIAL INVESTMENT FOR LAWN DOCTOR BUSINESS <sup>11</sup>	\$133,475 to \$149,027			

**ADDITIONAL ESTIMATED INITIAL INVESTMENT  
(If you add Holiday Lighting Heroes Service Line)**

Column 1 Type of Expenditure*	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Service Line Fee	\$10,000	Lump Sum	Upon your signing the HLH Service Line FA Amendment	LDI
Opening Holiday Lighting Inventory	\$6,000 to \$14,000	Cash	As incurred	Suppliers
Start-Up Equipment Package	\$2,400 to \$2,800	Cash	As incurred	Suppliers
Uniforms	\$250 to \$500	Cash	As incurred	Suppliers
Insurance <sup>9</sup>	\$1,000 to \$5,000	As incurred	As agreed	Suppliers
Training Expenses <sup>8</sup>	\$600 to \$2,000	As incurred	As agreed	Suppliers
Computer Software <sup>5</sup>	\$952	Cash	Monthly	Suppliers
Initial Advertising/Marketing	\$6,000	Cash	50% in November and 50% in December	LDI

Column 1 Type of Expenditure*	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Additional Funds - 3 Months <sup>10</sup>	\$500 to \$1,000	As incurred	As incurred	Marketing, utilities, vendors, insurer, employees, and transportation
TOTAL ESTIMATED INITIAL INVESTMENT TO ADD HLH SERVICE LINE <sup>11</sup>	\$27,702 to \$42,252			

Column 1 Type of Expenditure*	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
TOTAL ESTIMATED INITIAL INVESTMENT FOR LAWN DOCTOR BUSINESS WITH HLH SERVICE LINE ADDED <sup>11</sup>	\$161,177 to \$191,279			

Footnotes to Item 7 Chart

- \* Except for security deposits, all other amounts are nonrefundable.
1. The low end of the estimate applies to a Strategic-Partner who qualifies for one of the initial franchise fee discounts LDI offers and that Strategic-Partner's Territory is located in an area where agronomic conditions are not conducive to a seeding program (as determined by LDI), in which case LDI will remove the Turf Tamer Power Seeder from the initial franchise package. Item 5 contains additional information on the circumstances under which these discounts and fee reductions apply to Strategic-Partners. Your initial franchise fee may be lower if you operate an existing Lawn Doctor Business and are acquiring a franchise to operate an additional Lawn Doctor Business.
  2. The initial marketing program includes monthly fees associated with your participation in an LDI-sponsored or operated Call Center to handle inbound sales opportunities for the first 12 months you operate the Business.

3. This estimate assumes you will lease the Service Vehicle used in the Business from LDI's approved supplier. This figure covers lease costs for the first month. (The typical 72-month lease requires monthly payments of approximately \$1,430 to \$1,500.)
4. You are responsible for the costs LDI incurs to pack and ship your Turf Tamer Power Seeder to the Business (if applicable). The cost depends on current packing and shipping costs and the distance of the Business from LDI's manufacturing facility.
5. You must license from the supplier LDI designates a computer software program suited for use by lawn care businesses to use in the Business. You must sign an agreement with the designated supplier and pay the designated supplier a monthly license and support fee, which is currently equal to \$225 per month. For the HLH Service Line, you must acquire the Holiday Home Concepts software (approximately \$130 per month) and the Serviceminder software (approximately \$54 or \$189 per month depending on whether in-season or off-season).
6. You must have available or purchase computer hardware and software for the Business according to LDI's standards and specifications, including a computer, monitor, printer, Microsoft Office, QuickBooks Online (to manage certain financial aspects of the Business and to transmit required reports to LDI), and all consumables, including ink and paper. You also must pay the QuickBooks Online ongoing monthly fee (currently \$85 per month). You must purchase peripheral devices such as telephones and connectivity (broadband, DSL, and cable).
7. In many instances, you may initially operate the Business from your home. If you do not have adequate office and storage space for equipment and materials, it should be available at a low rental given the limited space required (approximately 12' x 20'). We estimate monthly rental payments to be between \$0 and \$3,000 depending on the location. The low end of the range assumes you will operate the Business from your home with adequate office and storage space; the high end of the range assumes 1 month's rent for office and storage space at a cost of \$3,000.
8. You may designate up to 2 persons to participate in LDI's mandatory training program, but at least one person (the principal owner) is required to attend the initial training program. Training for the HLH Service Line typically will be held separately from the training for the main Laun Doctor Business.
9. You must obtain and maintain the insurance coverage that LDI periodically specifies, including general liability, workers compensation, and motor vehicle liability insurance. Insurance costs will vary considerably by state and depend on policy limits, types of policies, nature and value of physical assets, gross sales, number of employees, location, business contents, and other factors affecting risk exposure. These estimates contemplate monthly costs, although payment terms will vary by provider. We describe our current insurance requirements in Item 8. There will be an incremental cost for general liability and workers compensation insurance for the HLH Service Line.

10. This estimates the funds needed to cover your additional initial expenses for the first 3 months of operation. Additional funds are for the following: Opening expenses (about \$1,000); labor costs/sales commissions (about \$4,000 for part-time assistance in sales and/or servicing); Service Vehicle lease payments for second and third months of operation (\$2,860 to \$3,000); monthly license and support fee payable in the second and third months (\$450); rental space lease payments for second and third months of operation (\$0 to \$6,000); Technology Fees paid to LDI (\$450 for the first 3 months of operations); plus other miscellaneous expenses (about \$1,400). These figures are estimates and LDI cannot guarantee you will not have additional expenses during the first 3 months you operate the Business and for a longer time period after that. This 3-month period is not intended, and should not be interpreted, to identify a point at which the Business will break even. Some of these expenses, particularly labor, will be affected by your locale and the season when the Business opens.
11. In compiling these amounts for the Lawn Doctor Business, LDI has relied on its experience in the lawn care business since 1967 and on reports from Strategic-Partners who have recently begun operation. In compiling these amounts for the HLH Service Line, LDI has relied on the experience of several franchisees who offered holiday lighting and décor services for 2 years as part of a pilot program. You should review these figures carefully with a business advisor before deciding to acquire a franchise for the Business.

### **Item 8**

#### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

Many of the items and services you will need for the Business must be purchased or leased from LDI or from sources LDI has designated or approved or must meet specifications set by LDI. LDI will provide you with a list of approved products and supplies, and a list of approved and designated suppliers, and will occasionally revise those lists. LDI estimates that source-restricted purchases for a Lawn Doctor Business will equal approximately 90 to 95% of your cost of establishing the Business and 50 to 60% of your ongoing costs. One or more of LDI's officers have a financial interest in LDI, which is the sole source of many of the items and services you will need for the Business. No officer of LDI currently owns an interest in any other supplier. LDI and its affiliates are not designated or approved suppliers for the equipment or materials you will need if you choose to offer the HLH Service Line. However, you must pay LDI certain fees for advertising and marketing services to drive media-based leads specific to the offer, sale, and provision of HOLIDAY LIGHTING HEROES holiday lighting and décor services in your Territory (as described in Items 5, 7, and 11).

You are required to use the Turf Tamer Stand-On Applicator and Turf Tamer Power Seeder which LDI developed. Due to certain characteristics of this equipment, you must obtain this equipment only from LDI. LDI has not approved any other source from which you may acquire this equipment. LDI may modify and/or substitute any of the equipment you are required to use in the Business, including any of the delivery devices used to apply chemicals to customers' lawns. LDI may also require you to lease additional Turf Tamer Stand-On Applicator



equipment depending upon the concentration of your customers and your volume of sales. During the term of the Equipment Leases, you must: (1) maintain the Turf Tamer Stand-On Applicator and Turf Tamer Power Seeder in good repair and working order and purchase all major replacement parts for them from LDI at LDI's selling price plus a reasonable handling charge, or from approved manufacturers (LDI has not approved any other source for the major replacement parts at this time); (2) maintain title to the Turf Tamer Stand-On Applicator and Turf Tamer Power Seeder exclusively in LDI (or its lessor under a lease-financing agreement) at your own cost and expense; (3) maintain adequate insurance on the Turf Tamer Stand-On Applicator and Turf Tamer Power Seeder and pay all related taxes; and (4) upon termination of the Equipment Leases, immediately ship or store the Turf Tamer Stand-On Applicator and Turf Tamer Power Seeder according to LDI's instructions.

You must purchase computer hardware and software for the Business according to LDI's standards and specifications. The computer hardware and software must be functional with (1) the lawn care business management computer software program provided by the supplier LDI designates and, if you choose to offer the HLH Service Line, (2) the software LDI requires for the holiday lighting and décor design, installation, and maintenance business. LDI may require you to use designated and approved brands, types, makes and models of computer hardware (including printers) in connection with the computer software programs. LDI also may require you to use designated accounting professionals to ensure your required reports and financial statements are prepared properly.

You must lease at least one vehicle (the "Service Vehicle") that is suitable for transporting various lawn equipment, holiday lighting and décor materials (if you choose to offer the HLH Service Line, supplies, and materials needed to operate the Business and which meets LDI's specifications. You must order the Service Vehicle from LDI's approved supplier to ensure it complies with LDI's standards and specifications. You also must: (1) take delivery of the Service Vehicle immediately following the completion of training school; (2) maintain the condition and appearance of the Service Vehicle and equipment consistent with the professional image of the Business; (3) not use the Service Vehicle and equipment for any purpose other than the operation of the Business; (4) display on the Service Vehicle and equipment only the Marks and LDI-approved signs, emblems, lettering and logos; and (5) not sell or transfer the Service Vehicle (other than to LDI) without first removing all of the Marks from the Service Vehicle. LDI will outfit your Service Vehicle for the Business and provide all related materials. The leasing company will pay LDI for those services and materials and roll those costs into your lease payments.

LDI has the right, directly and/or through a designated source (including an affiliate), to develop, implement, operate, maintain, and improve a call center (the "Call Center") for the marketing, customer solicitation and engagement, transaction processing, and other purposes LDI periodically specifies. You must use and allow the use of the Call Center in your Business and comply with LDI's standards, specifications, and operating procedures for participation in and operation of the Call Center. LDI or the other designated source will charge various Call Center fees.

You must maintain in force the insurance coverage that LDI requires from time to time and meet the other insurance related obligations in the Agreement. Such insurance must include comprehensive general liability, products liability, completed operations liability, motor vehicle liability, and workers' compensation. All such policies must be with carriers acceptable to LDI, must provide coverage on an occurrence basis, and must insure against claims for injury, death and property damage arising from the Business. Periodically, LDI will specify the required amount of coverage. Currently, general liability insurance must be not less than \$1,000,000 combined single limit for each occurrence and \$2,000,000 combined single limit aggregate; products and completed operations liability must not be less than \$1,000,000 combined single limit aggregate; motor vehicle liability must not be less than \$1,000,000 combined single limit aggregate; and workers' compensation must be the greater of LDI's then-current requirements or as required by state law. LDI must be named an additional insured grantor. The types and amounts of coverage are subject to change by LDI. If you choose to offer the HLH Service Line, you will incur incremental costs for the insurance premiums.

Except as described above, there are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business that you currently must buy or lease from LDI (or LDI's affiliate), from designated or approved suppliers, or according to LDI's standards and specifications.

If you wish to use any type or brand of product or supply item, or purchase products or supplies from a supplier, that is not currently approved by LDI, you must notify LDI of your desire to do so and submit to LDI specifications, photographs, samples and other information requested by LDI. You are not required to pay a fee to secure supplier approval. LDI will, within 30 days, determine whether the products, supplies or the supplier meet its specifications and standards. LDI develops its specifications and lists of approved suppliers through internal and field testing, consultations with Strategic-Partners and suppliers, review of industry and trade association information, and other means. LDI may revoke supplier approval in a written notice, a copy of which will be provided to you. LDI may limit the number of approved suppliers with whom you may deal, designate sources that you must use, and/or refuse any of your requests for any reason, including that LDI has already designated an exclusive source (which might be LDI or LDI's affiliate) for a particular item or service. For example, if LDI designates a buying marketplace (which may be developed and/or operated by LDI or its affiliate), you must buy the products and services LDI requires through that marketplace. To the extent that LDI has developed criteria for suppliers, they are not available for review by Strategic-Partners.

In some regions, Strategic-Partners have established buying groups to purchase chemicals, materials, and supplies from vendors. LDI has not established any purchasing or distribution cooperatives. LDI has negotiated purchasing arrangements (including price terms) with suppliers who provide printed materials and Service Vehicles to Strategic-Partners (although there are no direct or indirect financing arrangements in place with the Service Vehicle lessor). LDI and its affiliates may receive payments from designated and approved suppliers on account of Strategic-Partner purchases of required and approved items from those suppliers. LDI and its affiliates have the right to receive payments from suppliers on account of their actual or prospective dealings with LDI, you, and other Strategic-Partners and to use all amounts that LDI

and its affiliates receive without restriction for any purposes LDI and its affiliates deem appropriate. LDI received approximately \$215,985 from approved suppliers during 2023 based on their sales to Strategic-Partners, which LDI currently plans to use for marketing and promotional purposes. LDI does not provide you with any material benefits based on your purchase of approved items or services or your use of approved suppliers.

LDI will derive revenue or other material consideration from its sale and lease of equipment, supplies and services to you. In the fiscal year ending December 31, 2023, according to LDI’s unaudited financial statements and internal records, LDI’s revenue from equipment leases was \$1,614,747, its revenue from parts, labor and services (including vehicle outfitting) was \$1,447,888 and its revenue from the Call Center was \$168,364, which collectively total \$3,230,999, or 9% of LDI’s total 2023 revenue of \$35,827,877.

**Item 9**

**FRANCHISEE’S OBLIGATIONS**

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

Obligation	Section in Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	1 of Agreement	11 and 12
(b) Pre-opening purchases/leases	7 of Agreement; 2 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease 7 and 9 of HLH Service Line FA Amendment	7, 8 and 10
(c) Site development and other pre-opening requirements	7 of Agreement	7, 8, 11 and 15
(d) Initial and ongoing training	2 of Agreement 5 of HLH Service Line FA Amendment	7 and 11
(e) Opening	1.C of Agreement	11

Obligation	Section in Agreement	Disclosure Document Item
(f) Fees	6, 7.F, 8, and 11.C of Agreement; 4 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease  6 and 10 of HLH Service Line FA Amendment	5, 6, 7, 8, and 10
(g) Compliance with standards and policies/operating manual	2.B and 7 of Agreement	8, 11, 13 and 16
(h) Trademarks and proprietary information	3 and 4 of Agreement  3 of HLH Service Line FA Amendment	13 and 14
(i) Restrictions on products/services offered	7.C of Agreement	8, 11 and 16
(j) Warranty and customer service requirements	7.F of Agreement	Not Applicable
(k) Territorial development and sales quotas	1.C of Agreement	12
(l) On-going product/service purchases	7 of Agreement  7 and 9 of HLH Service Line FA Amendment	8
(m) Maintenance, appearance and remodeling requirements	7 of Agreement, Turf Tamer Power Seeder Lease, and Turf Tamer Stand-On Applicator Lease	8
(n) Insurance	7.G of Agreement; 10 and 11 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease	6, 7 and 8
(o) Advertising	8 of Agreement  10 of HLH Service Line FA Amendment	5, 6, 8 and 11

Obligation	Section in Agreement	Disclosure Document Item
(p) Indemnification	5 of Agreement; 14 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease	6
(q) Owner's participation/management and staffing	7.H of Agreement	15
(r) Records and reports	9 of Agreement	Not Applicable
(s) Inspections and audits	10 of Agreement; 13 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease	6
(t) Transfer	11 of Agreement; 16 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease 11 of HLH Service Line FA Amendment	6 and 17
(u) Renewal	12 of Agreement; 5 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease 12 of HLH Service Line FA Amendment	17
(v) Post-termination obligations	14 of Agreement; 7 of Turf Tamer Stand-On Applicator Lease and Turf Tamer Power Seeder Lease	17
(w) Non-competition covenants	4 and 14.D of Agreement 1 of HLH Service Line FA Amendment	17
(x) Dispute resolution	15.F of Agreement	17

Obligation	Section in Agreement	Disclosure Document Item
(y) Call Center	8.A of Agreement	6, 8, and 11
(z) Compliance with customer complaint resolution procedures	7.F of Agreement	6

**Item 10**

**FINANCING**

You must enter into Equipment Leases before your initial training. The Turf Tamer Stand-On Applicator Lease requires you to pay a nonrefundable deposit of \$3,350 as part of the initial franchise fee and provides for a monthly payment of \$335.40, plus sales tax, to LDI over an 84-month period. You may elect to pay the rent due under the Turf Tamer Stand-On Applicator Lease in a lump sum payment of 22,350, payable to LDI when you sign the lease. The Turf Tamer Power Seeder Lease requires you to pay a nonrefundable deposit of \$3,050 as part of the initial franchise fee and provides for a monthly payment of \$305.96, plus sales tax, to LDI over a 72-month period. You may elect to pay the rent due under the Turf Tamer Power Seeder Lease in a lump sum payment of \$18,700, payable to LDI when you sign the lease. Payments under the Equipment Leases begin 365 days after you complete initial training. The Turf Tamer Stand-On Applicator Lease has a 7-year term with a right to renew for an additional term. The Turf Tamer Power Seeder Lease has a 6-year term with a right to renew for an additional term. At renewal, you will have the option of either: retaining the equipment without any additional charges; or returning the equipment in exchange for new equipment, with the payment of then-current lease charges. You cannot assign the Equipment Leases without LDI’s approval. Under the Equipment Leases, LDI retains title to the equipment, but LDI may, at its sole option, require you to sign and file a Form UCC-1 in all applicable jurisdictions. Because you do not have title in the equipment, and except as provided in this Item, LDI does not require you to grant it a security interest in the equipment. The Equipment Leases are terminable if you: fail to make a lease payment within 10 days after the due date; fail to cure any default within 15 days after receiving notice; make an assignment for the benefit of creditors, file for bankruptcy protection, become insolvent or take other similar actions; or the Agreement is terminated. On default, all Equipment Lease payments are accelerated and become due immediately. Uncured Equipment Lease defaults allow LDI to terminate the Agreement.

LDI does not have any past or present practice or intent to sell, assign or discount to a third party, in whole or in part, any note, contract or other instrument you execute, but reserves the right to do so in the future. LDI does not receive any payments or other consideration, either directly or indirectly, from any third party for the placement of financing with such third party. Except as provided above, LDI does not offer direct or indirect financing. LDI does not guarantee your note, lease, or obligation.

## Item 11

### **FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEM, AND TRAINING**

**Except as listed below, LDI is not required to provide you with any assistance.**

Before you open the Business, LDI will:

- (1) Provide you with specifications, standards, operating procedures and specialized equipment for a Lawn Doctor Business and, if applicable, the HLH Service Line to protect the quality of LDI's products and services. (Agreement - Sections 7.A and 7.E)
- (2) Provide you with reasonable guidance in the development of the Business. (Agreement - Section 2.B)
- (3) Train you in the Lawn Doctor system (Agreement - Section 2.A) and, if applicable, the HLH Service Line. (HLH Service Line FA Amendment – Section 5)

During your operation of the Business, LDI will:

- (1) Provide you with guidance for the operation of the Business. LDI will provide guidance to you and supervisory employees through the Operating Manual (defined below) and, at its option, via telephonic conversations and consultation at LDI's offices or your office. (Agreement - Section 2.B)
- (2) Provide you access to the Operating Manual and, at its option, additional presentation materials and content on LDI's learning management system. (Agreement - Section 2.B)
- (3) Let you use the Marks. (Agreement - Section 3)
- (4) Disclose confidential information to you relating to the operation of the Business. (Agreement - Section 4)
- (5) Advise you of approved suppliers for a Service Vehicle and other items and required and authorized products and supplies. (Agreement - Section 7; HLH Service Line FA Amendment – Sections 7 and 9)
- (6) At LDI's option, establish a national and one or more regional or local Marketing Funds for marketing and promotional programs. (Agreement - Section 8) LDI currently administers regional Marketing Funds in Atlanta, GA; Baltimore, MD; Chicago, IL; Colorado Springs, CO; Dallas, TX; Denver, CO; Lancaster, PA; Nashville, TN; New York, NY; Philadelphia, PA; Richmond, VA; Roanoke, VA; and Washington, DC. LDI established a

national Marketing Fund and began collecting national Marketing Fund contributions from franchisees in January 2018.

- (7) LDI may assist you in establishing prices for authorized products and supplies.

Because Lawn Doctor Businesses provide services at customer locations and generally do not maintain physical sites, LDI does not have any site selection procedures or factors LDI considers in approving sites. Therefore, LDI does not have the right to terminate the Agreement if you and LDI cannot agree on a site.

### Operating Manual

LDI will provide you with access to one copy of the operating manual, which may include one or more separate manuals as well as compact disks, computer software, information available on an Internet site, other electronic media and/or written materials (the “Operating Manual”). The Operating Manual contains mandatory and suggested specifications, standards and operating procedures prescribed by LDI for the operation of a Lawn Doctor Business (and, if applicable, offering the HLH Service Line) and information about your other obligations under the Agreement so that the quality of LDI’s brand, products, and services is maintained. LDI may modify the Operating Manual, but this will not alter your fundamental status and rights under the Agreement. You must keep your copy of the Operating Manual current, but the master copy maintained by LDI at its principal office will be controlling. The Operating Manual is confidential, and you may disclose its contents only to your employees who need to know its contents to perform their jobs. You may not copy any part of the Operating Manual. The table of contents to the Operating Manual is attached as Exhibit H. As of the issuance date of this Disclosure Document, the Operating Manual contains approximately 2,300 total pages plus an additional 27 pages for the HLH Service Line.

At LDI’s option, LDI may post some or all of the Operating Manual on a restricted website or extranet to which you will have access. If LDI does so, you must monitor and access the website or extranet for any updates to the Operating Manual or system standards.

### Advertising

You must spend each calendar year during the franchise term (beginning the first calendar year after you sign the Agreement) the greater of \$30,000 or 10% of your Net Revenues for marketing and promotion in your Territory. This is in addition to your Call Center obligations. Within 60 days after the end of each year, you must submit to LDI a report detailing your marketing and promotion expenditures in your Territory during that year. If you fail to spend the required \$30,000 or 10% of your Net Revenues (whichever is greater) for marketing and promotion during any calendar year, you must pay LDI the unspent amount within 60 days after the calendar-year end. LDI may then use such monies for any marketing or promotional expense (whether national, regional, local or otherwise) at any time. To the extent LDI does not spend any advertising amounts included in the initial franchise fee within the first operational year of your Business, LDI will spend the balance in the subsequent calendar year and apply that balance toward your annual local marketing and promotion expenditures in that year. You must



submit for approval by LDI samples of all advertising and promotional materials. If you use any unapproved materials, LDI may assess a fine of \$250 per item per occurrence. You must comply with LDI's requirements, standards and specifications concerning Strategic-Partners' use of websites or other computer-based advertising to promote Lawn Doctor Businesses. You must submit proposed website information for LDI's approval before you implement a website, and LDI must approve any changes you make to a website. You may not in any event use the Marks in your domain name or electronic address. You must display the toll-free telephone number as the primary and dominant business phone number and display the number on all marketing materials and Service Vehicles.

LDI has the right, directly and/or through a designated source (including an affiliate), to develop, implement, operate, maintain, and improve the Call Center for the marketing, customer solicitation and engagement, transaction processing, and other purposes LDI periodically specifies. You must use and allow the use of the Call Center in your Business and comply with LDI's standards, specifications, and operating procedures for participation in and operation of the Call Center. LDI or the other designated source will charge various Call Center fees.

If LDI establishes a local marketing fund, you will be required to contribute a maximum of 5% of your Net Revenues to the local marketing fund. However, any contribution to the local marketing fund will be credited against the amount you are required to spend for advertising in your Territory. The amount of your contribution to the local marketing fund will be determined by a majority vote of Lawn Doctor Businesses in the area for your local marketing fund. As of the issuance date of this Disclosure Document, there are no local marketing funds. However, LDI has the power at any time to form, change, dissolve, or merge a local marketing fund.

LDI maintains and administers one or more national and regional marketing fund(s) (the "Marketing Fund") for national and regional marketing and promotional programs. You must contribute to these Marketing Funds an amount LDI establishes, although these contributions will not exceed 5% of your Net Revenues. LDI will specify the amount of any contributions on at least 30 days' notice. You must contribute to the Marketing Fund on a weekly basis, together with the royalty and service fee. Your contributions to the Marketing Fund will be credited against the amount you are required to spend for advertising in your Territory. There might be Strategic-Partners contributing to the Marketing Fund at different rates because they operate under different forms of franchise agreement. In 2023, LDI used certain commissions it received from suppliers for marketing and promotional programs, but LDI and its affiliates have the right to use all amounts that LDI and its affiliates receive from suppliers on account of their actual or prospective dealings with LDI, you, and other Strategic-Partners without restriction for any purposes LDI and its affiliates deem appropriate. The 13 regional Marketing Funds are listed in both Item 6 and this Item (above). LDI also administers a national Marketing Fund and began collecting national Marketing Fund contributions from franchisees in January 2018. If the Business is located in an area where there is a regional Marketing Fund, LDI will adjust your contributions to that regional Marketing Fund so that your total contributions to the Marketing Fund (both regional and national) do not exceed 5% of the Business's Net Revenues.

LDI will direct all advertising programs financed by the Marketing Fund and will control creative concepts, materials, endorsements and offers. The Marketing Fund may pay for

preparing and producing advertising, marketing, and promotional content and related materials; administering, directing, and preparing regional and multi-regional advertising and marketing programs; supporting public relations, market research, and other advertising, marketing, and promotional activities; supporting centralized platforms, such as reputation management and referral platforms, Search Engine Optimization, and third-party conversion rate optimization software; and consulting and web development as are necessary to manage and administer marketing campaigns and programs. LDI may also use the Marketing Fund to pay for a toll-free telephone number program and on-line Internet advertising and marketing, including Facebook, Twitter, and other social media, and to pay for click-through charges to search engines, banner advertising sources, and advertising host sites (“social media” includes personal blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). Currently, LDI’s wholly-owned subsidiary, LADO, advances the costs to purchase advertising, marketing and promotion content on behalf of the Marketing Fund. The Marketing Fund reimburses LADO for the costs of purchasing the advertising, marketing and promotional content on an annual basis. If the Marketing Fund does not receive enough contributions to reimburse LADO during the calendar year, then the balance will carry over to the following year. The Marketing Fund will be accounted for separately from all other funds of LDI and will not be used to defray LDI’s general operating expenses, except for salaries, administrative costs and overhead relating to the Marketing Fund and its marketing and promotional programs. The Marketing Fund is not LDI’s asset or a trust. LDI does not owe you fiduciary obligations because it maintains the Marketing Fund. LDI may spend in any fiscal year an amount greater or less than the aggregate contributions of Lawn Doctor Businesses contributing to the Marketing Fund in that year. LDI may make loans to the Marketing Fund (and the Marketing Fund may borrow from LDI or other lenders) bearing reasonable interest to cover any deficits of the Marketing Fund or cause the Marketing Fund to invest any surplus for future use. LDI will prepare an annual unaudited report of monies collected and costs incurred by the Marketing Fund and will make the report available for inspection by you. In the fiscal year ending December 31, 2023, the expenditures of the Marketing Funds (regional and National) were allocated as follows: more than 85% for media and less than 15% for creative, production, administrative, and other costs. Except for certain marketing materials that contain a statement regarding the availability of franchise opportunities, LDI does not use Marketing Fund monies for soliciting the sale of franchises.

LDI may incorporate the Marketing Fund or operate it through a separate entity whenever LDI deems appropriate. The Marketing Fund is intended to maximize general public recognition and patronage of Lawn Doctor Businesses and the Marks for the benefit of all Lawn Doctor Businesses. LDI undertakes no obligation to ensure that expenditures by the Marketing Fund are proportionate or equivalent to contributions by Lawn Doctor Businesses or that any Lawn Doctor Business will benefit directly or in proportion to its contribution to the Marketing Fund from the conduct of marketing programs or the placement of advertising.

LDI has the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund’s expense. LDI also may forgive, waive, settle and compromise all claims by or against the Marketing Fund.

LDI may at any time defer or reduce the Marketing Fund contributions of a Lawn Doctor Business and, upon 30 days' prior written notice to you, reduce or suspend Marketing Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If LDI terminates the Marketing Fund, LDI will distribute all unspent monies to all Lawn Doctor Businesses (whether franchised or operated by LDI or its affiliates) in proportion to their respective Marketing Fund contributions during the preceding 12-month period.

If you begin operations after the optimal season starting point, you may elect to pay LDI \$5,000 to invest in the Centrally Managed Media Boost Program; however, you are not obligated to participate in this optional program.

We utilize a national Marketing Fund committee, which is comprised of 3 members. The members are selected by the President's Advisory Council and approved by us. The national Marketing Fund committee serves only in an advisory capacity and has no decision-making authority. We have the power to form, change, or dissolve this committee at any time, at our discretion.

#### HLH Service Line

In addition to the advertising and marketing obligations describe above, if you choose to offer the HLH Service Line, you must spend each calendar year during the franchise term—specifically to market and promote your HLH Service Line—the greater of \$6,000 or 5% of the immediately-preceding calendar year's Net Revenues attributable to your HLH Service Line, You must pay LDI the applicable amount in 2 installments: 50% by the 2<sup>nd</sup> Friday of each November and the remaining 50% by the 2<sup>nd</sup> Friday of each December. LDI will use these monies to drive media-based leads specific to the HLH Service Line in your Territory.

#### Computer System

You must purchase or have available computer hardware and software for the Business that meets LDI's standards and specifications in order to operate the computer software programs described below. This includes a computer, monitor, printer, and third-party software, including Microsoft Office and QuickBooks Online.

You must sign an agreement with the suppliers LDI designates to license computer software programs suited for use by lawn care businesses to use in the Business (and, if applicable, to operate the HLH Service Line). The computer software program is designed for your use in the overall management and operation of the Business and to collect and generate lists of customers and prospects, direct mail programs, accounting management information, data to track revenues from the Business, schedule of services, GPS directions, customer inquiries and similar information. This computer software program currently consists of Service Assistant (one user license), Routing Assistant, Customer Assistant Website, and Mobile Live (one user license), and, if you offer the HLH Service Line, Holiday Home Concepts and Serviceminder software.

You must pay the designated supplier of the lawn care-related software a monthly license and support fee currently equal to \$225 per month. If applicable, you must pay the designated suppliers of the HLH Service Line software monthly license fees currently equal to approximately \$319 per month. Other than these fees and the agreements you sign with the designated suppliers, there are no service contracts and no expected annual costs for optional or required maintenance, repairs, upgrades, or updates related to the computer software programs (and therefore no other third parties have any contractual right or obligation to provide them).

Besides paying third-party suppliers the monthly license and support fees, you must pay LDI monthly Technology Fees to fund the technology expenditures LDI deems best for LAWN DOCTOR Businesses. The Technology Fee currently is \$150 per month until the cumulative Net Revenues of your Business reach \$1,000,000, at which time the Technology Fee is currently scheduled to increase to \$250 per month (provided, however, that LDI reserves the right, in its sole judgment, to increase the monthly Technology Fee from time to time during the franchise term). The first Technology Fee payment is due in the calendar month in which your Business commences operations. Each subsequent Technology Fee payment is due no later than the tenth day of each subsequent calendar month. LDI has the right to allocate and spend Technology Fees in its sole judgment, including for salaries, wages, and benefits, direct technology program costs, and overhead expenses for technology-related activities. The Technology Fee is in addition to any other costs you incur for the Software Program or other computer hardware or additional software. LDI has no obligation to account to you or other franchisees for its use of Technology Fees or to ensure that you or your Business benefits directly or pro rata based on your Technology Fee payments.

Except as described above, neither LDI nor the third parties whose products you buy have any contractual right or obligation to provide ongoing maintenance, repairs, upgrades, or updates to the computer hardware and compatible software, unless you obtain a service contract or a warranty covers the product.

You may also be required to incur reasonable costs to purchase or lease new or modified computer hardware and software for use with the computer software programs described above. There are no contractual limitations on the frequency and cost of this obligation. You will also sign the Extranet Agreement (Exhibit F). LDI will have unlimited independent access to all information and data that your computer system generates and stores, including all data derived from the computer software program. LDI estimates the cost of any computer hardware and software, including peripheral devices and software in addition to the software provided by the designated supplier, to be \$2,000 (plus a QuickBooks Online ongoing monthly fee, which is currently \$85 per month). Because of varying market conditions and types of maintenance and support contracts, LDI is unable to estimate the annual cost of any optional maintenance, updating, upgrading, or support contracts.

### Business Opening

You select the Territory for your Business, subject to LDI's approval. While there is generally an interval of 30 to 60 days between the execution of the Agreement and the opening of the Business, you must commence pre-opening marketing efforts for your Business to LDI's

satisfaction within 15 days after you complete LDI's training program. Upon your request, LDI may, at its sole option, grant you an extension of the 15-day period. LDI may terminate the Agreement if you do not comply with the opening deadline specified above. The interval also will vary depending upon the availability and delivery of the Turf Tamer Stand-On Applicator. LDI does not expect you to begin operating the HLH Service Line, if applicable, until the holiday season approaches (typically in September).

## Training

### *Lawn Care and Related Services*

You may designate up to 2 persons (the principal owner is required to attend) to participate in LDI's mandatory training program. The program will be conducted 5-6 times per year. You will be responsible for all travel and living expenses in connection with the training program. If you or your designee do not satisfactorily complete the training program, you or your designee must attend the next initial training program at your expense. There is no specific timeframe after signing the Agreement or before opening the Business within which you must complete training. If you or your designee's performance in the additional training program is unsatisfactory, LDI may terminate the Agreement effective upon delivery of notice of termination to you. LDI may require that you and your supervisory personnel complete supplemental and refresher training programs, to be furnished without charge, at designated locations. You must pay any travel and living expenses for supplemental and refresher training programs. LDI may provide some or all training programs in a virtual environment via a restricted website or extranet to which you have access.

Currently, the initial training program is conducted at LDI's headquarters (or at nearby facilities) and at LDI's manufacturing facility, located in Marlboro, New Jersey. The current training program is a 5-day program which includes approximately 37 hours of actual classroom and/or hands-on instruction, and approximately 20-25 hours for classroom preparation, homework, test taking, and planned group events. The instructional materials for LDI's training program include handouts, the Operating Manual, and tests that LDI requires you to take. The officers of LDI participate in and supervise all phases of the program based on their expertise with Lawn Doctor Businesses. LDI's Department of Operations administers the training program. The Vice President of Operations, David Newman, has been with the Lawn Doctor system since 1998 and has experience in all aspects of operations. Mr. Newman oversees the training program and the individual trainers who have been with LDI an average of 11 years and have held a variety of other positions. LDI's current initial training program is summarized in the following tabular chart:

**TRAINING PROGRAM**

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-The-Job Training	Column 4 Location
Orientation Housekeeping Forms Franchisee Paperwork	.5	0	LDI's Headquarters
Agronomy Horticultural and Product Safety	16	0	LDI's Headquarters
Call Center Operations	.5	0	LDI's Headquarters
Financial Planning	1	0	LDI's Headquarters
Accounting Processes	.5	0	LDI's Headquarters
Marketing Strategies	2.5	0	LDI's Headquarters
Sales Strategies	3	0	LDI's Headquarters
Lawn Doctor Equipment Operation and Maintenance	11	0	LDI's Manufacturing Facility
Servicing Procedures	2	0	LDI's Headquarters
Classroom preparation, Homework, test taking, Planned group events Business Planning/Operations	37	0	LDI's Headquarters LDI's Headquarters or Remote Access

In addition to the above training, the designated supplier of the computer software program will provide you with computer software training.

LDI currently offers new Strategic-Partners a mentorship program that supplements LDI's initial training program with practical experience in operating a Lawn Doctor Business. LDI pairs you with an existing Strategic-Partner, chosen by LDI in its sole discretion, who will provide you with on-the-job operational training and guidance on the best practices in the lawn care and tree and shrub care industry. Your Strategic-Partner mentor will guide you through telephone calls and during one visit that you must make to the Strategic-Partner's Lawn Doctor

Business after you complete the initial training program but before you open the Business. You will be responsible for all travel and living expenses during the mentorship program.

*HLH Service Line*

You must attend and complete to LDI’s satisfaction the required HLH Service Line training program. LDI plans to conduct this training program in the Palatine, Illinois area as often as training programs are necessary. LDI expects that this training will occur separately and at a different time of year from the training program for the lawn care and related services. The training program currently is scheduled to last for a total of approximately 2 to 3 days. While LDI does not charge a separate fee for this training, you must pay all travel and living expenses incurred by your training attendees. If your attendees do not complete training to LDI’s satisfaction and LDI then chooses to terminate the HLH Service Line FA Amendment, you will not have the right to add the HLH Service Line as an authorized service to be offered and sold by your Business. Your Service Line Fee is not refundable under those circumstances.

The instructional materials for the HLH Service Line training program include handouts and the Operating Manual. LDI’s Department of Operations administers the training program. Andy Fuller oversees the training program. Mr. Fuller is the Chief Executive Officer of our affiliate MH (see Item 1). He has supervised the development and implementation of the holiday lighting and décor program for LDI and its affiliated brands and administered the original pilot program.

LDI’s current initial training program is summarized in the following tabular chart:

**TRAINING PROGRAM**

Column 1	Column 2	Column 3	Column 4
<b>Classroom</b>	Hours of Classroom Training	Hours of On-The-Job Training	Location
<b>Time: 9:00am - 5:00pm</b>			
Tools & Equipment	1.5	0	Palatine, IL
Marketing	1.5	0	Palatine, IL
Technicians	1	0	Palatine, IL
Financials	1	0	Palatine, IL
Estimating & Sales	1	0	Palatine, IL
Technology	1	0	Palatine, IL

Column 1	Column 2	Column 3	Column 4
<b>Classroom</b>	Hours of Classroom Training	Hours of On-The-Job Training	Location
Estimating Practice	1	0	Palatine, IL
<b>DAY 2 TRAINING</b>			
<b>In Field Hands On (Installs and Uninstalls)</b>			
<b>Time: 8:00am - 6:00pm</b>			
Intro	0.5	0	Palatine, IL
Products, materials, equipment orientation	2	0	Palatine, IL
Estimating	1	0	Palatine, IL
Complete new install	3	0	Palatine, IL
Remove lights	1	0	Palatine, IL
Reinstall lights	1.5	0	Palatine, IL
Clean up	0.5	0	Palatine, IL
Close	0.5	0	Palatine, IL
<b>DAY 3 TRAINING</b>			
<b>Sales Training</b>			
<b>Time: 9:00am - 5:00pm</b>			
Consultative Selling	2	0	Palatine, IL
Overcoming Objections	2	0	Palatine, IL
Setting Expectations	2	0	Palatine, IL



Column 1	Column 2	Column 3	Column 4
<b>Classroom</b>	Hours of Classroom Training	Hours of On-The-Job Training	Location
Creating Customers For Life	2	0	Palatine, IL
<b>Total</b>	26	0	

**Item 12**

**TERRITORY**

A geographic territory (the “Territory”) will be identified in the Agreement in which you will initially conduct the Business. The Territory will contain no less than 10,000 single family residences. After you have been operating the Business for 4 years, if your “Market Share” falls below the required level (for everything unrelated to holiday lighting and décor), LDI may reduce the size of your Territory by redrawing its boundaries in LDI’s sole discretion. Your “Market Share” means the percentage of single-family residences in the Territory using Lawn Doctor services out of the total single-family residences in the Territory. Your Market Share in the Territory may be no less than 70% of the average Market Share of all Lawn Doctor Businesses which have been in operation for 4 or more years. Otherwise, LDI may not alter your Territory or territorial rights during the franchise term (LDI may change the Territory upon your acquisition of a successor franchise for the Business).

In order for you to acquire additional Territories, you must have a “Market Share” of at least 2% in all of the Territories in which you are operating at the time you notify LDI of your interest in acquiring an additional Territory. Otherwise, you have no options, rights of first refusal, or similar rights to acquire additional franchises.

If you are in compliance with the Agreement, but except as provided in clauses (1) through (3) below, LDI will not operate or grant a franchise for the operation of a Lawn Doctor Business with a territory which overlaps in any material respect with your Territory. Except for this limitation, LDI and its affiliates retain all rights with respect to Lawn Doctor Businesses, the Marks, and other activities, including: (1) the right to provide, offer and sell, and to grant others the right to provide, offer and sell, products similar to and/or competitive with those offered and sold at Lawn Doctor Businesses, whether identified by the Marks or other trademarks or service marks, through dissimilar distribution channels (including via catalog, the Internet or other media) both inside and outside your Territory; (2) the right to establish and operate, and grant to others the right to establish and operate, businesses offering and selling dissimilar products and services under the Marks and other trademarks and service marks, both inside and outside your Territory; (3) the right to establish and operate, and grant to others the right to establish and

operate, businesses offering and selling mosquito control and other pest control services (and related products), whether identified by the Marks or other trademarks or service marks, through similar and dissimilar distribution channels both inside and outside your Territory; (4) the right to operate, and to grant others the right to operate Lawn Doctor Businesses with territories which do not overlap in any material respects with your Territory regardless of proximity to the Business; (5) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at a Lawn Doctor Business, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the Strategic-Partners or licensees of these businesses) are located or operating (including in your Territory); (6) the right to be acquired by a business providing products and services similar to those provided at Lawn Doctor Businesses, or by another business, even if such business operates, franchises and/or licenses competitive businesses in your Territory; and (7) the right to establish and operate, and grant to others the right to establish and operate, businesses designing, installing, maintaining, and removing holiday lighting and décor—and identified by trademarks or service marks other than the Marks (including, without limitation, by the HUMBUG HOLIDAY LIGHTING trademark/service mark, the SPARKLE SQUAD trademark/service mark, and any other trademarks or service marks)—through similar and dissimilar distribution channels, both inside and outside your Territory and on any terms and conditions LDI deems appropriate. LDI may exercise any of the retained rights above without compensating you. Because LDI may offer mosquito control services in your Territory through similar distribution channels, your Territory in that respect is not “exclusive,” and you may face competition from other franchisees, from outlets that LDI owns, or from other channels of distribution or competitive brands that LDI controls.

You must conduct the Business solely within your Territory, such that none of the Net Revenues of the Business are derived from customers whose properties are located outside your Territory. If you have customers whose properties are located outside your Territory and LDI grants to another Strategic-Partner a territory that encompasses such properties of your customers, then you must give such customers to such other Strategic-Partner at no charge. You must pay to LDI a royalty of 15% of the Net Revenues for all business conducted outside your Territory. This 15% royalty is in addition to the required weekly royalty of 10% of the Net Revenues of the Business. In addition, this 15% royalty will apply if you acquire an existing Lawn Doctor Business that has customers outside its designated territory.

Subject to LDI’s approval, you may (but have no obligation to) relinquish a portion of your Territory for inclusion in the territory of a Lawn Doctor Business granted by LDI to another person or entity. If you do so, you will be entitled to be paid any amount the new Strategic-Partner agrees to pay for this relinquishment over and above the initial franchise fee payable to LDI.

Because Lawn Doctor Businesses provide services at customer locations and generally do not maintain physical sites, relocation is not an issue that arises with Lawn Doctor Businesses. The continuation of your territorial rights does not depend upon your achievement of any sales level or other contingency with the exception of your compliance with the Agreement as described above. LDI does not operate or offer franchises for the operation of lawn care and conditioning services businesses, or holiday lighting and décor businesses, under a different trade

name or trademark besides LAWN DOCTOR and HOLIDAY LIGHTING HEROES. LDI does not intend to use the Marks or other trademarks in other channels of distribution for similar products or services, but has the right to do so.

LDI’s affiliate MH (described in Item 1), whose principal business address is the same as LDI’s principal business address, currently offers franchises for “MOSQUITO HUNTERS” businesses offering outdoor pest control services specializing in the eradication of mosquitoes through regular spraying applications and a follow-up maintenance program. While LDI’s and MH’s offices are at the same location, MH maintains training facilities that are physically separate from LDI’s training facilities. “MOSQUITO HUNTERS” businesses may solicit and accept orders from customers near your Business and in your Territory.

In addition, the franchise systems operated by LDI’s affiliates MH and SS (described in Item 1), whose principal business addresses are the same as LDI’s principal business address, also currently offer as part of their required services the same holiday lighting and décor services as HOLIDAY LIGHTING HEROES. These types of services in the MOSQUITO HUNTERS franchise system are advertised and marketed by franchisees under the “HUMBUG HOLIDAY LIGHTING” trademark. These types of services in the SPARKLE SQUAD franchise system are advertised and marketed by franchisees under the SPARKLE SQUAD trademark. These other franchise systems have the right—using these other trademarks—to solicit and accept orders from customers for holiday lighting and décor services near your Business and in your Territory. LDI, MH and SS offer training for their branded holiday lighting and décor services lines from the same training facilities. Because these brands are all affiliated, LDI, MH, and SS intend to take whatever action is appropriate under the circumstances to resolve conflicts among the franchisees of each system regarding territory, customers, and support.


**Item 13**

**TRADEMARKS**

LDI will license to you the right to use the Marks in the operation of the Business and in providing the services and products associated with the Business.

The following Marks are registered (or applied for) with the United States Patent and Trademark Office on the principal register:

<b>Name or Mark</b>	<b>Registration Number</b>	<b>Registration Date</b>
LAWN DOCTOR (Service Mark)	1,000,040	December 17, 1974
LAWN*DOCTOR (Service Mark)	1,069,578	July 12, 1977
Design of Fist with Raised Green Thumb (Service Mark)	1,126,621	November 6, 1979
LAWN*DOCTOR and Design (Service Mark)	1,129,386	January 15, 1980
TURF TAMER	1,255,836	November 1, 1983
YARD ARMOUR	4,704,098	March 17, 2015

Name or Mark	Registration Number	Registration Date
HOLIDAY LIGHTING HEROES	7,250,144	December 19, 2023
	98249763 (Serial Number)	November 1, 2023 (filing date)

All affidavits of use which were required to be filed with respect to the above Marks have been filed or will be filed when due. LDI has renewed the registrations of the first 5 Marks listed above and intends to renew the other registrations when they come up for renewal.

LDI filed to register the last Mark in the chart above based on its actual use of the Mark. LDI does not have a federal registration for this combination word/design Mark. Therefore, its trademark does not have many legal benefits and rights as a federally-registered trademark. If LDI's right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses. However, as noted above, LDI already has a federal registration for the "HOLIDAY LIGHTING HEROES" word Mark.

There are currently no effective material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, or the trademark administrator of any state or any court, nor are there any pending infringement, opposition or cancellation proceedings or any pending material federal or state court litigation, involving any of the Marks. LDI does not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state. There are no agreements currently in effect which limit the rights of LDI to use or license the use of the Marks in any manner material to you.

You must follow LDI's rules when you use the Marks, including LDI's requirements and restrictions concerning use of the Marks on any website. Your right to use the Marks is limited to the conduct of the Business in compliance with the Agreement and all applicable standards, specifications and operating procedures prescribed by LDI. Any unauthorized use of the Marks by you will constitute an infringement of the rights of LDI. All provisions of the Agreement will apply to any additional trade and service marks and commercial symbols that LDI authorizes for your use. You must use the Marks as the sole identification of the Business, but you must identify yourself as the independent owner, operator, and manager of the Business in the manner LDI prescribes. You may not use any Mark or any variation thereof (1) as part of any corporate or legal business name, (2) with any prefix, suffix or other modifying words, terms, designs or symbols, (3) in connection with the performance or sale of any unauthorized services or products, (4) as part of any domain name, electronic address or search engine, or (5) in any other manner LDI has not expressly authorized in writing. To the extent you use any Mark in employment-related materials, you must include a clear disclaimer that you (and only you) are the employer of employees and that LDI, as the franchisor, is not the employer of your

Business's employees and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

You must immediately notify LDI of any apparent infringement or challenge to your use of any Mark. LDI will take action as it deems appropriate and control any litigation or proceeding. You must assist LDI with any action it may take in connection with an infringement or challenge to any Mark. If LDI decides to modify or discontinue use of any Mark or use one or more additional or substitute trade or service marks, no matter the circumstances, then you must comply with LDI's directions to modify or discontinue the use of such Mark. LDI is not required by the Agreement to defend you against any claim respecting your use of any Mark. LDI also is not obligated to reimburse you for your direct expenses in modifying or discontinuing the use of a Mark and substituting a different trademark or service mark, for any loss of goodwill associated with any modified or discontinued Mark, or for your expenditures to promote a modified or substitute trademark or service mark.

#### **Item 14**

### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

Currently, no patents or patent applications are material to the franchise. LDI claims a copyright in its Operating Manual, advertising and marketing materials and similar items used in the franchise. LDI has not registered these copyrights with the United States Copyright Office but need not do so to protect them. There are currently no effective material determinations of the United States Copyright Office or any court regarding any of the copyrighted materials. LDI is not obligated to protect or defend copyrights. There are no agreements currently in effect which significantly limit the rights of LDI to use or license the use of the copyrighted materials in any manner material to you. LDI does not actually know of any infringing uses of its copyrights that could materially affect your use of copyrighted materials in any state. LDI is not obligated to reimburse you for your direct expenses in modifying or discontinuing the use of any copyright. Nor are you entitled to any other compensation in such circumstances.

Through the Operating Manual and other means, LDI provides confidential information to Strategic-Partners. LDI's confidential information includes methods, techniques, formats, specifications, procedures, information, systems, sales and marketing techniques and knowledge of and experience in the development, operation and franchising of Lawn Doctor Businesses (some of which constitutes trade secrets under applicable law). You must keep this information completely confidential. You may not use the confidential information in any other business or make unauthorized copies of any confidential information. Your customer list is included in LDI's confidential information, is the property of LDI, and constitutes a trade secret of LDI. You must implement the procedures that LDI requires to prevent unauthorized disclosure of the confidential information. LDI has the right to review and approve the form of confidentiality agreement you use and to be a third-party beneficiary of that agreement with independent enforcement rights. LDI's right to review and approve the form of agreement is solely to ensure that you adequately protect confidential information. Under no circumstances will LDI control

the forms or terms of employment agreements you use with your Business's employees or otherwise be responsible for your labor relations or employment practices.

All ideas, concepts, techniques, or materials relating to a Lawn Doctor Business, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to LDI and will be deemed to be LDI's sole and exclusive property, part of the franchise system, and works made-for-hire for LDI. To the extent any item does not qualify as a "work made-for-hire" for LDI, you assign ownership of that item, and all related rights to that item, to LDI and must sign whatever assignment or other documents LDI requests to show LDI's ownership or to help LDI obtain intellectual property rights in the item.

### **Item 15**

#### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

You (or, if you are an entity, your owners) must continuously use your best efforts to promote the Business and devote your full time, energies and attention to the operation of the Business. You must not engage in any business or activity that competes with LDI, the Business or the Lawn Doctor system. However, LDI may permit you to engage in other non-competitive business activities if you obtain LDI's written consent, which may be withheld in LDI's sole discretion. If LDI allows you to transfer your rights and obligations under the Agreement to a corporation or other entity that you own, you will remain bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including the covenant not to compete. There are no limits on whom you may hire as an on-premises supervisor if you or your owners do not perform that function. However, any on-premises supervisor must have successfully completed LDI's training program and must agree to maintain the confidentiality of LDI's proprietary information. Franchise owners are subject to non-competition restrictions.

### **Item 16**

#### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and sell all lawn care and conditioning services, tree and shrub care services, and related products and services that LDI authorizes for sale by the Business in the Territory (which may include mosquito control). You must conduct the Business within the Territory, such that none of the Net Revenues of the Business are derived from customers whose properties are located outside your Territory. You may not offer or sell any other services or products or use any equipment of the Business in any other business or for any other purpose. LDI may change the types of authorized services, and there are no limits on its right to do so. You may, but have no obligation to, choose to offer holiday lighting and décor services under the HOLIDAY LIGHTING HEROES trademark as part of your Lawn Doctor Business (in which case you must sign our HLH Service Line FA Amendment).

**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.**

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
(a) Length of the franchise term	1.C of Agreement 12 of HLH Service Line FA Amendment	10 years. <u>Item 10</u> provides additional information regarding Equipment Lease term and renewal.  The term of the HLH Service Line FA Amendment is the same as the Franchise Agreement term, subject to earlier termination.
(b) Renewal or extension of the term	12.A of Agreement 12 of HLH Service Line FA Amendment	Your renewal right permits you to obtain a successor franchise for the Business for a term of 10 years after the initial term of the Agreement expires if you meet certain requirements.  You have the right to continue offering, selling, and providing HOLIDAY LIGHTING HEROES holiday lighting and décor services within the Territory if you acquire a successor franchise for the Territory.
(c) Requirements for franchisee to renew or extend	12 of Agreement 12 of HLH Service Line FA Amendment	You must have complied with all provisions of the Agreement, refurbish and re-equip each Service Vehicle, and repair or replace equipment. You must give LDI notice of at least 6 months, but not more than 12 months, before the end of the initial term. After receiving notice of approval, you must continue to comply with the Agreement and execute LDI's then-current form of franchise agreement and related documents, which may have materially different terms and conditions from the Agreement, including different fee requirements and territorial rights. You and your owners must also execute general releases of all claims against LDI.
(d) Termination by franchisee	Not Applicable 13 of HLH Service Line FA Amendment	No specific provision of Franchise Agreement allows you to terminate the Franchise Agreement. However, you may terminate under any grounds permitted by law.  In addition, you have the right to terminate the HLH Service Line FA Amendment (but, again, not the underlying Franchise Agreement) at any

Provision	Section in Franchise or Other Agreement	Summary
		time and for any reason, effective 60 days after delivery of prior written notice of termination to LDI. Your termination of the HLH Service Line FA Amendment means that you no longer can offer HOLIDAY LIGHTING HEROES holiday lighting and décor services anywhere.
(e) Termination by franchisor without cause	Not Applicable	No specific provision.
(f) Termination by franchisor with cause	13 of Agreement 13(b) of HLH Service Line FA Amendment	<p>LDI has the right to terminate the Agreement if you commit any of several violations (see (g) and (h) below). Termination of the Agreement also terminates Equipment Leases and the HLH Service Line FA Amendment.</p> <p>LDI has the right to terminate the HLH Service Line FA Amendment with respect to the Franchise Agreements for all (or, at LDI’s option, less than all) of your franchises, effective immediately upon delivery of prior written notice of termination to you, if you breach any provision of a Franchise Agreement (whether or not the breach relates to the provision of holiday lighting and décor services) and fail to cure that breach (if such breach is curable) within the timeframe provided by the Franchise Agreement (whether or not LDI actually terminates the Franchise Agreement due to the breach). In addition, termination of a Franchise Agreement, no matter the reason, will result in the automatic and concurrent termination of the HLH Service Line FA Amendment with respect to the franchise covered.</p>
(g) “Cause” defined – curable defaults	13 of Agreement 13(b) of HLH Service Line FA Amendment	You fail to accurately report the Net Revenues of the Business, or fail to make payments of any amounts due to LDI (including amounts due under Equipment Leases), and you do not correct the failure within 10 days after receiving written notice; fail to comply with any other provision of the Agreement or any standard, and do not correct the failure within 30 days after receiving written notice, or you do not provide proof to LDI of your efforts to correct the failure if it cannot be cured within 30 days after written notice.



<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
(h) "Cause" defined – non-curable defaults	13 of Agreement 13(b) of HLH Service Line FA Amendment	You abandon the Business; transfer control of the Business without approval; make any material misrepresentation or omission in your franchise application; fail to complete training; are convicted of a felony or other crime; make an unauthorized transfer of the assets or an ownership interest in the Business; make any unauthorized use of confidential information or the Operating Manual; fail on 3 or more separate occasions during any 1-year period to submit when due any reports required by LDI, or to pay when due the royalty and service fees or other payments due to LDI, or you otherwise fail to comply with the Agreement; submit to LDI on 2 or more separate occasions reports or supporting records which understate by more than 3% the fees due for 2 or more months; misuse or make an unauthorized use of any Mark (including unauthorized use of any Mark associated with a website); violate any law or create a health or safety hazard; fail to maintain insurance; interfere with LDI's right to inspect the Business; engage in unethical conduct which affects the reputation of the Business, LDI or other Lawn Doctor Businesses; lose a license necessary to operate the Business; fail to pay taxes; become insolvent or file bankruptcy; violate the non-compete provisions of the Agreement; you are in default or fail to cure any default (if cure is permitted) under the agreement between you and the designated supplier for the computer software program; the agreement between you and the designated supplier for the computer software program expires or is terminated.
(i) Franchisee's obligations on termination/nonrenewal	14 of Agreement	Obligations include complete de-identification (including canceling any website associated with the Business), payment of amounts due to LDI or customers within 15 days after the effective date of termination or expiration, cease use of any confidential information, and return the Turf Tamer Stand-On Applicator and Turf Tamer Power Seeder, other equipment, the Operating Manual, and any other proprietary materials.
(j) Assignment of contract by franchisor	11.A of Agreement	Fully transferable by LDI.

Provision	Section in Franchise or Other Agreement	Summary
(k) "Transfer" by franchisee -defined	11.B of Agreement 11 of HLH Service Line FA Amendment	Includes voluntary or involuntary, direct or indirect assignment, sale, gift, or other disposition of any interest in the Agreement, your ownership, the Business assets, customer lists, or the Business.
(l) Franchisor approval of transfer by franchisee	11.C of Agreement 11 of HLH Service Line FA Amendment	<p>LDI has right to approve all transfers but will not unreasonably withhold approval if you are in full compliance with the Agreement. <u>Item 10</u> provides additional information regarding assignment of Equipment Leases.</p> <p>You cannot transfer the HLH Service Line FA Amendment or its related rights separate and apart from the Franchise Agreement for the franchise that it amends.</p>
(m) Conditions for franchisor approval of transfer by franchisee	11.B and 11.C of Agreement 11 of HLH Service Line Amendment	<p>If you desire to engage a broker or consultant to identify a potential transferee, you must provide LDI at least 90 days' prior notice. Transferee qualifies, transferee assumes all your obligations, you pay all amounts owed to LDI and submit all required reports, transferee completes training, transferee executes LDI's then-current form of franchise agreement and related documents (which may have different terms and conditions from the Agreement), transferee assumes all your obligations under your agreement with the designated supplier for the computer software program, you pay a 10% transfer deposit and full transfer fee, you execute a general release of any claims against LDI, you pay LDI the then-current broker fee if LDI engages a broker for you, LDI approves the terms of the transfer, you clean and repair the equipment and Service Vehicles to LDI's satisfaction, you provide transition services to the transferee for at least 60 days after the transfer is complete, you execute a non-competition covenant, and you agree to subordinate to the transferee's obligations to LDI any obligations of the transferee to make payments of the purchase price to you.</p> <p>If you transfer the franchise rights in compliance with the terms of the Franchise Agreement (which is amended by the HLH Service Line FA Amendment, the right to offer, sell, and provide HOLIDAY</p>

Provision	Section in Franchise or Other Agreement	Summary
		<p>LIGHTING HEROES holiday lighting and décor services within the Territory covered by that Franchise Agreement will be concurrently transferred to the transferee with the franchise rights. This means that you no longer will have the right to offer, sell, and provide HOLIDAY LIGHTING HEROES holiday lighting and décor services within the Territory covered by the Franchise Agreement for that former Franchise.</p>
(n) Franchisor’s right of first refusal to acquire franchisee’s business	11.E of Agreement	LDI can match any offer for the Business.
(o) Franchisor’s option to purchase franchisee’s business	Not Applicable	Not Applicable.
(p) Death or disability of franchisee	11.D of Agreement	Business must be transferred to an approved party within 6 months from the date of death or permanent disability, subject to the conditions in (m) above.
(q) Non-competition covenants during the term of the franchise	4 of Agreement	<p>Subject to state law, you cannot directly or indirectly perform services or have any interest in any Competitive Business located or operating within your Territory, within 50 miles of the boundary of your Territory, within the territory of any other Lawn Doctor Business, or within 50 miles of the boundary of the territory of any other Lawn Doctor Business. A “Competitive Business” means any business which operates, or grants franchises or licenses to others to operate, a business for the establishment, care, irrigation, and conditioning of lawns or other vegetation, including trees, shrubbery and other plant life, or any related or ancillary services you provide as part of your Lawn Doctor Business.</p> <p>If you choose to add the HOLIDAY LIGHTING HEROES service line when you acquire your Lawn Doctor franchise, “Competitive Business” is also defined to include the design, installation, and maintenance of holiday lighting and décor.</p>

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
(r) Non-competition covenants after the franchise is terminated or expires	14.D of Agreement	Subject to state law, for 18 months you cannot have any direct or indirect interest in any Competitive Business located within the same areas described in (q) above. However, LDI may enforce this post-term non-competition restriction only to the extent reasonable under applicable law.
(s) Modification of the agreement	7.E of Agreement	No modification generally, unless by mutual written agreement, but the Operating Manual, specifications and procedures can be changed.
(t) Integration/merger clause	15.N of Agreement	Only the terms of the Agreement, including the preambles and exhibits, and the Operating Manual are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Agreement may not be enforceable.
(u) Dispute resolution by arbitration or mediation	15.F of Agreement	Arbitration of most disputes within 10 miles of LDI's then-current principal office (currently in New Jersey).
(v) Choice of forum	15.H of Agreement	Subject to arbitration requirement, litigation generally must be in state or federal courts in New Jersey (subject to state law).
(w) Choice of law	15.G of Agreement	Except for Federal Arbitration Act and other federal law, New Jersey law generally governs (subject to state law).

### **Item 18**

#### **PUBLIC FIGURES**

LDI does not use any public figure to promote LDI or the Business.

### **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 this 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.

All financial performance representations are based on internal unaudited historical data.

LDI has included in Table A certain Net Revenues results for Lawn Doctor Businesses with at least 2 full years of operational experience as of December 31, 2023. LDI has included in Table B certain customer data for Lawn Doctor Businesses with at least 2 full years of operational experience as of December 31, 2023. LDI has included in Table C certain gross profit margin results for Lawn Doctor Businesses with at least one full year of operational experience as of December 31, 2022. LDI has included in Table D certain Net Revenues results for each year from 2009 to 2023 for the Lawn Doctor Businesses that had at least 2 full years of operational experience as of the end of each of those years. “Net Revenues” means the actual gross revenues collected from customers, whether for cash or credit, plus all other revenues derived from the Business, excluding taxes collected from customers, and refunds and adjustments.

As of December 31, 2023, 627 Lawn Doctor Businesses were in operation. These 627 Lawn Doctor Businesses were operated by 222 Strategic-Partners that, for reporting purposes, consolidated their Lawn Doctor Businesses’ financial information.

Table A comprises Net Revenues information for all 192 Strategic-Partners that operated Lawn Doctor Businesses for at least 2 full years as of December 31, 2023. LDI compiled this Net Revenues information from weekly reports of Net Revenues that its Strategic-Partners provide to LDI. LDI does not verify the figures in these reports.

Table B comprises customer data for all 192 Strategic-Partners that operated Lawn Doctor Businesses for at least 2 full years as of December 31, 2023. LDI compiled this Customer Data information from LDI’s software provider.

Table C comprises gross profit margin information. LDI compiled this information from 2022 year-end financial statements submitted by 83 of the 200 Strategic-Partners that operated Lawn Doctor Businesses for at least one full year as of December 31, 2022. Data concerning the remaining 117 Strategic-Partners that operated Lawn Doctor Businesses for at least one full year as of December 31, 2022 was not included in Table C, due to insufficient information from the Strategic-Partners. LDI does not know whether the inclusion of such data, if available, would have a material effect on the gross profit margin percentages.

Table D comprises Net Revenues information for each year from 2009 to 2023 for Strategic-Partners that operated Lawn Doctor Businesses for at least 2 full years as of the end of each of those years. LDI compiled this Net Revenues information from weekly reports of Net Revenues that its Strategic-Partners provide to LDI. LDI does not verify the figures in these reports.

**Table A**  
Statement of 2023 Net Revenues for 192 Strategic-Partners that operated Lawn Doctor Businesses for 2 Full Years or More as of December 31, 2023. This information is categorized by the number of Lawn Doctor Businesses operated.

# of Territories Operated	# of Strategic Partners	Average Net Revenues (all territories combined)	Number of Strategic-Partners that Attained or Surpassed the Average	Percentage of Strategic-Partners that Attained or Surpassed the Average	Median Net Revenues (all territories combined)	Lowest Net Revenues (all territories combined)	Highest Net Revenues (all territories combined)
1-3	135	\$679,340	47	35%	\$435,190	\$29,420	3,729,670
4-6	42	\$1,507,690	14	33%	\$1,153,786	\$87,283	\$10,204,658
7 or More	15	\$3,928,748	6	40%	\$3,065,981	\$334,349	\$8,711,610
All territories included (per Strategic-Partner)	192	\$1,114,402	58	30%	\$655,952	\$29,420	\$10,204,658

**Table B**  
Strategic-Partner Customer Data for all Lawn Doctor Businesses in operation for 2 or more years as of December 31, 2023

		Number and Percentage of Strategic-Partners that Attained or Surpassed the Average
Average Annual Customer Program Value	\$814.04	69 (37%) of 189 franchisees
Median Annual Customer Program Value	\$616.00	
Highest Annual Customer Program Value	\$79,510	
Lowest Annual Customer Program Value	\$100.25	
Average Customer Tenure In Years	5.85	74 (39%) of 189 franchisees
Median Customer Tenure In Years	3.72	
Highest Customer Tenure In Years	50.19	
Lowest Customer Tenure In Years	0.01	
Average Annual Customer Revenue	\$733.88	65 (34%) of 189 franchisees
Median Annual Customer Revenue	\$550.50	
Highest Annual Customer Revenue	\$60,303.83	
Lowest Annual Customer Revenue	\$100.02	

Notes to Table B:

1. Customer Program Value Data includes all “sold” programs that were a part of the 2023 season (including both active and active + cancelled) that are related to franchisees that have been open for at least 2 years. Customer Program Value is the total annual value of all programs and services purchased by a customer. Active + cancelled includes programs and services that were still active at the end of the year as well as those that had been sold but cancelled at some point prior to the end of the year. Any cumulative programs under \$100 were removed.
2. Customer Tenure In Years Data includes all active customers. Customers “since date” (creation date) was used. If creation date was missing, adjacent customer Ids were used to find closest value as a substitute. Any customers prior to 1970 and after 01/01/2023 were excluded.
3. Customer Revenue Data includes all “revenue” (payments received) from customers that were posted in the year 2023 that are related to franchisees that have been open for at least 2 years. Any cumulative payments under \$100 were removed.

Table C Statement of 2022 Gross Profit Margin Results as a Percentage of Net Revenues for 83 of the 200 Strategic-Partners that operated Lawn Doctor Businesses for One Full Year or More as of December 31, 2022				
# of Strategic Partners	Average Gross Profit Margin	Number of Strategic-Partners that Attained or Surpassed the Average	Percentage of Strategic-Partners that Attained or Surpassed the Average	Median Gross Profit Margin
83	83.7	39	47%	83%

Notes to Table C:

1. LDI compiled these Gross Profit Margin figures from the year-end income statements that its Strategic-Partners provide to LDI. Some Strategic-Partners prepare their financial statements using cash basis accounting, and some use accrual basis accounting. Similarly, some Strategic-Partners prepare their statements in accordance with generally accepted accounting principles and some do not.
2. LDI obtained the stated Gross Profit Margin percentage by subtracting Material Costs from the 100% Net Revenues. Material Costs refers to treatment products.

3. The Gross Profit Margin will be reduced when royalty and marketing expenditures are taken into account. The required Royalty and Service Fee is set at 10% of Net Revenues. All Strategic-Partners are required to spend the greater of \$30,000 or 10% of Net Revenues for marketing and promotion of their Lawn Doctor Businesses. Some strategic partners have elected to spend a greater amount.
4. The results described in Table C include certain cost information for 83 Strategic-Partners that operated Lawn Doctor Businesses for at least one full year in 2022.

Year	# of Strategic Partners	Average Net Revenues (all territories combined)	Number of Strategic-Partners that Attained or Surpassed the Average	Percentage of Strategic-Partners that Attained or Surpassed the Average	Median Net Revenues (all territories combined)	Highest Net Revenues	Lowest Net Revenues
2009	214	\$367,108	63	29%	\$206,592	\$2,947,850	\$4,366
2010	204	\$393,829	62	30%	\$228,819	\$3,246,320	\$1,939
2011	196	\$430,376	65	33%	\$238,049	\$3,548,984	\$616
2012	173	\$478,130	58	34%	\$261,770	\$3,589,439	\$4,989
2013	155	\$534,341	52	34%	\$349,166	\$3,794,198	\$251
2014	163	\$598,806	54	33%	\$375,736	\$4,391,138	\$2,374
2015	160	\$630,462	56	35%	\$400,065	\$4,756,989	\$15,523
2016	173	\$634,278	62	35%	\$397,221	\$4,879,391	\$4,101
2017	177	\$671,848	64	36%	\$407,456	\$5,256,201	\$135
2018	178	\$715,399	60	34%	\$421,253	\$5,580,914	\$11,801
2019	184	\$768,910	62	34%	\$442,415	\$6,005,754	\$27,980
2020	184	\$816,756	57	31%	\$473,181	\$6,532,589	\$20,652
2021	191	\$922,043	56	29%	\$529,499	\$8,085,392	\$24,645
2022	196	\$1,010,244	58	30%	\$545,004	\$9,619,076	\$20,484
2023	192	\$1,114,402	58	30%	\$655,952	\$10,204,658	\$29,420

The numbers reported above do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the Net Revenues figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Lawn Doctor Business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

Written substantiation of all financial performance information presented in this financial performance representation will be made available to you upon reasonable request.

**Some Lawn Doctor Businesses have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.**



Other than the preceding financial performance representation, LDI does not make any financial performance representations. LDI also does not authorize its employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, LDI may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Scott D. Frith at 142 State Route 34, Holmdel, New Jersey 07733, (732) 946-4300, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20**

**OUTLETS AND FRANCHISEE INFORMATION**

All year-end numbers appearing in the tables below are as of December 31st in each year.

**Table No. 1  
Systemwide Outlet Summary  
For years 2021 to 2023**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	604	613	+9
	2022	613	624	+11
	2023	624	630	+6
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	604	613	+9
	2022	613	624	+11
	2023	624	630	+6

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For years 2021 to 2023**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Arkansas	2021	1
	2022	0
	2023	0
California	2021	2
	2022	1
	2023	0
Florida	2021	2
	2022	3
	2023	4
Georgia	2021	0
	2022	4
	2023	0
Illinois	2021	0
	2022	0
	2023	1
Iowa	2021	0
	2022	0
	2023	1
Maryland	2021	6
	2022	0
	2023	1
Massachusetts	2021	0
	2022	2
	2023	0
Mississippi	2021	0
	2022	0
	2023	1

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Michigan	2021	2
	2022	0
	2023	2
New Jersey	2021	7
	2022	7
	2023	2
North Carolina	2021	2
	2022	0
	2023	2
Ohio	2021	0
	2022	0
	2023	3
Oklahoma	2021	0
	2022	2
	2023	0
Pennsylvania	2021	4
	2022	2
	2023	1
South Carolina	2021	1
	2022	0
	2023	0
Texas	2021	7
	2022	4
	2023	4
Wisconsin	2021	0
	2022	3
	2023	0
Total	2021	34
	2022	28
	2023	22

**Table No. 3  
Status of Franchised Outlets For years 2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina- tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions- Other Reasons	Col. 9 Outlets at End of the Year
Alabama	2021	12	1	0	0	0	0	13
	2022	13	1	0	0	0	0	14
	2023	14	0	0	0	0	0	14
Arkansas	2021	6	0	0	0	0	0	6
	2022	6	1	2	0	0	0	5
	2023	5	0	0	0	0	0	5
California	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
Colorado	2021	20	0	0	0	0	0	20
	2022	20	1	1	0	0	0	20
	2023	20	0	0	0	0	0	20
Connecticut	2021	24	0	0	0	0	0	24
	2022	24	0	0	0	0	0	24
	2023	24	0	0	0	0	0	24
Delaware	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	1	0	0	0	0	6
Florida	2021	40	1	0	0	0	0	41
	2022	41	1	1	0	0	0	41
	2023	41	1	0	0	0	0	42
Georgia	2021	28	1	0	0	0	0	29
	2022	29	1	1	0	0	0	29
	2023	29	0	1	0	0	0	28

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina- tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions- Other Reasons	Col. 9 Outlets at End of the Year
Illinois	2021	20	0	0	0	0	0	20
	2022	20	1	0	0	0	0	21
	2023	21	1	0	0	0	0	22
Indiana	2021	6	0	0	0	0	0	6
	2022	6	2	0	0	0	0	8
	2023	8	0	0	0	0	0	9
Iowa	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Kansas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	2
Kentucky	2021	8	2	0	0	0	0	10
	2022	10	0	2	0	0	0	8
	2023	8	0	0	0	0	0	8
Louisiana	2021	4	0	0	0	0	0	4
	2022	4	0	2	0	0	0	2
	2023	2	0	0	0	0	0	2
Maryland	2021	25	2	0	0	0	0	27
	2022	27	0	0	0	0	0	27
	2023	27	0	1	0	0	0	26
Massachusetts	2021	19	0	2	0	0	0	17
	2022	17	0	0	0	0	0	17
	2023	17	0	0	0	0	0	17
Michigan	2021	14	1	0	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	1	1	0	0	0	16

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations-Other Reasons	Col. 9 Outlets at End of the Year
Minnesota	2021	1	1	0	0	0	0	2
	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
Mississippi	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Missouri	2021	9	1	0	0	0	0	10
	2022	10	0	0	0	0	0	10
	2023	10	1	0	0	0	0	11
Montana	2021	2	0	0	0	0	0	2
	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
Nebraska	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	3	0	0	0	0
New Hampshire	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
New Jersey	2021	63	0	0	0	0	0	63
	2022	63	0	0	0	0	0	63
	2023	63	0	0	0	0	0	63
New Mexico	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
New York	2021	36	0	1	0	0	0	35
	2022	35	2	0	0	0	0	37
	2023	37	0	0	0	0	0	37

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations-Other Reasons	Col. 9 Outlets at End of the Year
North Carolina	2021	26	0	0	0	0	0	26
	2022	26	1	0	0	0	0	27
	2023	27	0	0	0	0	0	24
Ohio	2021	25	2	0	0	0	0	27
	2022	27	3	0	0	0	0	30
	2023	30	0	0	0	0	0	30
Oklahoma	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Pennsylvania	2021	42	0	2	0	0	0	40
	2022	40	0	0	0	0	0	40
	2023	40	0	0	0	0	0	40
Rhode Island	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
South Carolina	2021	14	1	0	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	2	2	0	0	0	15
South Dakota	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Tennessee	2021	21	0	0	0	0	0	21
	2022	21	0	0	0	0	0	21
	2023	21	1	0	0	0	0	22
Texas	2021	55	2	2	0	0	0	55
	2022	55	5	1	0	0	0	59
	2023	59	3	0	0	0	0	62

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina- tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Opera- tions- Other Reasons	Col. 9 Outlets at End of the Year
Utah	2021	5	0	0	0	0	0	5
	2022	5	1	0	0	0	0	6
	2023	6	3	0	0	0	0	9
Virginia	2021	28	0	0	0	0	0	28
	2022	28	0	0	0	0	0	28
	2023	28	0	0	0	0	0	27
Washington	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
West Virginia	2021	1	0	0	0	0	0	1
	2022	1	3	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Wisconsin	2021	10	1	0	0	0	0	11
	2022	11	0	1	0	0	0	10
	2023	10	1	0	0	0	0	11
Totals	2021	604	16	7	0	0	0	613
	2022	613	24	13	0	0	0	624
	2023	624	15	9	0	0	0	630

[Table No. 4 begins on next page]



**Table No. 4**

**Status of Company-  
Owned Outlets For years  
2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
All States	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

**Table No. 5**

**Projected Openings As Of December 31, 2023**

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlet In the Next Fiscal Year
Alabama	0	1	0
Arkansas	0	1	0
Florida	0	2	0
Georgia	0	1	0
Illinois	0	1	0
Idaho	1	1	0
Kansas	0	1	0
Michigan	0	2	0
Minnesota	1	1	0
Missouri	0	1	0
Ohio	0	1	0

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Texas	0	2	0
Utah	1	0	0
Washington	0	1	0
Total	3	16	0

Attached as Exhibit I is a list of all Strategic-Partners, with addresses and telephone numbers, as of December 31, 2023. LDI does not have any company-owned Lawn Doctor Businesses. Attached as Exhibit J is a list of the names, and last known home addresses and telephone numbers, of the former Strategic-Partners (some of whom owned multiple outlets) who were terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under their franchise agreements during 2023 or who have not communicated with LDI within 10 weeks of the Disclosure Document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

LDI has a Strategic-Partner advisory council, known as the President's Advisory Council. The advisory council is sponsored by LDI, but its members are elected by Strategic-Partners. You may contact the advisory council by contacting its current president, Chad Norton, at Lawn Doctor of Cache Valley, P.O. Box 3668, Logan, Utah 84323, (435) 753-5296. There are no other trademark-specific franchisee organizations associated with the Lawn Doctor franchise system.

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

## Item 21

### FINANCIAL STATEMENTS

The following financial statements are attached to this Disclosure Document as Exhibit K:

The consolidated audited financial statements of LDI's parent company, LD Parent, Inc. (and its subsidiaries), as of (a) December 31, 2023 and December 31, 2022 and for the years then ended, and (b) December 31, 2022 and December 31, 2021 and for the years then ended.

LD Parent, Inc. absolutely and unconditionally guarantees to assume LDI's duties and obligations to you under the Franchise Agreement disclosed to you in this Disclosure Document. A copy of the Guarantee of Performance also appears in Exhibit K.

**Item 22**

**CONTRACTS**

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

Exhibit A: Lawn Doctor Franchise Agreement

Exhibit B: Electronic Funds Transfer Authorization

Exhibit C: Assignment and Assumption Agreement

Exhibit D: Turf Tamer Stand-On Applicator Equipment Lease Agreement

Exhibit E: Turf Tamer Power Seeder Equipment Lease Agreement

Exhibit F: Extranet Agreement

Exhibit L: State Riders to Franchise Agreement

Exhibit M: Franchise Agreement Amendment for Holiday Lighting Heroes Service Line

**Item 23**

**RECEIPTS**

LDI's and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this Disclosure Document.

**EXHIBIT A**  
**FRANCHISE AGREEMENT**

**LAWN DOCTOR**  
**FRANCHISE AGREEMENT**

\_\_\_\_\_  
STRATEGIC-PARTNER

d/b/a LAWN DOCTOR OF \_\_\_\_\_

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**EXHIBITS**

EXHIBIT A – OWNERS OF STRATEGIC-PARTNER



**LAWN DOCTOR**  
**FRANCHISE AGREEMENT**

**THIS LAWN DOCTOR FRANCHISE AGREEMENT** (this “Agreement”) is made and entered into by and between LAWN DOCTOR, INC., a New Jersey corporation, with its principal office at 142 State Route 34, Holmdel, New Jersey 07733 (the “COMPANY”) and \_\_\_\_\_ d/b/a Lawn Doctor of \_\_\_\_\_, whose principal address is \_\_\_\_\_ (“STRATEGIC-PARTNER”) as of the date signed by the COMPANY and set forth opposite the COMPANY’s signature on this Agreement (the “Agreement Date”).

1. **DEFINITIONS, PREAMBLES AND GRANT OF FRANCHISE.**

A. **DEFINITIONS.**

For purposes of this Agreement, the terms listed below have the meanings that follow them. Other terms used in this Agreement are defined in the context in which they occur in this Agreement.

“**Agreement Date**” shall have the meaning set forth in the first paragraph hereof.

“**Business Assets**” shall mean the assets relating to STRATEGIC-PARTNER’S LAWN DOCTOR Business, including, but not limited to, customer lists, customer contracts and any other information relating to customers of STRATEGIC-PARTNER’s LAWN DOCTOR Business.

“**Centrally Managed Media Boost Program**” shall have the meaning set forth in Section 8.C. hereof.

“**Customer List**” shall have the meaning set forth in Section 4.A. hereof.

“**Competitive Business**” shall mean any business which operates, or grants franchises or licenses to others to operate, a business for the establishment, care, irrigation, and conditioning of lawns or other vegetation, including, but not limited to, trees, shrubbery, and other plant life, or any related or ancillary services provided by STRATEGIC-PARTNER as part of its LAWN DOCTOR Business.

“**COMPANY**” shall have the meaning set forth in the first paragraph hereof.

“**Confidential Information**” shall have the meaning set forth in Section 4.A. hereof.

“**Controlling Interest**” shall mean a greater than fifty percent (50%) interest in the equity or voting control of any entity.

“**Franchise**” shall have the meaning set forth in Section 1.C. hereof.

“**Initial Franchise Fee**” shall have the meaning set forth in Section 6.A. hereof.

**“Lawn Doctor Business”** shall have the meaning set forth in Section 1.B. hereof, and shall include the Business Assets.

**“Market Share”** means the percentage of single family residences in the Territory under contract to STRATEGIC-PARTNER’s LAWN DOCTOR Business out of the total single family residences in the Territory (as determined by demographic or market data from third-party sources reasonably selected by the COMPANY).

**“Marketing Fund”** shall have the meaning set forth in Section 8.C. hereof.

**“Marks”** shall have the meaning set forth in Section 1.B. hereof.

**“Net Revenues”** means and includes the actual gross revenues collected from customers of STRATEGIC-PARTNER in connection with services performed or to be performed for such customers, whether for cash or credit, plus any and all other revenues derived from the operation of the Franchise by STRATEGIC-PARTNER, but excluding all federal, state or municipal sales, use, service or excise taxes collected from customers and paid to the appropriate taxing authorities, and customer refunds and credit adjustments.

**“Operating Manual”** means the form of the COMPANY’s operating manual for the operation of a LAWN DOCTOR Business, which may include one or more separate manuals as well as compact discs, computer software, information available on an Internet site, other electronic media, and/or written materials.

**“Service Vehicles”** means the vehicle(s) used by STRATEGIC-PARTNER in connection with the operation of his LAWN DOCTOR Business, including, but not limited to, any van, trailer or other vehicle.

**“STRATEGIC-PARTNER”** shall have the meaning set forth in the first paragraph hereof.

**“Territory”** shall have the meaning set forth in Section 1.C. hereof.

**“Transfer”** means and includes a voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition by STRATEGIC-PARTNER (or any of its owners) of any interest in this Agreement, the ownership of STRATEGIC-PARTNER, the Business Assets or the LAWN DOCTOR Business. An assignment, sale, gift or other disposition shall include the following events: (a) the transfer of ownership of capital stock, membership interest, partnership interest, or other ownership interest; (b) merger or consolidation, or issuance of additional ownership interests in STRATEGIC-PARTNER; (c) sale of any ownership interest in STRATEGIC-PARTNER or any interest or right convertible to an ownership interest in STRATEGIC-PARTNER; (d) transfer of interest in STRATEGIC-PARTNER or the Business Assets in a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; (e) transfer of interest in STRATEGIC-PARTNER or the Business Assets in the event of the death of STRATEGIC-PARTNER or an owner of STRATEGIC-PARTNER by will, declaration of a transfer in trust, or under the laws of intestate succession. Any such assignment or

transfer without such approval shall constitute a breach hereof and convey no rights to or interests in STRATEGIC-PARTNER's LAWN DOCTOR Business, this Agreement, the Business Assets or the Franchise.

**"Turf Tamer Applicators"** means the "Turf Tamer Stand-On Applicator" and the "Turf Tamer Power Seeder."

**"Website"** means an interactive electronic document contained in a central computer linked to communications software service providers.

B. **PREAMBLES.**

The COMPANY has designed and developed a method for the establishment, care and conditioning of lawns and other vegetation, including, but not limited to, trees, shrubbery and other plant life, and the provision of other services, including mosquito control (the "LAWN DOCTOR Business"). The LAWN DOCTOR Business utilizes certain specifications, standards, operating procedures and specialized equipment to protect the quality of the COMPANY's products and services, all of which may be improved, further developed or otherwise modified from time to time. The COMPANY owns all rights to, interest in and goodwill of, and uses, promotes and licenses, certain trade names, trademarks and service marks and other commercial symbols in connection with LAWN DOCTOR Businesses, including the trade and service mark "LAWN DOCTOR," the green thumb design logo, and other trademarks and service marks (the "Marks"). The COMPANY has designed and developed, and owns all rights to, certain specialized equipment, including the "Turf Tamer Stand-On Applicator" and "Turf Tamer Power Seeder," for use in the LAWN DOCTOR Business.

STRATEGIC-PARTNER acknowledges that:

(1) The COMPANY's officers, directors, employees and agents act only in a representative and not in a personal capacity in their dealings with STRATEGIC-PARTNER.

(2) STRATEGIC-PARTNER understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain the quality of the COMPANY's brand, products, and services.

(3) STRATEGIC-PARTNER made no misrepresentations in obtaining the Franchise.

**The acknowledgments in clauses (4) through (6) below apply to all franchisees and franchises except not to any franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.**

(4) STRATEGIC-PARTNER has conducted an independent investigation of the business contemplated by this Agreement and recognizes that it involves business

risks and that the success of the venture is largely dependent upon the business abilities of STRATEGIC-PARTNER.

(5) The COMPANY's grant of a franchise to STRATEGIC-PARTNER to operate a LAWN DOCTOR Business and STRATEGIC-PARTNER's completion of the COMPANY's training program are not representations or guarantees of the LAWN DOCTOR Business' success or profitability.

(6) STRATEGIC-PARTNER has not received or relied upon any warranty or guaranty, express or implied, as to the potential revenues, profits or success of the Franchise (defined below) or policies made by the COMPANY or its officers, directors, employees or agents that are contrary to the statements made in the COMPANY's Disclosure Document.

**C. GRANT OF FRANCHISE.**

STRATEGIC-PARTNER has applied for a franchise to operate a LAWN DOCTOR Business and such application has been approved by the COMPANY in reliance upon all of the representations made therein. Subject to the provisions of this Agreement, the COMPANY hereby grants to STRATEGIC-PARTNER a franchise (the "Franchise") to operate a LAWN DOCTOR Business in the Territory (as further described herein) and to use the Marks in the operation thereof for a term of ten (10) years commencing on the Agreement Date. Termination or expiration of this Agreement shall constitute a termination or expiration of the Franchise. STRATEGIC-PARTNER agrees to commence the conduct of his LAWN DOCTOR Business within fifteen (15) days after his completion of the COMPANY's training program. If STRATEGIC-PARTNER requests, the COMPANY may, at its sole option, grant STRATEGIC-PARTNER an extension of the fifteen (15)-day period.

STRATEGIC-PARTNER agrees to conduct his LAWN DOCTOR Business initially within the following territory: \_\_\_\_\_

\_\_\_\_\_ (the "Territory"). The Territory shall contain approximately, but no less than, ten thousand (10,000) single family residences. If this Agreement is being executed pursuant to a transfer, renewal or grant of a successor agreement, STRATEGIC-PARTNER acknowledges and agrees that this Section 1.C. does not grant STRATEGIC-PARTNER any rights to expand the number of single family residences in his Territory notwithstanding anything to the contrary contained herein.

If, at any time after the fourth (4th) anniversary of the Agreement Date, STRATEGIC-PARTNER's "Market Share" falls below the level required in the next sentence, the COMPANY shall have the right to reduce the size of STRATEGIC-PARTNER's Territory by redrawing its boundaries in the COMPANY's sole discretion. STRATEGIC-PARTNER's Market Share in the Territory shall be no less than seventy percent (70%) of the average market share of all LAWN DOCTOR Businesses which have been in operation for four (4) or more years. In order for STRATEGIC-PARTNER to acquire additional Territories, STRATEGIC-PARTNER must have a Market Share of at least two percent (2%) in all of the Territories STRATEGIC-PARTNER is

operating in at the time of notifying the COMPANY of STRATEGIC-PARTNER's interest in acquiring an additional Territory.

So long as STRATEGIC-PARTNER is in compliance with this Agreement, but except as provided in clauses (1) through (3) below, the COMPANY will not operate or grant a franchise for the operation of a LAWN DOCTOR Business with a territory which overlaps in any material respect with STRATEGIC-PARTNER's Territory during the term of this Agreement. Except for this limitation, the COMPANY and its affiliates retain all rights with respect to LAWN DOCTOR Businesses, the Marks, and any other activities the COMPANY and its affiliates deem appropriate, including, but not limited to:

(1) the right to provide, offer and sell, and to grant others the right to provide, offer and sell, products similar to and/or competitive with those offered and sold at LAWN DOCTOR Businesses, whether identified by the Marks or other trademarks or service marks, through dissimilar distribution channels (including, without limitation, via catalog, the internet or other media) both inside and outside STRATEGIC-PARTNER's Territory and on any terms and conditions the COMPANY deems appropriate;

(2) the right to establish and operate, and grant to others the right to establish and operate, businesses offering and selling dissimilar products and services under the Marks and other trademarks and service marks, both inside and outside STRATEGIC-PARTNER's Territory and on any terms and conditions the COMPANY deems appropriate;

(3) the right to establish and operate, and grant to others the right to establish and operate, businesses offering and selling mosquito control and other pest control services (and related products), whether identified by the Marks or other trademarks or service marks, through similar and dissimilar distribution channels both inside and outside STRATEGIC-PARTNER's Territory and on any terms and conditions the COMPANY deems appropriate;

(4) the right to operate, and to grant others the right to operate LAWN DOCTOR Businesses with territories which do not overlap in any material respect STRATEGIC-PARTNER's Territory under any terms and conditions the COMPANY deems appropriate and regardless of proximity to STRATEGIC-PARTNER's LAWN DOCTOR Business;

(5) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at a LAWN DOCTOR Business, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the strategic-partners or licensees of these businesses) are located or operating (including in STRATEGIC-PARTNER's Territory); and

(6) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction) by a business providing products and services similar to those provided at LAWN DOCTOR Businesses, or by

another business, even if such business operates, franchises and/or licenses competitive businesses in STRATEGIC-PARTNER's Territory.

STRATEGIC-PARTNER agrees that he will at all times faithfully, honestly and diligently perform his obligations hereunder and that he will continuously exert his best efforts to effectively promote and enhance his LAWN DOCTOR Business and develop and service customers within the Territory. STRATEGIC-PARTNER agrees to conduct his LAWN DOCTOR Business within the Territory, such that none of the Net Revenues (as defined herein) of his LAWN DOCTOR Business are derived from customers whose properties are located outside STRATEGIC-PARTNER's Territory.

If STRATEGIC-PARTNER has customers whose properties are located outside the Territory, and the COMPANY grants to another strategic-partner a territory that encompasses such properties of STRATEGIC-PARTNER's customers, then STRATEGIC-PARTNER shall transfer and assign such customers to such other strategic-partner at no charge. STRATEGIC-PARTNER must pay to the COMPANY a royalty of fifteen percent (15%) of the Net Revenues for all business conducted outside the STRATEGIC-PARTNER's Territory. This fifteen percent (15%) royalty is in addition to the required weekly royalty of ten percent (10%) of the Net Revenues of the LAWN DOCTOR Business, as described in Section 6.B.

Subject to the COMPANY's approval, STRATEGIC-PARTNER shall have the right to relinquish a portion of the Territory for inclusion in the territory of a Franchise granted by the COMPANY to another person or entity. STRATEGIC-PARTNER shall be entitled to any consideration which such person agrees to pay for such relinquishment over and above the initial franchise fee payable to the COMPANY in connection with the grant of such franchise.

**D. INDEPENDENT CONTRACTORS.**

STRATEGIC-PARTNER and the COMPANY understand and agree that this Agreement does not create a fiduciary relationship between STRATEGIC-PARTNER and the COMPANY, that STRATEGIC-PARTNER and the COMPANY are and will be independent contractors, and that nothing in this Agreement, including the term "strategic-partner," is intended to make either STRATEGIC-PARTNER or the COMPANY a general or special agent, joint venturer, partner or employee of the other for any purpose. Nor is the COMPANY the employer or joint employer of STRATEGIC-PARTNER's LAWN DOCTOR Business employees. STRATEGIC-PARTNER agrees to identify itself conspicuously in all dealings with clients, suppliers, distributors, public officials and others as the LAWN DOCTOR Business' owner, operator, and manager under a franchise the COMPANY has granted and to place notices of independent ownership on the forms, business cards, stationery, advertising and other materials the COMPANY requires from time to time. The COMPANY will not exercise direct or indirect control over the working conditions of STRATEGIC-PARTNER's LAWN DOCTOR Business personnel, except to the extent such indirect control is related to the COMPANY's legitimate interest in protecting the quality of the COMPANY's brand, products, or services. The COMPANY does not share or codetermine the terms and conditions of employment of STRATEGIC-PARTNER's LAWN DOCTOR Business employees and does not affect matters relating to the employment relationship between STRATEGIC-PARTNER and its LAWN DOCTOR Business employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits,

work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, STRATEGIC-PARTNER agrees to identify itself conspicuously in all dealings with its LAWN DOCTOR Business personnel as the employer of such personnel and to notify such personnel that the COMPANY, as the franchisor, is not their employer and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

2. **TRAINING AND GUIDANCE.**

A. **TRAINING.**

The COMPANY shall furnish a training program on the operation of the LAWN DOCTOR Business at such time and place as the COMPANY designates. This training will not include training on matters relating to labor relations and employment practices. STRATEGIC-PARTNER shall have the right to designate up to two (2) individuals to participate in the training program, provided that such individuals are supervisory personnel and attend the training program together. STRATEGIC-PARTNER shall be responsible for all travel and living expenses which such individuals incur in connection with the training program. If, during the training program, the COMPANY determines, in its sole discretion, that STRATEGIC-PARTNER or his designee is not qualified to operate a LAWN DOCTOR Business or has not satisfactorily completed the training program, the COMPANY shall have the right to require such individuals to attend the next initial training program at STRATEGIC-PARTNER's expense (including all travel and living expenses incurred by STRATEGIC-PARTNER and his designee(s) in connection therewith). If STRATEGIC-PARTNER's or a designee's performance in the additional training program is unsatisfactory, the COMPANY shall have the right to terminate this Agreement effective upon delivery of notice of termination to STRATEGIC-PARTNER. The COMPANY shall have the right to require that STRATEGIC-PARTNER and his supervisory personnel complete supplemental and refresher training programs, to be furnished without charge, at designated locations. STRATEGIC-PARTNER shall pay all such travel and living expenses therefor. At its option, the COMPANY may provide some or all training programs in a virtual environment via a restricted website or extranet to which STRATEGIC-PARTNER will have access.

B. **GUIDANCE.**

The COMPANY shall furnish to STRATEGIC-PARTNER guidance in connection with the operation of his LAWN DOCTOR Business. Such guidance shall, in the sole discretion of the COMPANY, be furnished in the Operating Manual. The COMPANY may, at its option, provide additional guidance to STRATEGIC-PARTNER via presentation materials and content on the COMPANY's learning management system. The COMPANY may also provide guidance via telephonic conversations and/or consultation with supervisory personnel at the offices of the COMPANY or STRATEGIC-PARTNER's office. Additional guidance and assistance shall be available to supervisory personnel, in the sole discretion of the COMPANY, at per diem fees and charges established from time to time by the COMPANY.

The COMPANY will during the term of the Franchise provide STRATEGIC-PARTNER with access to one (1) copy of the Operating Manual. The Operating Manual shall contain mandatory and suggested specifications, standards and operating procedures prescribed from time to time by the COMPANY for the operation of a LAWN DOCTOR Business and information relative to other obligations of STRATEGIC-PARTNER hereunder so that the quality of the COMPANY's brand, products, and services is maintained. The COMPANY shall have the right to add to and to otherwise modify the Operating Manual from time to time to reflect changes in authorized products, services and equipment, standards of product and service quality and performance, and the operation of the LAWN DOCTOR Business, provided that no such addition or modification shall alter STRATEGIC-PARTNER's fundamental status and rights under this Agreement. STRATEGIC-PARTNER shall keep his copy of the Operating Manual current; however, in the event of a dispute, the master copy maintained by the COMPANY at its principal office shall be controlling. STRATEGIC-PARTNER agrees that the contents of the Operating Manual are confidential and that STRATEGIC-PARTNER will not disclose the Operating Manual to any person other than employees of his LAWN DOCTOR Business who need to know its contents. STRATEGIC-PARTNER shall not, at any time, copy or otherwise reproduce any part of the Operating Manual. As further described in Section 7.J., the COMPANY may post some or all of the Operating Manual on a website or extranet to which STRATEGIC-PARTNER has access.

3. **MARKS.**

A. **OWNERSHIP AND GOODWILL OF MARKS.**

STRATEGIC-PARTNER acknowledges that his right to use the Marks is derived solely from this Agreement and is limited to his conduct of business pursuant to and in compliance with this Agreement and all applicable standards, specifications and operating procedures prescribed by the COMPANY from time to time during the term of the Franchise, including, but not limited to, standards and procedures prescribed by the COMPANY with respect to STRATEGIC-PARTNER's use of any Mark in connection with a website. Any unauthorized use of the Marks by STRATEGIC-PARTNER, including, but not limited to, use by STRATEGIC-PARTNER of any Mark as part of a website domain name or electronic address, shall constitute an infringement of the rights of the COMPANY in and to the Marks. STRATEGIC-PARTNER agrees that all usage of the Marks by STRATEGIC-PARTNER and any goodwill established thereby shall inure to the exclusive benefit of the COMPANY and STRATEGIC-PARTNER acknowledges that this Agreement does not confer any goodwill or other interests in the Marks upon STRATEGIC-PARTNER. All provisions of this Agreement applicable to the Marks shall apply to any additional proprietary trade and service marks and commercial symbols the COMPANY hereafter authorizes for use by STRATEGIC-PARTNER. STRATEGIC-PARTNER shall immediately notify the COMPANY of any apparent infringement of or challenge to STRATEGIC-PARTNER's use of any Mark. The COMPANY shall have sole discretion to take such action as it deems appropriate and the right to exclusively control any litigation or proceeding arising out of any such infringement or challenge. STRATEGIC-PARTNER agrees to render such assistance in connection therewith as the COMPANY deems necessary or advisable.



**B. LIMITATIONS ON STRATEGIC-PARTNER'S USE OF MARKS.**

STRATEGIC-PARTNER agrees to use the Marks as the sole identification of the Franchise, provided that STRATEGIC-PARTNER shall identify himself as the independent owner, operator, and manager thereof in the manner prescribed by the COMPANY. STRATEGIC-PARTNER may not use any Mark or any variation thereof (1) as part of any corporate or legal business name, (2) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to STRATEGIC-PARTNER hereunder), (3) in connection with the performance or sale of any unauthorized services or products, (4) as part of any domain name, electronic address or search engine, or (5) in any other manner the COMPANY has not expressly authorized in writing. STRATEGIC-PARTNER agrees to prominently display the Marks and only the Marks (as prescribed in Section 7.B. hereof) on the Service Vehicles, and on contracts, forms, equipment and other materials authorized by the COMPANY. To the extent STRATEGIC-PARTNER uses any Mark in employment-related materials, STRATEGIC-PARTNER must include a clear disclaimer that it (and only it) is the employer of employees and that the COMPANY, as the franchisor, is not the employer of STRATEGIC-PARTNER's LAWN DOCTOR Business employees and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. STRATEGIC-PARTNER further agrees that STRATEGIC-PARTNER's telephone number shall be used exclusively for the operation of STRATEGIC-PARTNER's LAWN DOCTOR Business and for no other purpose.

STRATEGIC-PARTNER agrees to give such notices of trade and service mark registrations as the COMPANY specifies and to obtain such fictitious or assumed name registrations as may be required under applicable law. If, in the COMPANY's sole discretion, it becomes advisable for the COMPANY and/or STRATEGIC-PARTNER to modify or discontinue use of any Mark and/or use one or more additional or substitute trade or service marks, STRATEGIC-PARTNER agrees to comply with the COMPANY's directions to modify or otherwise discontinue the use of such Mark within a reasonable time after notice thereof. The COMPANY has no obligation to reimburse STRATEGIC-PARTNER's (1) direct expenses in modifying or discontinuing the use of a Mark and substituting therefor a different trademark or service mark, (2) loss of goodwill associated with any modified or discontinued Mark, or (3) expenditures to promote a modified or substitute trademark or service mark.

**4. CONFIDENTIAL INFORMATION/EXCLUSIVE RELATIONSHIP.**

**A. CONFIDENTIAL INFORMATION.**

The COMPANY possesses, and will continue to develop and acquire, certain confidential information relating to the methods, techniques, formats, specifications, procedures, information, systems, sales and marketing techniques and knowledge of and experience in the development, operation and franchising of LAWN DOCTOR Businesses (the "Confidential Information"). The COMPANY will disclose the Confidential Information to STRATEGIC-PARTNER in the training program, the Operating Manual and in guidance furnished to STRATEGIC-PARTNER. STRATEGIC-PARTNER acknowledges that the Confidential Information is proprietary and

involves trade secrets of the COMPANY and that he will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of a LAWN DOCTOR Business during the term of this Agreement. The COMPANY will disclose the Confidential Information to STRATEGIC-PARTNER only on the condition that STRATEGIC-PARTNER and its owners agree, and they hereby do agree, that STRATEGIC-PARTNER and its owners:

(a) will not use any Confidential Information in any other business or capacity;

(b) will keep the Confidential Information absolutely confidential during and after this Agreement's term;

(c) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and

(d) will adopt and implement all reasonable procedures that the COMPANY periodically prescribes to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to personnel of the LAWN DOCTOR Business and others needing to know such Confidential Information to operate the LAWN DOCTOR Business, and requiring all employees having access to Confidential Information to sign confidentiality and non-competition agreements in a form acceptable to the COMPANY. The COMPANY has the right to review and approve the form of agreement that STRATEGIC-PARTNER uses and to be a third party beneficiary of that agreement with independent enforcement rights. The COMPANY's right to review and approve the form of agreement is solely to ensure that STRATEGIC-PARTNER adequately protects Confidential Information. Under no circumstances will the COMPANY control the forms or terms of employment agreements STRATEGIC-PARTNER uses with its LAWN DOCTOR Business employees or otherwise be responsible for STRATEGIC-PARTNER's labor relations or employment practices.

STRATEGIC-PARTNER agrees that the list of the names, addresses and other information regarding STRATEGIC-PARTNER's current clients, former clients, and those who have inquired about the service (the "Customer List") shall be included in the Confidential Information, shall be the property of the COMPANY and shall constitute a trade secret of the COMPANY. STRATEGIC-PARTNER agrees that STRATEGIC-PARTNER may not disclose the Customer List, or any portion thereof, to any person other than the COMPANY, either during the term of this Agreement or thereafter.

"Confidential Information" does not include information, knowledge or know-how which STRATEGIC-PARTNER knew from previous business experience before the COMPANY provided it to STRATEGIC-PARTNER (directly or indirectly) or before STRATEGIC-PARTNER began training or operating his LAWN DOCTOR Business. If the COMPANY includes any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that the exclusion in this paragraph is fulfilled.

All ideas, concepts, techniques or materials relating to a LAWN DOCTOR Business, whether or not protectable intellectual property and whether created by or for STRATEGIC-

PARTNER or STRATEGIC-PARTNER's employees, must be promptly disclosed to the COMPANY and will be deemed to be the COMPANY's sole and exclusive property, part of the franchise system, and works made-for-hire for the COMPANY. To the extent any item does not qualify as a "work made-for-hire" for the COMPANY, by this paragraph STRATEGIC-PARTNER assigns ownership of that item, and all related rights to that item, to the COMPANY and agrees to sign whatever assignment or other documents the COMPANY requests to evidence the COMPANY's ownership or to help the COMPANY obtain intellectual property rights in the item.

**B. EXCLUSIVE RELATIONSHIP.**

STRATEGIC-PARTNER acknowledges and agrees that the COMPANY would be unable to protect the Confidential Information against unauthorized use or disclosure if franchised strategic-partners of LAWN DOCTOR Businesses were permitted to hold interests in any Competitive Business. STRATEGIC-PARTNER therefore agrees that during the term of this Agreement, neither STRATEGIC-PARTNER, its owner(s) nor any member of his or their immediate families shall perform services or have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, manager, consultant, representative or agent, or in any other capacity in any Competitive Business located or operating within (a) STRATEGIC-PARTNER's Territory, (b) fifty (50) miles of the boundary of STRATEGIC-PARTNER's Territory, (c) the territory of any other LAWN DOCTOR Business, or (d) fifty (50) miles of the boundary of the territory of any other LAWN DOCTOR Business.

**5. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.**

STRATEGIC-PARTNER shall hire all employees of his LAWN DOCTOR Business, and will be exclusively responsible for all terms relating to their employment, including employee selection, training, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

STRATEGIC-PARTNER shall not employ any of the Marks in signing any contract or applying for any license or permit or in a manner that may result in the COMPANY's liability for any of STRATEGIC-PARTNER's indebtedness or obligations, nor may STRATEGIC-PARTNER use the Marks in any way not expressly authorized by the COMPANY, including, but not limited to, on a website. Except as expressly authorized by this Agreement, STRATEGIC-PARTNER shall make no express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name of or on behalf of the COMPANY and the COMPANY shall not be obligated by or be liable under any agreements or representations made by STRATEGIC-PARTNER that are not expressly authorized hereunder. In addition to any sales, use, excise, privilege or other transaction taxes that the COMPANY is required or permitted by law to collect from STRATEGIC-PARTNER for the sale, lease or other provision of goods or services under this Agreement, STRATEGIC-PARTNER shall pay to the COMPANY an amount equal to all federal, state, local or foreign (i) sales, use, excise, privilege, occupation or any other transactional taxes, or (ii) any other taxes or similar exactions no matter how designated (excluding only taxes imposed on the COMPANY for the privilege of conducting business and calculated with respect to the COMPANY's net income, capital, net worth, gross receipts, or some other basis or combination thereof, but not excluding any gross

receipts taxes imposed on the COMPANY for STRATEGIC-PARTNER payments intended to reimburse the COMPANY for expenditures incurred for the benefit and on behalf of STRATEGIC-PARTNER), that are imposed on the COMPANY or required to be withheld by STRATEGIC-PARTNER in connection with the receipt or accrual of service fees, royalties or any other amounts payable by STRATEGIC-PARTNER to the COMPANY under this Agreement. Any additional required payment pursuant to the preceding sentence shall be made in an amount necessary to provide the COMPANY with after tax receipts (taking into account any additional payments required hereunder), equal to the same amounts the COMPANY would have received under the provisions of this Agreement if such additional tax liability or withholding had not been imposed or required.

STRATEGIC-PARTNER agrees to indemnify and hold the COMPANY, its affiliates, shareholders, directors, officers, employees, agents, successors and assignees harmless from and against any liability for any claims arising out of the operation of his LAWN DOCTOR Business, including any allegation that the COMPANY or its affiliates, shareholders, directors, officers, employees, agents, successors, and assignees is a joint employer or otherwise responsible for STRATEGIC PARTNER's acts or omissions related to STRATEGIC PARTNER's LAWN DOCTOR Business employees. For purposes of this indemnification, claims shall mean and include all obligations, actual and consequential damages, taxes and costs reasonably incurred in the defense of any claim, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. The COMPANY shall have the right to defend any such claim in which it is named as a defendant. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

6. **FEES.**

A. **INITIAL FRANCHISE FEE.**

STRATEGIC-PARTNER agrees to pay to the COMPANY an initial franchise fee of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "Initial Franchise Fee") comprised of the following components:

(1) An initial license fee of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) for the right to use the Marks during the term of this Agreement and any successor franchise granted hereunder;

(2) An initial training, supply and support fee of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_);

(3) A nonrefundable deposit of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) for the Turf Tamer Stand-On Applicator lease; and

(4) A nonrefundable deposit of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) for the Turf Tamer Power Seeder lease.

The Initial Franchise Fee shall be payable as follows: (1) \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be due and payable on the Agreement Date; and (2) \_\_\_\_\_ Dollars (\$\_\_\_\_\_) shall be payable \_\_\_\_\_

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The Initial Franchise Fee shall be fully earned by the COMPANY when paid and is nonrefundable.

**B. ROYALTY AND SERVICE FEE.**

STRATEGIC-PARTNER agrees to pay to the COMPANY by Thursday of each week during the term hereof a weekly royalty and service fee in the amount of ten percent (10%) of the Net Revenues of STRATEGIC-PARTNER's LAWN DOCTOR Business for the immediately preceding week (Monday through Sunday).

**C. TECHNOLOGY FEE.**

STRATEGIC-PARTNER agrees to pay the COMPANY a Technology Fee to fund the technology expenditures the COMPANY deems best for LAWN DOCTOR Businesses. The Technology Fee currently is one hundred fifty dollars (\$150) per month until the cumulative Net Revenues of STRATEGIC-PARTNER's LAWN DOCTOR Business reach One Million Dollars (\$1,000,000), at which time the Technology Fee is currently scheduled to increase to Two Hundred Fifty Dollars (\$250) per month (provided, however, that the COMPANY reserves the right, in its sole judgment, to increase the monthly Technology Fee from time to time during this Agreement's term). The first Technology Fee payment is due and payable to the COMPANY in the calendar month in which STRATEGIC-PARTNER's LAWN DOCTOR Business commences operations. Each subsequent Technology Fee payment is due and payable no later than the tenth day of each subsequent calendar month. The COMPANY has the right to allocate and spend Technology Fees in its sole judgment, including for salaries, wages, and benefits, direct technology program costs, and overhead expenses for technology-related activities. The Technology Fee is in addition to any other costs STRATEGIC-PARTNER incurs to purchase or license the Software Program or other computer hardware or additional software described in Section 7.I below. The COMPANY has no obligation to account to STRATEGIC-PARTNER or other franchisees for its use of Technology Fees or to ensure that STRATEGIC-PARTNER or STRATEGIC-PARTNER's LAWN DOCTOR Business benefits directly or pro rata based on its Technology Fee payments.

**D. INTEREST ON LATE PAYMENTS.**

All royalty and service fees, technology fees, advertising contributions, lease payments, amounts due for purchases by STRATEGIC-PARTNER from the COMPANY, and other amounts which STRATEGIC-PARTNER owes to the COMPANY shall bear interest after due date at the highest applicable legal rate for open account business credit in the state of STRATEGIC-PARTNER's domicile, not to exceed one and one-half percent (1.5%) per month. STRATEGIC-PARTNER acknowledges that this Section 6.D. shall not constitute the COMPANY's agreement to accept such payments after same are due or a commitment by the

COMPANY to extend credit to, or otherwise finance STRATEGIC-PARTNER's LAWN DOCTOR Business. Further, STRATEGIC-PARTNER acknowledges that his failure to pay all amounts when due shall constitute grounds for termination of this Agreement.

**E. APPLICATION OF PAYMENTS.**

Notwithstanding any designation by STRATEGIC-PARTNER, the COMPANY shall have sole discretion to apply any payments by STRATEGIC-PARTNER to any of his past due indebtedness for royalty and service fees, technology fees, advertising contributions, purchases from the COMPANY or its affiliates, interest or any other indebtedness.

**F. METHOD OF PAYMENT - ELECTRONIC FUNDS TRANSFER.**

If at any time during the term of this Agreement on at least thirty (30) days' prior written notice from the COMPANY to STRATEGIC-PARTNER, the COMPANY may request that STRATEGIC-PARTNER agree to and shall remit weekly royalty and service fees, technology fees, Marketing Fund contributions and any other amounts due to the COMPANY hereunder (including, without limitation, any outstanding portion of the Initial Franchise Fee) via electronic funds transfer or other means to a bank or financial institution designated by the COMPANY and STRATEGIC-PARTNER hereby grants the COMPANY authorization for direct (automatic) debiting of STRATEGIC-PARTNER's bank or financial institution general operating account. In such event, STRATEGIC-PARTNER agrees to supply any and all information necessary to provide for automatic electronic funds transfer and payment of such amounts due to the COMPANY and to comply with procedures specified by the COMPANY in the Operating Manual and in writing from time to time, and/or perform such acts and deliver and execute such documents, agreements and authorizations as may be necessary to assist in or accomplish payment by such method.

**7. FRANCHISE IMAGE AND OPERATING PROCEDURES.**

**A. EQUIPMENT.**

STRATEGIC-PARTNER agrees to use the Turf Tamer Applicators leased from the COMPANY or equivalent equipment meeting the COMPANY's specifications and standards and such other additional equipment as may be approved by the COMPANY from time to time. The COMPANY may modify and/or substitute any of the equipment STRATEGIC-PARTNER is required to use in his LAWN DOCTOR Business, including any of the delivery devices used to apply chemicals to customers' lawns. STRATEGIC-PARTNER may purchase or lease his original and replacement equipment from any source approved by the COMPANY. If STRATEGIC-PARTNER proposes to purchase or lease any equipment (other than computer hardware and software which is subject to the terms of Section 7.I. below) which is not then approved by the COMPANY, STRATEGIC-PARTNER shall first notify the COMPANY and, upon request, furnish to the COMPANY specifications, photographs, drawings and/or other information sufficient to afford the COMPANY a reasonable opportunity to determine whether such equipment complies with its specifications and standards. Due to patented and/or patent applied for components and other characteristics of the Turf Tamer Applicators and certain other equipment, the COMPANY has not presently approved any source other than the COMPANY.

**B. CONDITION AND APPEARANCE OF SERVICE VEHICLES AND EQUIPMENT.**

STRATEGIC-PARTNER agrees to lease one or more Service Vehicles suitable for the purpose of transporting various lawn equipment, supplies and materials needed to operate a LAWN DOCTOR Business and which otherwise meets the COMPANY's specifications. STRATEGIC-PARTNER agrees: (1) to take delivery of the Service Vehicle immediately following the completion of training school; (2) to maintain the condition and appearance of his Service Vehicles and equipment consistent with the image of the LAWN DOCTOR Business as a professionally operated lawn and vegetation care and conditioning services business; (3) that the Service Vehicles and equipment shall not be used for any purpose other than the operation of his LAWN DOCTOR Business as described herein; (4) to place or display on the Service Vehicles and equipment only such signs, emblems, lettering and logos as are approved by the COMPANY, and no others; and (5) not to sell or otherwise transfer any of the Service Vehicles (other than to the COMPANY) without the prior written approval of the COMPANY and without first removing all of the Marks from the Service Vehicles.

**C. AUTHORIZED PRODUCTS AND SERVICES.**

The reputation and goodwill of the COMPANY is based upon, and can be maintained and enhanced only by, the furnishing of high quality lawn and vegetation care and conditioning products and services and other related products and services, including, without limitation: application of lawn fertilizers, insecticides, pesticides, herbicides, fungicides, lime, sulfur and other materials; lawn seeding, thatching and aerating; tree and shrub feeding and spraying (fertilizers, insecticides, pesticides, fungicides and oils); and other lawn and vegetation care and conditioning products and services. STRATEGIC-PARTNER agrees, therefore, that he will only offer such lawn and vegetation care and conditioning products and services and other products and services that the COMPANY shall authorize for the LAWN DOCTOR Business, and that he will offer all of the products and services that the COMPANY authorizes for the Territory. STRATEGIC-PARTNER further agrees that he will not sell his LAWN DOCTOR customer list(s) or customer contracts, or otherwise use his LAWN DOCTOR customer list(s) for any purpose other than in connection with the operation of his LAWN DOCTOR Business. STRATEGIC-PARTNER agrees that he will not, without the prior written approval by the COMPANY, offer or sell any type of service or offer, sell or use any product that is not authorized by the COMPANY for the LAWN DOCTOR Business. STRATEGIC-PARTNER further agrees that the Turf Tamer Applicators and any other equipment used in LAWN DOCTOR Businesses shall not be used for any purpose other than the operation of his LAWN DOCTOR Business in compliance with this Agreement.

**D. APPROVED PRODUCTS AND SUPPLIES.**

STRATEGIC-PARTNER agrees that all products and supplies used in his LAWN DOCTOR Business shall comply with the COMPANY's specifications and quality standards. The COMPANY shall provide STRATEGIC-PARTNER with a list of approved products and supplies and shall from time to time issue revisions thereto. If STRATEGIC-PARTNER wishes to use any type or brand of product or supply item or wishes to purchase products or supplies from a supplier that is not currently approved by the COMPANY, STRATEGIC-PARTNER

shall notify the COMPANY of his desire to do so and submit to the COMPANY specifications, photographs, samples and/or other information requested by the COMPANY. The COMPANY shall, within a reasonable time, determine whether such products, supplies or such supplier meets its specifications and standards and notify STRATEGIC-PARTNER whether he is authorized to use such product or supply item or purchase from such supplier. Notwithstanding the foregoing, the COMPANY may limit the number of approved suppliers with whom STRATEGIC-PARTNER may deal, designate sources that STRATEGIC-PARTNER must use, and/or refuse any of STRATEGIC-PARTNER's requests for any reason, including that the COMPANY has already designated an exclusive source (which might be the COMPANY or its affiliate) for a particular item or service.

**E. SPECIFICATIONS, STANDARDS AND PROCEDURES.**

STRATEGIC-PARTNER agrees to cooperate with the COMPANY by maintaining high standards in the operation of his LAWN DOCTOR Business. STRATEGIC-PARTNER also agrees to comply with all mandatory specifications, standards and operating procedures relating to the operation of a LAWN DOCTOR Business. STRATEGIC-PARTNER acknowledges and agrees that these mandatory specifications, standards and operating procedures are integral to maintaining the quality of the COMPANY's brand, products, and services. Mandatory specifications, standards and operating procedures prescribed from time to time by the COMPANY in the Operating Manual for the LAWN DOCTOR Business, or otherwise communicated to STRATEGIC-PARTNER in writing, shall constitute provisions of this Agreement as if fully set forth herein. All references herein to this Agreement shall include all such mandatory specifications, standards and operating procedures.

**F. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.**

STRATEGIC-PARTNER shall secure and maintain in force in its name all required licenses, permits and certificates relating to the operation of his LAWN DOCTOR Business. STRATEGIC-PARTNER shall operate his Franchise in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all government regulations relating to environmental protection, labor, employment, occupational hazards and health, worker's compensation insurance, unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales taxes. STRATEGIC-PARTNER shall, in all dealings with his customers, suppliers, the COMPANY and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. STRATEGIC-PARTNER agrees to refrain from any business or advertising practice which may be injurious to the business of the COMPANY and the goodwill associated with the Marks and other LAWN DOCTOR Businesses. STRATEGIC-PARTNER agrees to comply with the COMPANY's standards, procedures, and requirements for responding to customer complaints, including reimbursing the COMPANY promptly if it resolves a customer complaint because STRATEGIC-PARTNER fails to do so as or when required.

**G. INSURANCE.**

STRATEGIC-PARTNER shall at all times during the term of the Franchise maintain in force at his sole expense (1) comprehensive general liability insurance (including products,



completed operations and motor vehicle liability) on an occurrence basis against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of STRATEGIC-PARTNER's LAWN DOCTOR Business and (2) the worker's compensation insurance prescribed by the COMPANY or state law, whichever is greater. Coverage for application of herbicides must also be included under the general liability insurance. All insurance coverage shall be maintained under one or more policies of insurance containing minimum liability protection in such amounts as are specified by the COMPANY from time to time and issued by insurance carriers acceptable to the COMPANY. All liability insurance policies required hereunder shall name the COMPANY (its officers, directors, employees and designated affiliates) as additional insured grantor and shall provide that the COMPANY receives thirty (30) days' prior written notice of termination, expiration or cancellation of any such policy. Upon sixty (60) days' prior written notice to STRATEGIC-PARTNER, the COMPANY may increase the minimum liability protection requirements as of the renewal date of any policy, and require different or additional kinds of insurance at any time, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, product or motor vehicle liability litigation or other relevant changes in circumstances. STRATEGIC-PARTNER shall furnish annually to the COMPANY a copy of the certificate and other evidence the COMPANY may require of each such insurance policy in the form the COMPANY requires.

#### H. **FULL TIME EFFORTS.**

STRATEGIC-PARTNER agrees to use his best efforts to promote his LAWN DOCTOR Business and to devote his full time, energies and attention to the operation of his LAWN DOCTOR Business. STRATEGIC-PARTNER further agrees that he will not engage in any Competitive Business; provided, however, the COMPANY may permit STRATEGIC-PARTNER to engage in other non-competitive business activities provided STRATEGIC-PARTNER obtains the prior written consent of the COMPANY.

#### I. **COMPUTER AND PHONE SYSTEMS.**

STRATEGIC-PARTNER acknowledges that STRATEGIC-PARTNER must have available or purchase or license a customized computer software program and related technology suited for use by lawn care businesses (the "Software Program") from the supplier the COMPANY designates at the then current price and/or fees being charged by the designated supplier. STRATEGIC-PARTNER also must acquire computer hardware and certain additional software in accordance with the COMPANY's standards and specifications, including a computer, monitor, printer, and all consumables. Such computer software and hardware are an integral part of the LAWN DOCTOR Business and necessary to protect the quality of the COMPANY's brand, products, and services. The COMPANY reserves the right to modify the specifications and components of such computer software and hardware from time to time. Some or all software may be website based. STRATEGIC-PARTNER grants the COMPANY (and the COMPANY's designees) unlimited, independent access to, and the right to download, all information and data in STRATEGIC-PARTNER's computer software and hardware (including all data derived from the Software Program but excluding employee or employment-related information and data) at any time. STRATEGIC-PARTNER shall not take any action or enter

into any agreement that prohibits, prevents or restricts the COMPANY's ability to access and download all such information and data. STRATEGIC-PARTNER also must, at STRATEGIC-PARTNER's expense, maintain the designated computer software and hardware so that the COMPANY (and each of the COMPANY's designees) has the ability to access and download all information and data (excluding employee or employment-related information and data) in STRATEGIC-PARTNER's computer software and hardware at any time in accordance with this Section. STRATEGIC-PARTNER further acknowledges and agrees that the COMPANY has the right to require STRATEGIC-PARTNER to incur reasonable costs to purchase or lease new or modified computer hardware and software for use with the Software Program. References to reasonable costs and fees in this Section shall refer to the COMPANY's reasonable costs for the selection of appropriate hardware and software.

**J. ELECTRONIC COMMUNICATION AND USE OF INTERNET.**

At the COMPANY's option, the COMPANY may post the Operating Manual and other communications on a restricted intranet or other website to which STRATEGIC-PARTNER will have access. If the COMPANY does so, STRATEGIC-PARTNER must periodically monitor the site for any updates to the Operating Manual or other standards, specifications and procedures. Any passwords or other digital identifications necessary to access the Operating Manual on such a site will be deemed to be part of the Confidential Information (defined in Section 4.A.). Further, STRATEGIC-PARTNER agrees that he will establish the channels of communication with the COMPANY and his customers as required by the COMPANY from time to time, including e-mail, internet and other electronic forms of communication, and that he will acquire and maintain any computer or other components necessary for the transmission of such communications.

STRATEGIC-PARTNER agrees to comply with the COMPANY's requirements, standards and specifications concerning STRATEGIC-PARTNER's use of a website to promote his LAWN DOCTOR Business, including, but not limited to, the COMPANY's requirement that STRATEGIC-PARTNER receive the COMPANY's approval of STRATEGIC-PARTNER's proposed website information prior to implementation of the website and prior to changing an approved website. STRATEGIC-PARTNER further agrees to comply with the COMPANY's requirements, standards and specifications concerning STRATEGIC-PARTNER's use of social media in connection with its operation of the LAWN DOCTOR Business, including prohibitions on STRATEGIC-PARTNER's posting or blogging comments about the LAWN DOCTOR Business or the franchise system other than on an authorized COMPANY website ("social media" includes personal blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools).

At the COMPANY's option, the COMPANY may establish one or more websites to advertise, market and promote LAWN DOCTOR Businesses, the services they offer and sell, and/or the LAWN DOCTOR Business franchise opportunity. If the COMPANY establishes such a website, the COMPANY may designate a web page within the website for each LAWN DOCTOR Business. The COMPANY may implement and periodically modify standards for any such website and individual web pages. STRATEGIC-PARTNER will not establish a website for

his LAWN DOCTOR Business, other than the web page(s) designated to describe STRATEGIC-PARTNER's LAWN DOCTOR Business which are located within the COMPANY's website.

**K. REPRESENTATIONS AND COVENANT CONCERNING TERRORISM.**

STRATEGIC-PARTNER agrees to comply and/or assist the COMPANY in its compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to anti-terrorist activities, including, without limitation, the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations. In connection with such compliance efforts, STRATEGIC-PARTNER agrees not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to his LAWN DOCTOR Business as may be required by the COMPANY or by law. STRATEGIC-PARTNER confirms that he is not listed in the Annex to Executive Order 13224 (the Annex is available at <http://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html>). STRATEGIC-PARTNER is solely responsible for ascertaining what actions must be taken by STRATEGIC-PARTNER to comply with all such laws, orders and/or regulations, and specifically acknowledges and agrees that his indemnification responsibilities as provided in Section 5 pertain to his obligations hereunder.

**8. MARKETING AND PROMOTION.**

**A. LOCAL ADVERTISING.**

STRATEGIC-PARTNER agrees to participate in any toll-free telephone number program the COMPANY specifies, including by signing any agreements and paying any associated charges, whether to the COMPANY or a third party. STRATEGIC-PARTNER agrees to display the COMPANY's toll-free telephone number as the primary and dominant business phone number. STRATEGIC-PARTNER agrees that the toll-free telephone number will be displayed on all marketing materials and all of STRATEGIC-PARTNER's Service Vehicles.

The COMPANY has the right, directly and/or through a designated source (including an affiliate), to develop, implement, operate, maintain, and improve a call center (the "Call Center") for the marketing, customer solicitation and engagement, transaction processing, and other purposes the COMPANY specifies from time to time. STRATEGIC-PARTNER must use and allow the use of the Call Center with respect to its LAWN DOCTOR Business and comply with the COMPANY's standards, specifications, and operating procedures for participation in and operation of the Call Center. The COMPANY and/or the designated source will charge STRATEGIC-PARTNER a fixed fee, payable weekly, monthly, or otherwise as the COMPANY determines, for the Call Center's operation (the "Call Center Fees"). The COMPANY has the right to increase the Call Center Fees during this Agreement's term. The Call Center Fees are separate from the royalty and service fee, technology fee, Marketing Fund contributions, and other fees and charges due to the COMPANY or otherwise payable under this Agreement. The COMPANY reserves the right, in its sole judgment, to increase the Call Center Fee from time to time during this Agreement's term.

In addition to Call Center obligations, STRATEGIC-PARTNER agrees to spend each calendar year during this Agreement's term (beginning in the first full calendar year after the

Agreement Date) the greater of Thirty Thousand Dollars (\$30,000) or ten percent (10%) of the Net Revenues of STRATEGIC-PARTNER's LAWN DOCTOR business to market and promote the LAWN DOCTOR Business within the Territory. STRATEGIC-PARTNER shall ensure that all advertising, marketing, and promotional programs and materials that STRATEGIC-PARTNER develops or implements relating to its LAWN DOCTOR Business are completely clear, factual, and not misleading, comply with all applicable laws and regulations, and conform to the highest ethical standards and the advertising and marketing policies that the COMPANY periodically specifies. Within sixty (60) days after each year end, STRATEGIC-PARTNER shall submit to the COMPANY a report detailing STRATEGIC-PARTNER's marketing and promotion expenditures in the Territory during that year. If STRATEGIC-PARTNER fails to spend the required amount during any calendar year, STRATEGIC-PARTNER must pay the unspent amount to the COMPANY within sixty (60) days after the calendar-year end. The COMPANY then may use such monies for any marketing or promotional expense (whether national, regional, local or otherwise), at any time. To the extent the COMPANY does not spend any advertising amounts included in the Initial Franchise Fee within the first operational year of the LAWN DOCTOR Business, the COMPANY shall spend the balance in the subsequent calendar year and apply the balance toward the STRATEGIC-PARTNER's annual local advertising expenditures in that calendar year. Samples of all promotional materials not prepared or previously approved by the COMPANY shall be submitted to the COMPANY for approval prior to usage, which approval shall not be unreasonably withheld. If written disapproval is not received by STRATEGIC-PARTNER within thirty (30) days of the date such materials are delivered to the COMPANY, such materials shall be deemed approved. If STRATEGIC-PARTNER uses any unapproved promotional materials, the COMPANY reserves the right to assess a fine in the amount of Two Hundred Fifty Dollars (\$250) per item per occurrence.

**B. LOCAL MARKETING FUND.**

The COMPANY shall have the right to require that LAWN DOCTOR strategic-partners establish local marketing funds in their respective metropolitan areas. The COMPANY shall determine in its sole discretion the size of each area and the number of LAWN DOCTOR Businesses in each area. STRATEGIC-PARTNER shall contribute to the local fund such amount as is determined by a majority vote of the LAWN DOCTOR Businesses in such area; provided that such contribution shall be credited against the amount STRATEGIC-PARTNER is required to spend locally as described in Section 8.A. hereof. The amount of such contribution may be increased or decreased by a majority vote of the LAWN DOCTOR Businesses in such area, but in no event shall such contribution exceed five percent (5%) of STRATEGIC-PARTNER's Net Revenues.

**C. MARKETING AND PROMOTION FUND.**

Recognizing the value of marketing and promotion to the goodwill and public image of LAWN DOCTOR Businesses, the COMPANY agrees to maintain and administer one or more national and regional marketing fund(s) (the "Marketing Fund") for national and regional marketing and promotional programs. STRATEGIC-PARTNER shall contribute to the Marketing Fund an amount specified by the COMPANY, payable weekly together with the royalty and service fee due hereunder; provided that such contribution shall be credited against

the amount STRATEGIC-PARTNER is required to spend locally as described in Section 8.A. hereof. The amount of such contribution shall be specified by the COMPANY at least thirty (30) days prior to initiation of any Marketing Fund program, but in no event shall such contribution exceed five percent (5%) of STRATEGIC-PARTNER's Net Revenues.

The COMPANY shall direct all marketing programs financed by the Marketing Fund, with sole discretion over the creative concepts, materials and endorsements used therein and their geographic, market and media placement and allocation. STRATEGIC-PARTNER agrees that the Marketing Fund may be used to pay for preparing and producing advertising, marketing, and promotional content and related materials; administering, directing, and preparing regional and multi-regional advertising and marketing programs; supporting public relations, market research, and other advertising, marketing, and promotional activities; supporting centralized platforms, such as reputation management and referral platforms, Search Engine Optimization, and third-party conversion rate optimization software; and consulting and web development as are necessary to manage and administer marketing campaigns and programs. The COMPANY may also use the Marketing Fund to pay for a toll-free telephone number program and on-line internet advertising and marketing, including Facebook, Twitter, and other social media, and to pay for click-through charges to search engines, banner advertising sources, and advertising host sites. The Marketing Fund shall be accounted for separately from the other funds of the COMPANY, and shall not be used to defray any of the COMPANY's general operating expenses, except for such reasonable salaries, administrative costs and overhead as the COMPANY may incur in activities reasonably related to the administration or direction of the Marketing Fund and its marketing and promotional programs. The Marketing Fund is not the COMPANY's asset. The Marketing Fund is not a trust, and the COMPANY does not owe STRATEGIC-PARTNER fiduciary obligations because of the COMPANY's maintaining, directing or administering the Marketing Fund or for any other reason. The COMPANY may spend in any fiscal year an amount greater or less than the aggregate contribution of LAWN DOCTOR Businesses to the Marketing Fund in that year and the COMPANY may make loans to the Marketing Fund (and the Marketing Fund may borrow from the COMPANY or other lenders) bearing reasonable interest to cover any deficits of the Marketing Fund or cause the Marketing Fund to invest any surplus for future use by the Marketing Fund. A report of monies collected and costs incurred by the Marketing Fund shall be prepared annually by the COMPANY and shall be made available for inspection by STRATEGIC-PARTNER upon request. The COMPANY may incorporate the Marketing Fund or operate it through a separate entity whenever the COMPANY deems appropriate. The successor entity will have all of the rights and duties specified in this Subsection.

STRATEGIC-PARTNER understands and acknowledges that the Marketing Fund is intended to maximize general public recognition and patronage of the LAWN DOCTOR Businesses and the Marks for the benefit of all LAWN DOCTOR Businesses. The COMPANY undertakes no obligation to ensure that expenditures by the Marketing Fund are proportionate or equivalent to contributions by LAWN DOCTOR Businesses or that any LAWN DOCTOR Business will benefit directly or in proportion to its contribution to the Marketing Fund from the conduct of marketing programs or the placement of advertising.

The COMPANY has the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund's expense. The COMPANY also may forgive, waive, settle and compromise all claims by or against the Marketing Fund. Except as expressly provided in this Subsection, the COMPANY assumes no direct or indirect liability or obligation to STRATEGIC-PARTNER for collecting amounts due to, maintaining, directing or administering the Marketing Fund.

The COMPANY may at any time defer or reduce the Marketing Fund contributions of a LAWN DOCTOR Business and, upon thirty (30) days' prior written notice to STRATEGIC-PARTNER, reduce or suspend Marketing Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If the COMPANY terminates the Marketing Fund, the COMPANY will distribute all unspent monies to all LAWN DOCTOR Businesses (whether franchised or operated by the COMPANY or its affiliates) in proportion to their respective Marketing Fund contributions during the preceding twelve (12)-month period.

If STRATEGIC-PARTNER begins operation of the LAWN DOCTOR Business after the optimal season starting point, STRATEGIC-PARTNER may elect to pay the COMPANY Five Thousand Dollars (\$5,000) to invest in supplemental corporate-directed media programs to drive media-based leads (the "Centrally Managed Media Boost Program"). STRATEGIC-PARTNER is not obligated to participate in the optional Centrally Managed Media Boost Program.

9. **RECORDS AND REPORTING.**

A. **ACCOUNTING AND RECORDS.**

STRATEGIC-PARTNER agrees, at his expense, to maintain and preserve for three (3) years from the date of their preparation, or such greater period as may be required by the Operating Manual or applicable law, full, complete and accurate books, records and accounts, including, without limitation, copies of all customer contracts and lists, sales, invoices, cash receipts, service records, purchase records, accounts payable, cash disbursement records, inventory records, general ledgers, itemized bank deposit slips and bank statements, copies of sales tax returns, and copies of STRATEGIC-PARTNER's state and federal income tax returns. These records will not include any records or information relating to STRATEGIC-PARTNER's LAWN DOCTOR Business employees as STRATEGIC PARTNER controls exclusively its labor relations and employment practices. STRATEGIC-PARTNER further agrees that such records shall be prepared and maintained on forms, and by the accounting professionals, prescribed from time to time by the COMPANY.

B. **REPORTING REQUIREMENTS.**

STRATEGIC-PARTNER shall furnish the COMPANY on or before Thursday of each week, in the form from time to time prescribed by the COMPANY, a control report signed and verified by STRATEGIC-PARTNER accurately reflecting the gross and Net Revenues of STRATEGIC-PARTNER's LAWN DOCTOR Business for the preceding week (Monday through Sunday). STRATEGIC-PARTNER, at his expense, shall furnish to the COMPANY (and its agents), such forms, reports, records, financial statements and other information as the

COMPANY may, from time to time, require, including the financial reports and statements as provided in this Subsection and other reports the COMPANY may request in the future. This information will not include any information relating to STRATEGIC-PARTNER's LAWN DOCTOR Business employees as STRATEGIC PARTNER controls exclusively its labor relations and employment practices. STRATEGIC-PARTNER shall prepare and furnish to the COMPANY on such forms as are prescribed by the COMPANY from time to time: (1) by the tenth (10th) day of each month, a report of Net Revenues of the Franchise for the preceding calendar month and such other data, information and supporting records as the COMPANY from time to time requires; and (2) within one hundred five (105) days after the end of each fiscal year of STRATEGIC-PARTNER's LAWN DOCTOR Business, an annual statement of profit and loss for STRATEGIC-PARTNER's LAWN DOCTOR Business for the fiscal year, a balance sheet as of the end of the fiscal year and a cash flow projection for the following year. Each such report shall be signed and verified by STRATEGIC-PARTNER in the manner prescribed by the COMPANY. The COMPANY may, from time to time, revise the timing and content of required reports. At the COMPANY's request, STRATEGIC-PARTNER shall provide some or all of its records and reports via electronic transmission or other means as specified by the COMPANY

#### 10. **INSPECTIONS AND AUDITS.**

To determine whether STRATEGIC-PARTNER is complying with this Agreement and/or all applicable specifications and quality standards, the COMPANY shall have the right at any reasonable time and without prior notice to STRATEGIC-PARTNER to: (1) inspect STRATEGIC-PARTNER's equipment and the Service Vehicles; (2) inspect STRATEGIC-PARTNER's office and garage or warehouse; (3) observe STRATEGIC-PARTNER and all employees in the performance of services; (4) inspect any job performed by STRATEGIC-PARTNER; and (5) contact and interview customers of STRATEGIC-PARTNER. The COMPANY shall have the further right at any time during business hours, and with at least three (3) days' prior notice to STRATEGIC-PARTNER, to inspect and audit, or cause to be inspected and audited, the business records, bookkeeping and accounting records, sales and income tax records and returns and other records of STRATEGIC-PARTNER's LAWN DOCTOR Business, and the books and records of any corporation or partnership which holds the Franchise (other than those records over which the COMPANY has no authority to control and/or remedy, such as STRATEGIC-PARTNER's LAWN DOCTOR Business employee records as STRATEGIC-PARTNER controls exclusively its labor relations and employment practices). STRATEGIC-PARTNER further acknowledges and agrees that the COMPANY shall have the right to make photocopies of all such books and records. STRATEGIC-PARTNER shall fully cooperate with representatives of the COMPANY and independent accountants hired by the COMPANY to conduct any such inspection or audit. If STRATEGIC-PARTNER fails to provide any such books, records and other materials requested at such inspection/audit in the format prescribed by the COMPANY in the Operating Manual or in writing, then STRATEGIC-PARTNER shall pay the COMPANY Five Hundred Dollars (\$500) for each day any such requested books, records and other materials are not available to the COMPANY plus the COMPANY's reasonable expenses incurred in connection with such delay. In the event any such inspection or audit shall disclose an understatement of the Net Revenues of STRATEGIC-PARTNER's LAWN DOCTOR Business, STRATEGIC-PARTNER shall pay to the COMPANY, within fifteen (15) days after receipt of the inspection or audit report, the royalty and service fee and any Marketing

Fund contributions due on the amount of such understatement, plus interest (at the rate and on the terms provided in Section 6.D. hereof) from the date originally due until the date of payment. Further, in the event such inspection or audit is made necessary by the failure of STRATEGIC-PARTNER to furnish reports, supporting records or other information, as herein required, or to furnish such reports and information on a timely basis, or if an understatement of Net Revenues for the period of any inspection or audit (which shall not be for less than two (2) months) is determined by any such inspection or audit to be greater than three percent (3%), STRATEGIC-PARTNER shall reimburse the COMPANY for the cost of such inspection or audit, including, without limitation, the charges of any independent accountants and the travel expenses, room and board and compensation of employees of the COMPANY. The foregoing remedies shall be in addition to all other remedies and rights of the COMPANY hereunder or under applicable law.

11. **TRANSFER.**

A. **BY THE COMPANY.**

This Agreement and the Franchise are fully transferable by the COMPANY and shall inure to the benefit of any transferee or other legal successor to the COMPANY's interest herein.

B. **STRATEGIC-PARTNER MAY NOT TRANSFER WITHOUT COMPANY APPROVAL.**

STRATEGIC-PARTNER understands and acknowledges that the rights and duties created by this Agreement are personal to STRATEGIC-PARTNER (or, if STRATEGIC-PARTNER is an entity, its owner(s)) and that the COMPANY has granted the Franchise in reliance upon the COMPANY's perceptions of the individual or collective character, business skill, aptitude and financial capacity of STRATEGIC-PARTNER (or, if STRATEGIC-PARTNER is an entity, its owner(s)). Therefore, neither this Agreement, the Business Assets (or any interest therein), the Franchise (or any interest therein), nor any part or all of the ownership of STRATEGIC-PARTNER may be transferred without the COMPANY's prior written approval, and any such transfer shall constitute a breach of this Agreement and convey no rights to or interests in this Agreement, STRATEGIC-PARTNER's LAWN DOCTOR Business, the Business Assets or STRATEGIC-PARTNER. If STRATEGIC-PARTNER desires to engage a consultant or broker to identify a potential transferee, then STRATEGIC PARTNER must provide the COMPANY with no less than ninety (90) days' prior notice of such engagement.

C. **CONDITIONS FOR APPROVAL OF TRANSFER.**

If STRATEGIC-PARTNER and its owner(s) are in full compliance with this Agreement, the COMPANY shall not unreasonably withhold its approval of a transfer that meets all of the applicable requirements of this Section 11.C. The proposed transferee(s) or its owner(s) must be an individual of good moral character, have sufficient business experience, aptitude and financial resources to operate a LAWN DOCTOR Business, be able to personally devote full time and best efforts to a LAWN DOCTOR Business and to otherwise meet the COMPANY's then applicable standards for strategic-partners. If the transfer is of the Franchise, or of a controlling interest in STRATEGIC-PARTNER, or if it is one of a series of transfers which in the aggregate constitutes the transfer of a controlling interest in STRATEGIC-PARTNER, all of the following



conditions must be met prior to, or concurrently with, the effective date of the transfer: (1) all obligations of STRATEGIC-PARTNER incurred in connection with this Agreement and the conduct of his LAWN DOCTOR Business, including, but not limited to, obligations to customers of STRATEGIC-PARTNER, must be assumed by the transferee(s); (2) STRATEGIC-PARTNER must pay all amounts owed to the COMPANY which are then due, and shall have submitted to the COMPANY all required reports and statements; (3) the transferee(s) must satisfactorily complete the training program required of new strategic-partners; (4) the transferee(s) must execute and agree to be bound by the COMPANY's then current form of standard franchise agreement and such ancillary agreements as are then customarily used by the COMPANY in the transfer of LAWN DOCTOR Businesses, which may provide for different rights and obligations than are provided by this Agreement, but which franchise agreement does not provide for payment of an Initial Franchise Fee; (5) the transferee(s) must assume all obligations of STRATEGIC-PARTNER under STRATEGIC-PARTNER's agreement with the designated supplier for the Software Program, unless otherwise provided for under a separate agreement with the designated supplier; (6) STRATEGIC-PARTNER must pay the COMPANY, upon STRATEGIC-PARTNER's declaration of an intent to sell its LAWN DOCTOR Business, a non-refundable fee equal to ten percent (10%) of the then current initial license fee component of the Initial Franchise Fee, payable by a strategic-partner who is new to the Lawn Doctor system for LAWN DOCTOR Businesses, which amount will be applied toward the transfer fee due under clause (7) below; (7) STRATEGIC-PARTNER must pay a transfer fee to the COMPANY in an amount equal to seventy-five percent (75%) of the then current initial license fee component of the initial franchise fee payable by a strategic-partner who is new to the Lawn Doctor system; (8) if the COMPANY engages a third-party broker or consultant on STRATEGIC-PARTNER's behalf to assist STRATEGIC-PARTNER with the sale of the LAWN DOCTOR Business, then STRATEGIC-PARTNER must pay the COMPANY its then-current non-refundable broker fee, and the broker fee is payable even if the transferee is not a potential transferee identified by the consultant or broker (the broker fee is in addition to the transfer fee due under clause (7) above); (9) STRATEGIC-PARTNER and its owner(s) must execute a general release, in form satisfactory to the COMPANY, of any and all claims against the COMPANY, its affiliates, officers, directors, employees and agents; (10) the COMPANY must approve the material terms and conditions of such transfer, including, without limitation, that the price and terms of payment are not so burdensome as to adversely affect the future operations of the Franchise by such transferee(s) in compliance with the COMPANY's then standard franchise agreement and ancillary agreements; (11) the COMPANY has the right to inspect the equipment and the Service Vehicles to be transferred to transferee(s) and to require cleaning, repair or reconditioning thereof by STRATEGIC-PARTNER prior to transfer; (12) STRATEGIC-PARTNER and its owner(s) must execute a noncompetition covenant in favor of the COMPANY and the transferee(s), agreeing that for a period of not less than eighteen (18) months, commencing on the effective date of the transfer, he, they and the members of his and their immediate families will not have any direct or indirect interest as a disclosed or beneficial owner, investor, lender, partner, director, officer, manager, consultant, employee, representative or agent, or in any other capacity, in any Competitive Business located within (i) STRATEGIC-PARTNER's Territory, (ii) fifty (50) miles of the boundary of STRATEGIC-PARTNER's Territory, (iii) the territory of any other LAWN DOCTOR Business, or (iv) fifty (50) miles of the boundary of the territory of any other LAWN DOCTOR Business; and (13) STRATEGIC-PARTNER and its owners must provide transition services to the transferee for at least sixty (60)

days after the transfer is complete; and (14) STRATEGIC-PARTNER and its owners shall have entered into an agreement with the COMPANY agreeing to subordinate to the transferee's obligations to the COMPANY (including royalty and service fees, technology fees, and Marketing Fund contributions), any obligations of such transferee to make installment payments of the purchase price to STRATEGIC-PARTNER. Subsection (7) shall not apply to transfers by gift, bequest or inheritance.

**D. DEATH OR INCAPACITY OF STRATEGIC-PARTNER.**

Upon the death or permanent incapacity of STRATEGIC-PARTNER, the executor, administrator, conservator or other personal representative of such person must transfer his interest to a third party approved by the COMPANY within six (6) months from the date of death or permanent disability. Such transfer shall be subject to all of the terms and conditions for transfers contained in this Section 11. Failure to transfer in accordance with this Section upon such death or disability shall constitute a breach of this Agreement.

**E. THE COMPANY'S RIGHT OF FIRST REFUSAL.**

If STRATEGIC-PARTNER or its owner(s) shall at any time determine to sell an interest in STRATEGIC-PARTNER's LAWN DOCTOR Business, an ownership interest in STRATEGIC-PARTNER, or the Business Assets, STRATEGIC-PARTNER or its owner(s) shall obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and shall submit an exact copy of such offer to the COMPANY. The COMPANY or its designee shall have the right, exercisable by written notice delivered to STRATEGIC-PARTNER or its owner(s) within thirty (30) days after the COMPANY receives an exact copy of such offer and all other information the COMPANY requests, to purchase such interest in STRATEGIC-PARTNER's LAWN DOCTOR Business, such ownership interest in STRATEGIC-PARTNER or the Business Assets, for the price and on the terms and conditions contained in such offer, provided that: (1) the COMPANY may substitute cash for any form of payment proposed in such offer; (2) the COMPANY's credit will be deemed equal to the credit of any proposed buyer; (3) the COMPANY shall have not less than thirty (30) days to prepare for closing after notifying STRATEGIC-PARTNER of the COMPANY's election to purchase; and (4) the COMPANY must receive, and STRATEGIC-PARTNER agrees to make, all customary representations and warranties given by the seller of the assets of a business, including, without limitation, representations and warranties regarding ownership and condition of, and title to, assets and validity of contracts and the liabilities, contingent or otherwise, relating to the assets being purchased. The COMPANY may assign or delegate its rights under this Section 11.E. If the COMPANY exercises its right of first refusal, STRATEGIC-PARTNER agrees that, for eighteen (18) months beginning on the closing date, STRATEGIC-PARTNER, STRATEGIC-PARTNER's transferring owner(s), and members of his or their immediate families will be bound by the non-competition covenant contained in Section 14.D below. If the COMPANY does not exercise its right of first refusal, STRATEGIC-PARTNER or its owner(s) may complete the sale to such purchaser pursuant to and on the terms of such offer, subject to the COMPANY's approval of the purchaser as provided in Section 11.C., provided that if the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such

offer to the COMPANY, or there is a material change in the terms of the sale, the COMPANY shall again have the right of first refusal herein provided.

F. **OWNERSHIP STRUCTURE.**

If STRATEGIC-PARTNER is an entity, STRATEGIC-PARTNER represents and warrants that its ownership structure is as set forth on **Exhibit A** hereto and covenants that it will not vary from that ownership structure without the prior written approval of the COMPANY.

12. **EXPIRATION OF THIS AGREEMENT.**

A. **STRATEGIC-PARTNER'S RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.**

Subject to the provision of this **Section 12**, upon expiration of the initial term of this Agreement, if: (1) STRATEGIC-PARTNER has substantially complied with all of the provisions of this Agreement; and (2) STRATEGIC-PARTNER, if necessary, refurbishes and re-equips each of his Service Vehicles and commissions the COMPANY (or another party approved by the COMPANY), at his expense and on his behalf, to repair or replace the equipment utilized in the operation of the Franchise and is in compliance with specifications and standards then applicable for new LAWN DOCTOR Business franchises; then STRATEGIC-PARTNER shall have the right to acquire a successor franchise for the LAWN DOCTOR Business for an additional term of ten (10) years.

B. **GRANT OF A SUCCESSOR FRANCHISE.**

STRATEGIC-PARTNER must give the COMPANY written notice of his election to acquire a successor franchise at least six (6) months, but not more than twelve (12) months, before the end of the initial term of this Agreement. Within thirty (30) days after delivery of STRATEGIC-PARTNER'S notice, the COMPANY shall notify STRATEGIC-PARTNER in writing whether or not the COMPANY shall grant a successor franchise to STRATEGIC-PARTNER. If, at any time during the term of this Agreement, STRATEGIC-PARTNER fails to fully comply with this Agreement or any other agreement between STRATEGIC-PARTNER and the COMPANY, the COMPANY may refuse to grant a successor franchise by delivering a notice of the COMPANY'S refusal to grant a successor franchise, stating the reasons for such refusal. If the COMPANY'S notice indicates that the COMPANY will permit STRATEGIC-PARTNER to obtain a successor franchise, such right will be contingent upon STRATEGIC-PARTNER'S continued full compliance with this Agreement and any other agreement between the COMPANY and STRATEGIC-PARTNER.

C. **AGREEMENTS/RELEASES.**

If the COMPANY grants a successor franchise, the COMPANY and STRATEGIC-PARTNER and the owner(s) of STRATEGIC-PARTNER shall execute the COMPANY'S then current form of franchise agreement and such ancillary agreements as are used in offering franchises to operate LAWN DOCTOR Businesses (with appropriate modifications to reflect the fact that the agreements relate to the grant of a successor franchise), and the COMPANY,

STRATEGIC-PARTNER and its owner(s) shall execute general releases, in form satisfactory to the COMPANY, of any and all claims against each other and their respective affiliates, officers, directors, employees and agents. Failure by STRATEGIC-PARTNER and its owner(s) to sign such agreement(s) and releases within ninety (90) days after delivery thereof to STRATEGIC-PARTNER shall be deemed an election by STRATEGIC-PARTNER not to acquire a successor franchise.

13. **TERMINATION OF FRANCHISE BY THE COMPANY.**

This Agreement shall terminate:

(1) effective upon delivery of notice of termination to STRATEGIC-PARTNER if STRATEGIC-PARTNER or its owner(s):

(a) abandons or fails to actively operate the Franchise or fails to commence operation of his LAWN DOCTOR Business as required in Section 1.C. of this Agreement;

(b) surrenders or transfers control of the LAWN DOCTOR Business without the COMPANY's prior written consent;

(c) has made any material misrepresentation or omission in his franchise application or after being granted the Franchise;

(d) fails to satisfactorily complete the training requirements described in Section 2.A. of this Agreement;

(e) is convicted of or pleads no contest to a felony, or any other crime or offense that is likely to adversely affect the reputation of STRATEGIC-PARTNER, other LAWN DOCTOR Businesses or the COMPANY;

(f) abandons, surrenders or makes an unauthorized transfer of the Franchise, the Business Assets or an ownership interest in STRATEGIC-PARTNER;

(g) makes any unauthorized use, duplication or disclosure of any Confidential Information or the Operating Manual;

(h) fails on three (3) or more separate occasions during any one (1)-year period to submit when due reports or other data, information or supporting records, to pay when due the royalty and service fees, technology fees, lease payments, Marketing Fund contributions, amounts due for products and services purchased from the COMPANY or other suppliers, or other payments due to the COMPANY, or otherwise fails to comply with this Agreement, whether or not such failures to comply are corrected after notice thereof is delivered to STRATEGIC-PARTNER;

(i) submits to the COMPANY on two (2) or more separate occasions at any time during the initial term of this Agreement information, reports or supporting records which understate by more than three percent (3%) the royalty and service fees due for any period of, or periods aggregating, two (2) or more months, and STRATEGIC-PARTNER is unable to demonstrate that such understatements resulted from inadvertent error;

(j) materially misuses or makes an unauthorized use of any Mark or commits any act which can reasonably be expected to materially impair the goodwill associated with any Mark, including, but not limited to, use of any Mark as part of a website domain name or electronic address in an unauthorized manner on STRATEGIC-PARTNER's website;

(k) violates any environmental, labor, employment, health, safety, sanitation or other regulatory law, ordinance or regulation or conducts his LAWN DOCTOR Business in a manner that presents a health or safety hazard to his customers or the public;

(l) fails to maintain the insurance the COMPANY requires from time to time;

(m) interferes with the COMPANY's right to inspect the LAWN DOCTOR Business or observe its operation, as provided in Section 10 of this Agreement;

(n) engages in any dishonest or unethical conduct which, in the COMPANY's opinion, adversely affects his LAWN DOCTOR Business' reputation, the reputation of other LAWN DOCTOR Businesses or the goodwill associated with the Marks;

(o) permits any material licenses or permits necessary for his LAWN DOCTOR Business' proper operation to be suspended, revoked or not renewed;

(p) fails to pay when due any federal, state or local income, service, sales or other taxes due on his LAWN DOCTOR Business' operation, unless STRATEGIC-PARTNER is in good faith contesting STRATEGIC-PARTNER's liability for these taxes;

(q) makes an assignment for the benefit of creditors or admits in writing its insolvency or inability to pay its debts generally as they become due; consents to the appointment of a receiver, trustee or liquidator of all or the substantial part of STRATEGIC-PARTNER's property; the STRATEGIC-PARTNER's LAWN DOCTOR Business is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee or liquidator of STRATEGIC-PARTNER or his LAWN DOCTOR Business is not vacated within thirty (30) days following the order's entry;

(r) violates the restrictions of Section 4.B (Exclusive Relationship) or any other non-compete agreement; or

(s) at any time during the term of this Agreement defaults or fails to cure (if cure is permitted) any default under the agreement between STRATEGIC-PARTNER and the designated supplier for the Software Program, or the agreement between STRATEGIC-PARTNER and the designated supplier for the Software Program expires or is terminated.

(2) without further action by the COMPANY or notice to STRATEGIC-PARTNER if STRATEGIC-PARTNER or its owner(s):

(a) fails to accurately report the Net Revenues of his LAWN DOCTOR Business or fails to make payments of any amounts due the COMPANY for royalty and service fees, technology fees, Marketing Fund contributions or any other amounts due to the COMPANY or its affiliates hereunder, and does not correct such failure within ten (10) days after written notice of such failure is delivered to STRATEGIC-PARTNER; or

(b) fails to comply with any other provision of this Agreement or any mandatory specification, standard or operating procedures prescribed by the COMPANY and does not: (1) correct such failure within thirty (30) days after written notice of such failure to comply is delivered to STRATEGIC-PARTNER; or (2) provide proof acceptable to the COMPANY of efforts which are reasonably calculated to correct such failure if such failure cannot reasonably be corrected within thirty (30) days after written notice of such failure to comply is delivered to STRATEGIC-PARTNER.

14. **RIGHTS AND OBLIGATIONS OF THE COMPANY AND STRATEGIC-PARTNER UPON TERMINATION OR EXPIRATION OF FRANCHISE.**

A. **PAYMENT OF AMOUNTS OWED TO THE COMPANY OR CUSTOMERS.**

STRATEGIC-PARTNER agrees to pay to the COMPANY within fifteen (15) days after the effective date of termination or expiration of the Franchise, or such later date that the amounts due to the COMPANY are determined, such royalty and service fees, technology fees, Marketing Fund contributions, lease payments due for Turf Tamer Applicators or other equipment leased by STRATEGIC-PARTNER from the COMPANY, amounts owed to the COMPANY for purchases made by STRATEGIC-PARTNER, interest due on any of the foregoing, and all other amounts owed to the COMPANY which are then unpaid. STRATEGIC-PARTNER further agrees to return to his customers all amounts prepaid by such customers within fifteen (15) days after the effective date of termination or expiration of the Franchise.

**B. MARKS.**

STRATEGIC-PARTNER agrees that upon termination or expiration of the Franchise he will: (1) not directly or indirectly at any time or in any manner, including, but not limited to, on a website, identify himself or any business as a current or former LAWN DOCTOR Business, or as a, strategic-partner, franchisee, licensee, owner or dealer of or as otherwise associated with the COMPANY, or use any Mark, any colorable imitation thereof or other indicia of a LAWN DOCTOR Business in any manner or for any purpose or utilize for any purpose any trade name, trade or service mark or other commercial symbol that suggests or indicates a connection or association with the COMPANY; (2) return to the COMPANY or destroy all signs, brochures, advertising materials, forms, invoices and other materials containing any Marks or otherwise identifying or relating to the LAWN DOCTOR Business; (3) take all such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to his use of any Mark; (4) remove all indicia of the Marks from all Service Vehicles not surrendered to or bought by the COMPANY; (5) notify the telephone company and all listing agencies of the termination or expiration of STRATEGIC-PARTNER's right to use any telephone number and any regular, classified or other telephone directory listings associated with any Mark, and to authorize transfer of same to or at the direction of the COMPANY (STRATEGIC-PARTNER acknowledges that as between the COMPANY and STRATEGIC-PARTNER, the COMPANY has the sole rights to and interest in all telephone numbers and directory listings associated with any Mark. STRATEGIC-PARTNER authorizes the COMPANY, and hereby appoints the COMPANY and any officer of the COMPANY as his attorney in fact, to direct the telephone company and all listing agencies to transfer same to the COMPANY or at its direction, should STRATEGIC-PARTNER fail or refuse to do so, and the telephone company and all listing agencies may accept such direction or this Agreement as conclusive of the exclusive rights of the COMPANY in such telephone numbers and directory listings and its authority to direct their transfer); (6) return all materials and supplies identified by the Marks within thirty (30) days after the effective date of termination or expiration of this Agreement; (7) return to the COMPANY all copies of his LAWN DOCTOR Business customer lists, including past customers, present customers and customer prospects; (8) cancel any electronic address, domain name or website which displays any Mark or that identifies STRATEGIC-PARTNER as associated with the COMPANY or the LAWN DOCTOR Business; (9) furnish to the COMPANY, within thirty (30) days after the effective date of termination or expiration, evidence satisfactory to the COMPANY of STRATEGIC-PARTNER's compliance with the foregoing obligations. STRATEGIC-PARTNER acknowledges that his LAWN DOCTOR Business customer lists and contracts are derived from and a result of his operating a LAWN DOCTOR franchise. Therefore, STRATEGIC-PARTNER agrees that such customer lists and contracts may not be used in connection with any business other than the LAWN DOCTOR Business, and may not be used by, or sold or otherwise transferred to, a third party except as otherwise specifically provided in this Agreement.

**C. RETURN OF EQUIPMENT AND OPERATING MANUALS.**

STRATEGIC-PARTNER agrees that upon termination or expiration of the Franchise, he will immediately cease to use the Confidential Information of the COMPANY disclosed to STRATEGIC-PARTNER pursuant to this Agreement in any business or otherwise and return to

the COMPANY all copies of the Operating Manual for the LAWN DOCTOR Business that have been loaned to him by the COMPANY and all Turf Tamer Applicators and any other equipment which the COMPANY has loaned or leased to STRATEGIC-PARTNER.

**D. COVENANT NOT TO COMPETE.**

Upon termination of this Agreement by either the COMPANY or STRATEGIC-PARTNER in accordance with the provisions of this Agreement, or upon expiration of this Agreement (if the COMPANY refuses to grant a successor franchise, as provided in Section 12, or STRATEGIC-PARTNER elects not to acquire a successor franchise), STRATEGIC-PARTNER and its owner(s) agree that for a period of eighteen (18) months, commencing on the effective date of termination or expiration, or the date on which STRATEGIC-PARTNER ceases to conduct the business conducted pursuant to this Agreement, whichever is later, neither STRATEGIC-PARTNER, its owner(s) nor the members of his and their immediate families will have any interest as a disclosed or beneficial owner, investor, lender, partner, director, officer, manager, consultant, employee, representative or agent, or in any other capacity, in any Competitive Business located within (i) STRATEGIC-PARTNER's Territory, (ii) fifty (50) miles of the boundary of STRATEGIC-PARTNER's Territory, (iii) the territory of any other LAWN DOCTOR Business in operation or in the process of opening on the later of the effective date of the termination or expiration of this Agreement or the date on which all persons restricted by this Subsection begin to comply with this Subsection, or (iv) fifty (50) miles of the boundary of the territory of any other LAWN DOCTOR Business in operation or in the process of opening on the later of the effective date of the termination or expiration of this Agreement or the date on which all persons restricted by this Subsection begin to comply with this Subsection.

**E. CONTINUING OBLIGATIONS.**

All obligations of the COMPANY and STRATEGIC-PARTNER which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

**15. ENFORCEMENT.**

**A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.**

Except as expressly provided to the contrary herein, each section, paragraph, term and provision of this Agreement, and any portion thereof, shall be considered severable and if, for any reason, any such portion of this Agreement is held to be invalid, contrary to, or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which the COMPANY is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible, which shall continue to be given full force and effect and bind the parties hereto, although any portion held to be invalid shall be deemed not to be a part of this Agreement from the date the time for appeal expires, if STRATEGIC-PARTNER is a party thereto; otherwise upon STRATEGIC-PARTNER's receipt of written notice of non-enforcement thereof from the COMPANY. If any



covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable by reducing any part or all thereof, STRATEGIC-PARTNER and the COMPANY agree that same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to enter into a successor franchise agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by the COMPANY is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions hereof, and the COMPANY shall have the right, in its sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable. Such modification(s) to this Agreement shall be effective only in such jurisdiction, unless the COMPANY elects to give it greater applicability, and shall be enforced as originally made and entered into in all other jurisdictions. STRATEGIC-PARTNER agrees to be bound by any such modification to this Agreement.

**B. WAIVER OF OBLIGATIONS.**

The COMPANY and STRATEGIC-PARTNER may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other. Any waiver granted by the COMPANY shall be without prejudice to any other rights the COMPANY may have, will be subject to continuing review by the COMPANY and may be revoked, in the COMPANY's sole discretion, at any time and for any reason, effective upon delivery to STRATEGIC-PARTNER of ten (10) days' prior written notice. The COMPANY and STRATEGIC-PARTNER shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement by virtue of any custom or practice of the parties at variance with the terms hereof; any failure, refusal or neglect of the COMPANY or STRATEGIC-PARTNER to exercise any rights under this Agreement or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by the COMPANY to exercise any right, power or option, whether of the same, similar or different nature, with respect to other LAWN DOCTOR Businesses; or the acceptance by the COMPANY of any payments due from STRATEGIC-PARTNER after any breach of this Agreement.

Neither the COMPANY nor STRATEGIC-PARTNER shall be liable for loss or damage or deemed to be in breach of this Agreement if its failure to perform its obligations results from: (1) transportation shortages, inadequate supply of equipment, merchandise, supplies, labor, material or energy, or the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency thereof; (2) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state, or municipal government or any department or agency thereof; (3) acts of God; (4) fires, strikes, embargoes, war or riot; or (5) any other similar event or cause. Any delay resulting from any of said causes shall extend performance accordingly or excuse performance, in whole or in part, as may be

reasonable, except that said causes shall not excuse payments of amounts owed at the time of such occurrence or payment of royalty and service fees, technology fees, Marketing Fund contributions or lease payments due thereafter.

C. **INJUNCTIVE RELIEF.**

Notwithstanding anything to the contrary contained in Subsection F of this Section, either party may institute in a court of competent jurisdiction an action or actions for temporary or preliminary injunctive relief; provided, however, that such party shall contemporaneously submit the dispute for arbitration on the merits in accordance with Subsection F of this Section. STRATEGIC-PARTNER agrees that the COMPANY may have such temporary or preliminary injunctive relief without bond, but upon due notice, and STRATEGIC-PARTNER's sole remedy in the event of the entry of such injunctive relief shall be the dissolution of such injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby).

D. **RIGHTS OF PARTIES ARE CUMULATIVE.**

The rights of the COMPANY and STRATEGIC-PARTNER hereunder are cumulative and no exercises or enforcement by the COMPANY or STRATEGIC-PARTNER of any right or remedy hereunder shall preclude the exercise or enforcement by the COMPANY or STRATEGIC-PARTNER of any other right or remedy hereunder or which the COMPANY or STRATEGIC-PARTNER is entitled by law to enforce.

E. **COSTS AND ATTORNEYS' FEES.**

If the COMPANY incurs expenses in connection with STRATEGIC-PARTNER's failure to pay when due amounts owing to the COMPANY, to submit when due any reports, information or supporting records or otherwise to comply with this Agreement, STRATEGIC-PARTNER shall reimburse the COMPANY for any such costs and expenses which it incurs, including, but not limited to, reasonable legal, arbitrators', accounting and related fees.

F. **ARBITRATION.**

Subject to Subsection C above (entitled "Injunctive Relief"), all controversies, disputes or claims between the COMPANY (its affiliates, and their respective shareholders, officers, directors, agents, employees, successors and assigns) and STRATEGIC-PARTNER (its owners, guarantors and their respective officers, directors, agents, employees, successors and assigns) arising out of or related to:

- (1) STRATEGIC-PARTNER's operation of the LAWN DOCTOR Business;
- (2) this Agreement or any other agreement between the parties or any provision of such agreements;
- (3) the relationship of the parties hereto;

(4) the validity of this Agreement or any other agreement between the parties or any provision of such agreements; or

(5) any specifications, standards or procedures relating to the establishment or operation of the LAWN DOCTOR Business

shall be submitted for binding arbitration before one arbitrator, and except as this Subsection F otherwise provides, in accordance with the then current commercial arbitration rules of the American Arbitration Association. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) shall be governed by it.

Arbitration shall take place at a location specified by the arbitrator within ten (10) miles of the COMPANY's then-current principal place of business. The arbitrator shall have no authority to select a hearing locale other than as described in the prior sentence. The award of the arbitrator shall be final and judgment upon the award may be entered in any court of competent jurisdiction. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding shall be barred.

The COMPANY and STRATEGIC-PARTNER agree that arbitration shall be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between the COMPANY and STRATEGIC-PARTNER shall not be consolidated with any other arbitration proceeding involving the COMPANY and any other natural person, association, corporation, partnership or other entity. Notwithstanding the foregoing or anything to the contrary in this Subsection F or Section 15.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Subsection F, then all parties agree that this arbitration clause shall not apply to that dispute and that such dispute shall be resolved in a judicial proceeding in accordance with this Article 15 (excluding this Section 15.F).

The COMPANY and STRATEGIC-PARTNER waive any right to or claim for punitive or exemplary damages, except punitive or exemplary damages allowed under federal statute.

The provisions of this Subsection F shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

**G. GOVERNING LAW.**

All matters relating to arbitration shall be governed by the Federal Arbitration Act. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement, the Franchise and the relationship of the parties shall be governed by the laws of the State of New Jersey, without regard for its conflicts of laws principles, except that any New Jersey law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Subsection G.

H. **JURISDICTION.**

With respect to actions described in Subsection C above and any other actions not subject to arbitration under Subsection F above, STRATEGIC-PARTNER and the COMPANY agree that any action arising under this Agreement or otherwise as a result of the relationship between STRATEGIC-PARTNER and the COMPANY must be commenced in a state or federal court of competent jurisdiction in the State of New Jersey. STRATEGIC-PARTNER irrevocably submits to the jurisdiction of such courts and waives any objection he may have to either the jurisdiction or venue of such court.

I. **WAIVER OF PUNITIVE DAMAGES.**

The parties waive to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages, except punitive or exemplary damages allowed under federal statute. The parties agree that, in the event of a dispute between them, the party making a claim shall be limited to recovery of any actual damages it sustains.

J. **WAIVER OF JURY TRIAL.**

Each party irrevocably waives trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either party.

K. **STRATEGIC-PARTNER MAY NOT WITHHOLD PAYMENTS.**

STRATEGIC-PARTNER agrees that he will not, on grounds of the alleged nonperformance by the COMPANY of any of its obligations hereunder, withhold payment of any royalty and service fees, technology fees, Marketing Fund contributions, lease payments, amounts due to the COMPANY for purchases by STRATEGIC-PARTNER or any other amounts due to the COMPANY.

L. **BINDING EFFECT.**

This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Subject to the COMPANY's right to modify the Operating Manual, this Agreement shall not be modified except by written agreement signed by STRATEGIC-PARTNER and the COMPANY.

M. **LIMITATIONS OF CLAIMS.**

Any and all claims, except claims for monies due the COMPANY, arising out of or relating to this Agreement or the relationship among the parties hereto shall be barred unless an action or legal or arbitration proceeding is commenced within one (1) year from the date STRATEGIC-PARTNER or the COMPANY knew or should have known of the facts giving rise to such claims.

N. **CONSTRUCTION.**

The preambles and exhibits are a part of this Agreement, which together with the Operating Manual, constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between the COMPANY and STRATEGIC-PARTNER relating to the subject matter of this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require STRATEGIC-PARTNER to waive reliance on any representation that the COMPANY made in the most recent disclosure document (including its exhibits and amendments) that the COMPANY delivered to STRATEGIC-PARTNER or its representative. The term “STRATEGIC-PARTNER” as used herein is applicable to one (1) or more persons, a corporation or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two (2) or more persons are at any time STRATEGIC-PARTNER hereunder, their obligations and liabilities to the COMPANY shall be joint and several. References to “STRATEGIC-PARTNER” and “transferee” which are applicable to an individual or individuals shall mean the principal owner(s) of the equity or operating control of STRATEGIC-PARTNER or the transferee, if STRATEGIC-PARTNER or the transferee is a corporation or partnership. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit or construe the contents of such sections or paragraphs. The words “include” and “including” are meant to be illustrative and not exhaustive and are deemed to be read in all cases as “including, without limitation” and/or “including, but not limited to.”

Except where this Agreement expressly obligates the COMPANY reasonably to approve or not unreasonably to withhold its approval of any action or request by STRATEGIC-PARTNER, the COMPANY has the absolute right to refuse any request by STRATEGIC-PARTNER or to withhold its approval of any action by STRATEGIC-PARTNER that requires the COMPANY’s approval. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto.

16. **NOTICE AND PAYMENTS.**

All written notices and reports permitted or required to be delivered by the provisions of this Agreement or of the Operating Manual shall be deemed so delivered at the time delivered by hand; one (1) business day after transmission by facsimiles, telecopy, telegraph or comparable electronic system; one (1) business day after being placed in the hands of a commercial carrier service for next business day delivery; or three (3) business days after placement in the mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid, to the address set forth herein, or to such other address as designated in writing by the COMPANY or STRATEGIC-PARTNER. Any required payment or report which the COMPANY does not actually receive at the correct address during regular or business hours on the date due (or postmarked by postal authorities at least two (2) days before it is due) will be deemed delinquent.

17. **NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES.**

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland,

Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**IN WITNESS WHEREOF**, the parties hereto have executed, sealed and delivered this Agreement in multiple counterparts on the day and year first above written.

**LAWN DOCTOR, INC.**, a New Jersey corporation

By: \_\_\_\_\_  
Scott D. Frith, Chief Executive Officer  
Date\*: \_\_\_\_\_  
(\*Effective date of this Agreement)

\_\_\_\_\_, Individually  
STRATEGIC-PARTNER  
Date: \_\_\_\_\_

\_\_\_\_\_, Individually  
STRATEGIC-PARTNER  
Date: \_\_\_\_\_

**EXHIBIT A**

**TO THE LAWN DOCTOR FRANCHISE AGREEMENT**

**OWNERS OF STRATEGIC-PARTNER**

1. **Owners:** STRATEGIC-PARTNER and its owners represent and warrant the following list includes the full name and mailing address of each person who is one of STRATEGIC-PARTNER’s owners, or an owner of one of STRATEGIC-PARTNER’s owners, and fully describes the nature of each owner’s interest (attach additional pages if necessary).

	<b><u>Owner’s Name and Address</u></b>	<b><u>Percentage/Description of Interest</u></b>
(a)	_____	_____
	_____	
(b)	_____	_____
	_____	
(c)	_____	_____
	_____	
(d)	_____	_____
	_____	

As of the date hereof there are \_\_\_\_\_ (\_\_\_\_\_) ownership interests authorized and there are \_\_\_\_\_ (\_\_\_\_\_) ownership interests which are issued and outstanding. There are no other authorized classes of shares.

\_\_\_\_\_ Individually      \_\_\_\_\_ Individually  
STRATEGIC-PARTNER      STRATEGIC-PARTNER

Date: \_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ Individually      \_\_\_\_\_, Individually  
STRATEGIC-PARTNER      STRATEGIC-PARTNER

Date: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT B**

**ELECTRONIC FUNDS TRANSFER AUTHORIZATION**



## ELECTRONIC FUNDS TRANSFER AUTHORIZATION FOR PREAUTHORIZED PAYMENTS

The undersigned Franchisee authorizes Lawn Doctor, Inc. ("Franchisor") to debit fees due and payable under the Franchise Agreement(s), including, but not limited to, Royalty and Service Fees, Marketing Fund Contributions, equipment rental payments, parts purchases, technology fees, conference registration fees, material purchases, interest, late fees and/or payment rejection fees from the bank account listed below.

### BANK ACCOUNT INFORMATION

Bank Name: \_\_\_\_\_ Account Type:  Business  Personal

Branch Address: \_\_\_\_\_ Account Type:  Checking  Savings

Bank City: \_\_\_\_\_ Bank State or Province: \_\_\_\_\_

FEIN #: \_\_\_\_\_

Account Number: \_\_\_\_\_ Bank Routing #: \_\_\_\_\_

**Please include a void check from this account when submitting this form.**

In the event Franchisee fails to submit a Service Fee Report in a timely fashion, Franchisee authorizes Franchisor to debit estimated Royalty and Service Fees and Marketing Fund Contributions in the amount of the last submitted Service Fee Report. Upon receipt of the delinquent Service Fee Report, Franchisor will credit or debit Franchisee's account the difference between the estimated and actual fees, and will also charge a fee of one percent (1.0%) of the total due for each month that the Service Fee Report was late.

Franchisee will incur a per occurrence fee of Twenty Dollars (\$20.00) if any EFT payment is rejected by the above referenced bank account.

This Authorization is irrevocable and shall remain in effect for so long as the Franchise Agreement(s) remains in effect. Franchisee shall notify Franchisor in writing of any changes to bank account information at least thirty (30) days in advance of the date the first debit is scheduled to be initiated from the new bank. The new bank account will be subject to this Authorization as if it had been in effect at the time this Agreement was signed.

**Name of Franchisee:** \_\_\_\_\_

*Franchisee's Name:* \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT C**

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

**THIS ASSIGNMENT AND ASSUMPTION AGREEMENT** is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ **BETWEEN:**

**LAWN DOCTOR, INC.**, a New Jersey corporation  
(hereafter called "Company")

- and -

\_\_\_\_\_, an individual  
(hereafter called "Strategic-Partner")

- and -

\_\_\_\_\_  
(hereafter called "Assignee")

**RECITALS:**

**WHEREAS**, Strategic-Partner and Company entered into that certain Lawn Doctor Franchise Agreement dated \_\_\_\_\_ (the "Franchise Agreement"), which Franchise Agreement is incorporated herein by this reference, for the operation of a Lawn Doctor lawn care and conditioning service business (the "Business");

**WHEREAS**, concurrently with the Franchise Agreement, Company and Strategic-Partner entered into a Turf Tamer Power Seeder Equipment Lease, a Turf Tamer Stand-On Applicator Equipment Lease, an Extranet Agreement, and a Promissory Note. **[DELETE ANY THAT DO NOT APPLY.]** These agreements, together with the Franchise Agreement, are hereinafter referred to as the "Agreements.";

**WHEREAS**, Strategic-Partner wishes to assign his interest in the Agreements to Assignee, effective on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (hereafter called the "Effective Date"); and

**WHEREAS**, the Agreements prohibit Strategic-Partner from assigning them without the consent of Company and without first complying with certain requirements.

**NOW, THEREFORE**, in consideration of the premises, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. **Assignment.** Strategic-Partner hereby transfers, sets over and assigns to Assignee, as of the Effective Date, all of Strategic-Partner's right, title and interest in and to the Agreements,

subject to Assignee's timely observance and performance of Strategic-Partner's covenants contained in the Agreements and all agreements relating thereto, including, without limitation, the punctual payment of all sums payable thereunder from time to time.

2. **Assumption.** Assignee hereby assumes all of Strategic-Partner's obligations, agreements, commitments, duties and liabilities under the Agreements and all agreements relating thereto and agrees to be bound by and faithfully to perform and observe at all times during the initial or any renewal terms of the Agreements all of Strategic-Partner's obligations, agreements, commitments and duties with the same force and effect as if the Agreements were originally written with Assignee as the Strategic-Partner, including, without limitation, the payment of all sums reserved thereby.

3. **Company Consent.** Company hereby consents to the assignment subject to Strategic-Partner's and Assignee's jointly and severally agreeing to pay to Company immediately upon demand any and all monies owed by Strategic-Partner to Company or any subsidiary or affiliate of Company as of the Effective Date.

4. **Strategic-Partner's Obligations.** Strategic-Partner covenants and agrees that he shall be jointly and severally liable for Assignee's performance of its obligations under the Agreements and bound by all of the provisions of the Agreements, and nothing contained herein shall be deemed to relieve Strategic-Partner of his obligations under the Agreements.

5. **Future Assignments.** Company's consent herein shall not be construed as a waiver by Company of its required consent to any further assignment of any of the Agreements, which assignment shall be effected only in accordance with the terms of such Agreements.

6. **Interests in Assignee.** Assignee and Strategic-Partner jointly and severally covenant and agree that, as long as the Franchise Agreement remains in full force and effect:

(a) Strategic-Partner shall not directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise sell, assign, transfer, convey, donate, pledge, mortgage or otherwise encumber any shares or other ownership interests of Assignee now or hereafter owned or controlled by Strategic-Partner without obtaining Company's prior written consent in accordance with the Franchise Agreement. Assignee shall be a newly organized entity and its articles of incorporation, membership agreement, or other governance document shall at all times provide that its activities are confined exclusively to operating the Business.

(b) Strategic-Partner shall own not less than fifty-one percent (51%) of the equity and voting power of all issued and outstanding capital stock, membership interest, or other ownership interest of Assignee. For the purposes hereof, voting shares include shares of any class or classes (however designated) having ordinary voting power under all circumstances, the exercise of which is not restrained by the existence of any agreement, whether written or oral. Assignee shall maintain stop-transfer instructions on its records of any ownership interests, and each stock certificate or other documentation thereof shall have conspicuously endorsed on its face a statement in a form satisfactory to Company that it is

held subject to, and that further assignment or transfer thereof is limited by, all restrictions imposed upon assignments by the Franchise Agreement.

(c) In the event Strategic-Partner or Assignee shall transfer or issue any shares or other ownership interests of Assignee, any new owners shall be obligated to execute a written agreement with Company undertaking to be bound by the provisions of the Agreements, including the restrictions on any change in control of Assignee and the non-compete and nondisclosure covenants, and agreeing to be jointly and severally liable for Assignee's performance of the Agreements. Contemporaneously with the appointment or election of any person as a director or officer of Assignee, Strategic-Partner and Assignee shall cause such person to execute a written agreement with Company undertaking to be bound by the non-compete and nondisclosure covenants contained in the Franchise Agreement.

(d) Attached as Exhibit A is a list of all of the owners of Assignee as of the Effective Date. Assignee shall furnish to Company, immediately upon all transfers or issuances of ownership interests of Assignee, a revised version of Exhibit A.

(e) Assignee agrees that it will not use the Marks (as that term is defined in the Franchise Agreement) or any name deceptively similar thereto as part of its corporate or trade name.

(f) Assignee shall not engage in any business or activity that competes with Company, the Business or the Lawn Doctor system; provided, however, Company may permit Assignee to engage in other non-competitive business activities provided Assignee obtains the prior written consent of Company, which may be withheld by Company in its sole discretion.

**[FOR USE IN ALL STATES EXCEPT WHERE STRATEGIC-PARTNER OR ANY OF ITS OWNERS ARE LOCATED IN CALIFORNIA:]**

7. **Release.** In further consideration of Company's granting its approval of the assignment under this Agreement, Strategic-Partner, on behalf of itself and its current and former affiliates, agents, principals, officers, directors, shareholders, employees, representatives, attorneys, parents, subsidiaries, divisions and successors and assigns (the "Strategic-Partner Group") hereby releases Company, its affiliates and its current and former agents, principals, officers, directors, shareholders, employees, representatives, attorneys, parents, subsidiaries, divisions, and successors and assigns (the "Company Group"), of and from any and all manner of obligation, debt, liability, tort, covenant, contract, agreement, undertaking, and account, and any and all claims or causes of action, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims") which any of the Strategic-Partner Group now has, ever had, or may have, against any of the Company Group, from the beginning of time through the date of this Agreement. With respect to the Claims released under this Section 7, Strategic-Partner, on behalf of itself and the other members of the Strategic-Partner Group, acknowledges that they may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of this release, but that it is their

intention, subject to the terms and conditions of this Section 7, fully, finally and forever to settle and release all such Claims against any of the Company Group, known or unknown, suspected or unsuspected, which now exist, may exist or did exist, and, in furtherance of such intention, the release given under this Section 7 shall be and remain in effect as a full and complete release, notwithstanding the discovery or existence of any such additional or different facts.

Strategic-Partner warrants and represents, and also on behalf of the other members of the Strategic-Partner Group, that they have not assigned or otherwise transferred any Claim or cause of action released by this Section 7.

Strategic-Partner, on behalf of itself and the other members of the Strategic-Partner Group, further covenants not to sue any of the Company Group on any of the Claims released by this Section 7 or to act as a consultant, advisor, or expert witness for any other party that sues any of the Company Group.]

**[FOR USE WHERE STRATEGIC-PARTNER OR ANY OF ITS OWNERS ARE LOCATED IN CALIFORNIA:**

7. **Release of Company Group by Strategic-Partner Group.**

(a) **Release.** In further consideration of Company's granting its approval of the assignment under this Agreement, Strategic-Partner, on behalf of itself and its current and former affiliates, agents, principals, officers, directors, shareholders, employees, representatives, attorneys, parents, subsidiaries, divisions and successors and assigns (the "Strategic-Partner Group") hereby releases Company, its affiliates and its current and former agents, principals, officers, directors, shareholders, employees, representatives, attorneys, parents, subsidiaries, divisions, and successors and assigns (the "Company Group"), of and from any and all manner of obligation, debt, liability, tort, covenant, contract, agreement, undertaking, and account, and any and all claims or causes of action, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims") which any of the Strategic-Partner Group now has, ever had, or may have, against any of the Company Group, from the beginning of time through the date of this Agreement. Strategic-Partner warrants and represents, and also on behalf of the other members of the Strategic-Partner Group, that they have not assigned or otherwise transferred any Claim or cause of action released by this Section 7(a).

Strategic-Partner, on behalf of itself and the other members of the Strategic-Partner Group, further covenants not to sue any of the Company Group on any of the Claims released by this Section 7(a) or to act as a consultant, advisor, or expert witness for any other party that sues any of the Company Group.

(b) **Waiver of Section 1542 Rights.** In granting the release under Section 7(a), Strategic-Partner, on behalf of itself and the other members of the Strategic-Partner Group, waives all rights and benefits which any of them now has or in the future may have under and by virtue of the terms of Section 1542 of the Civil Code of the State of California, which provides as follows:

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

Strategic-Partner, on behalf of itself and the other members of the Strategic-Partner Group, waives and relinquishes every right or benefit which any of them has under Section 1542 of the Civil Code of the State of California, and any similar statute or right under any other law, to the fullest extent that the right or benefit may lawfully be waived. In connection with this waiver and relinquishment, with respect to the Claims released under Section 7(a), Strategic-Partner, on behalf of itself and the other members of the Strategic-Partner Group, acknowledges that they may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of this Agreement, but that it is their intention, subject to this Agreement's terms and conditions, fully, finally, and forever to settle and release all such Claims which now exist, may exist, or did exist, and, in furtherance of such intention, the release given under Section 7(a) shall be and remain in effect as full and complete releases, notwithstanding the discovery or existence of any such additional or different facts.]

8. **Nonwaiver.** Company's consent to the assignment shall not constitute a waiver of any claims it may have against Strategic-Partner nor shall it be deemed a waiver of Company's right to demand Assignee's exact compliance with the terms of the Agreements.

9. **Notices.** All notices, requests, demands or other communications to be delivered to the parties hereto may be delivered in the same manner as described in the Franchise Agreement.

10. **Acknowledgment.** Assignee acknowledges that it has received a copy of the Agreements and is familiar with, and agrees to abide by, the terms, covenants and conditions contained therein on the part of Strategic-Partner.

11. **Conflicting Provisions.** If there is any conflict between the provisions of this Agreement and the provisions of the Agreements, the provisions of this Agreement shall prevail.

12. **Time of the Essence.** Time shall be of the essence in this Agreement.

13. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey, without regard for its conflicts of laws principles.

14. **Binding Effect.** This Agreement shall inure to the benefit of Company and its successors and assigns and shall be binding upon Strategic-Partner and Assignee and their respective successors, assigns and legal representatives.

15. **Joint and Several Liability.** In the event there is more than one Strategic-Partner or if Strategic-Partner is comprised of more than one entity, their liability hereunder shall be joint and several.

**IN WITNESS WHEREOF** the parties have duly executed this Agreement on the day stated on page one hereof.

**COMPANY: LAWN DOCTOR INC.,** a New Jersey corporation

By: \_\_\_\_\_  
Its: Chief Executive Officer, Scott D. Frith

**STRATEGIC-PARTNER:** \_\_\_\_\_

By: \_\_\_\_\_, Individually

**ASSIGNEE:** \_\_\_\_\_, a \_\_\_\_\_ corporation/limited liability company/other \_\_\_\_\_ (please specify)

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title \_\_\_\_\_



**EXHIBIT A**

**OWNERS OF ASSIGNEE**

1. **Owners:** Assignee and its owners represent and warrant the following list includes the full name and mailing address of each person who is one of Assignee's owners, or an owner of one of Assignee's owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

<u>Owner's Name and Address</u>	<u>Percentage/Description of Interest</u>
(a) _____ _____	_____
(b) _____ _____	_____
(c) _____ _____	_____
(d) _____ _____	_____

As of the date hereof there are \_\_\_\_\_ (\_\_\_\_\_) ownership interests authorized and there are \_\_\_\_\_ (\_\_\_\_\_) ownership interests which are issued and outstanding. There are no other authorized classes of shares.

_____ Individually ASSIGNEE	_____ Individually ASSIGNEE
--------------------------------	--------------------------------

Date: _____	Date: _____
-------------	-------------

_____ Individually ASSIGNEE	_____, Individually ASSIGNEE
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Date: _____	Date: _____
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**EXHIBIT D**

**TURF TAMER STAND-ON APPLICATOR EQUIPMENT LEASE AGREEMENT**



Lease No.: \_\_\_\_\_

Franchise Name: Lawn Doctor of \_\_\_\_\_

## **TURF TAMER STAND-ON APPLICATOR EQUIPMENT LEASE AGREEMENT**

**THIS LEASE AGREEMENT** (this "Lease") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between LAWN DOCTOR, INC., a New Jersey corporation, with its principal office at 142 State Route 34, Holmdel, New Jersey 07733-2092 ("Lessor") and \_\_\_\_\_, a(n) \_\_\_\_\_ with its principal office at \_\_\_\_\_, \_\_\_\_\_ ("Lessee").

### **WITNESSETH:**

In consideration of the rent to be paid to Lessor and the mutual covenants and agreements hereinafter set forth, the parties mutually agree as follows:

#### **1. AGREEMENT TO LEASE.**

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, one (1) LAWN DOCTOR® Turf Tamer® Stand-On Applicator (Serial Number \_\_\_\_\_) together with all accessories and components affixed or related thereto (the "Equipment"). At Lessor's option any or all of the Equipment may be new and unused or used and fully reconditioned. All reconditioned Equipment shall be equivalent to new Equipment in function and appearance. Lessee is leasing the Equipment in connection with the operation of its LAWN DOCTOR business primarily within the "Area of Primary Responsibility" described in that certain Franchise Agreement between Lessor and Lessee dated \_\_\_\_\_ (the "Franchise Agreement"). Lessee shall not use the Equipment in any business or manner other than in the conduct of its LAWN DOCTOR business pursuant to the Franchise Agreement.

#### **2. DELIVERY.**

Lessor will deliver, and Lessee agrees to take possession of, the Equipment at Lessor's principal office or the manufacturing or assembly facility at which the manufacture or reconditioning of the Equipment is completed. Lessor agrees to exert its best efforts to effect delivery of the Equipment on or before \_\_\_\_\_, 20\_\_\_. Said delivery date is approximate and Lessor shall not be liable to Lessee for any loss of business or otherwise due to a delay in delivery which is not willful or grossly negligent. Lessor assumes all risk of loss until delivery.

**3. TERM.**

The term of this Lease is seven (7) years commencing upon the date of delivery of the Equipment to Lessee.

**4. RENT.**

Lessee shall pay to Lessor as rent for such Equipment (1) a lump sum payment of Eighteen Thousand Five Hundred Dollars and No Cents (\$18,500.00), plus sales tax, upon the execution of this Lease; or (2) an amount equal to Twenty Five Thousand Eight Hundred Fourteen Dollars and Ninety-Six Cents (\$25,814.96), plus sales tax, payable as follows: Three Thousand Three Hundred Fifty Dollars and No Cents (\$3,350.00), plus sales tax, upon execution of this Lease, the remainder to be paid in eighty four (84) equal monthly installments of Two Hundred Sixty Seven Dollars and Forty-Four Cents (\$267.44), plus sales tax, commencing on the tenth (10th) day of each month, commencing on \_\_\_\_\_, 20\_\_\_\_ and ending \_\_\_\_\_, 20\_\_\_\_\_.

All amounts which Lessee owes to Lessor shall bear interest after the due date at the highest applicable legal rate for open account business credit in the state of Lessee's domicile, not to exceed one and one-half percent (1.5%) per month. Lessee acknowledges that this shall not constitute Lessor's agreement to accept such payments after same is due or a commitment by Lessor to extend credit to, or otherwise finance Lessee's LAWN DOCTOR business.

**5. EXPIRATION OF THE LEASE.**

Upon expiration of this Lease, Lessee shall have the right to exercise one of the following options:

(a) Lessee may return the Equipment and enter into a new lease agreement with Lessor under the then-current form of lease agreement used by Lessor. In the event Lessee exercises this option, the new equipment will be delivered in exchange for the old Equipment, provided that Lessee pays applicable rent as specified therein; or

(b) Lessee may retain the Equipment leased hereunder for an additional seven (7)-year period without any further obligation for rent to Lessor, provided that for and in consideration of such arrangement Lessee agrees to execute the then-current lease agreement at Lessor's sole discretion; provided, however, that Lessee shall not be required to make any additional payments to Lessor in connection with such lease agreement.

**6. LESSOR'S WARRANTIES.**

Lessor warrants that it has the right to lease the Equipment to Lessee, and that at the time of delivery the Equipment will be free of all liens and encumbrances other than a security interest given to, or a lease-financing agreement with, a lending institution. Lessor shall repair or supply replacements for all defective parts of the Equipment as Lessor in its sole discretion deems necessary upon inspection. This warranty does not cover or extend to any part damaged by

improper maintenance or use of the Equipment. Lessee shall pay all labor charges incurred in replacing defective parts. EXCEPT AS OTHERWISE PROVIDED HEREIN, LESSOR DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, CONDITION OR QUALITY OF ANY ASPECT OF THE EQUIPMENT. LESSEE HAS MADE AN INDEPENDENT INVESTIGATION OF THE EQUIPMENT AND IN ENTERING INTO THIS LEASE HAS RELIED SOLELY UPON HIS OWN INVESTIGATION AND HAS PLACED NO RELIANCE UPON, NOR HAS HE ACTED UPON, ANY REPRESENTATIONS OR WARRANTIES OF LESSOR OR LESSOR'S AGENTS WHICH ARE NOT SPECIFICALLY SET FORTH HEREIN. LESSEE AGREES THAT LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY CLAIM, LOSS, DAMAGE OR EXPENSE OF ANY KIND CAUSED, DIRECTLY OR INDIRECTLY, BY ANY INADEQUACY, DEFECT OR DEFICIENCY RELATING TO THE EQUIPMENT. LESSEE'S RECOURSE FOR ANY SUCH ACTUAL OR ALLEGED CLAIM, LOSS, DAMAGE OR EXPENSE SHALL BE LIMITED TO THE RETURN OF THE EQUIPMENT TO LESSOR AND TERMINATION OF THIS LEASE. FURTHER, THIS WARRANTY DOES NOT COVER OR EXTEND TO ANY LOSS OF BUSINESS OR OTHER COSTS INCURRED BY LESSEE DUE TO THE USE OF THE EQUIPMENT, NOR DOES IT COVER OR EXTEND TO ANY PART DAMAGED BY IMPROPER MAINTENANCE OR OPERATION OF THE EQUIPMENT.

#### **7. MAINTENANCE, REPAIR AND RETURN.**

Lessee shall, at his sole expense, keep the Equipment clean and in good repair, condition and working order and free from dents, rust and any other damage or deterioration and shall promptly replace or repair all damaged parts and accessories. Lessee shall purchase replacement parts and accessories exclusively from Lessor at Lessor's selling price plus a reasonable handling charge or replacement parts and accessories of approved manufacturers. Such parts and accessories shall be deemed to be the sole property of Lessor. Replacement of defective and damaged parts and other repairs to the Equipment shall be effected strictly as prescribed in the applicable Equipment manuals. Upon expiration or termination of this Lease, Lessee shall immediately disassemble the Equipment as prescribed in the applicable Equipment manuals and crate and ship the Equipment to a location designated by Lessor in clean and good condition, repair and working order, and free from dents, rust and all other damage and deterioration, excepting only ordinary wear and tear. Lessee agrees to pay the cost of any parts or labor required to place the Equipment in such condition. Lessor shall pay the cost of disassembly, crating and transport. At Lessor's request, Lessee shall store the disassembled and crated Equipment without charge for a reasonable period, not to exceed six (6) months and will exercise reasonable care to safeguard such stored Equipment.

#### **8. ALTERATIONS.**

Lessee may not make any alterations, modifications, additions, subtractions or improvements to the Equipment without Lessor's prior written consent (the "Alterations"). If Lessor consents to any Alterations, any such Alterations shall become the property of Lessor and shall be deemed to be a part of the Equipment.

## **9. TITLE.**

The Equipment shall at all times be the sole property of Lessor, and Lessee shall have no proprietary interest therein except the right to use the Equipment during the term of this Lease and any extensions thereof. Title to the Equipment shall at all times remain exclusively with Lessor (or its lessor under a lease-financing agreement). Lessee, at his sole cost and expense, shall protect and defend Lessor's title in and/or rights to the Equipment and shall at all times keep the Equipment free and clear of and from all levies, attachments, liens, encumbrances and charges or other judicial process of every kind or nature whatsoever. Lessee shall not perform or permit any act or do or permit anything to be done whereby Lessor's title or rights may be encumbered or impaired. Lessee shall give Lessor immediately written notice of any attempted or completed seizure by process of law or otherwise affecting or relating to the Equipment and agrees to indemnify and hold Lessor harmless from any loss or damage caused thereby. Lessee shall cooperate with Lessor to file, register or record this Lease and/or any memorandum or notice thereof in such governmental offices as Lessor may determine or wherever Lessor determines the same to be required or permitted by and advisable under law, for the proper protection of Lessor's (or its lessor's) title to the Equipment. No name plates, labels, identifying numbers, trade names, trademarks or other commercial symbols identifying Lessor or any other company or in any way indicating Lessor's (or its lessor's) title to the Equipment may be removed, changed, covered, obliterated or obscured in any manner. Upon request of Lessor, Lessee shall affix to the Equipment in the place designated by Lessor such identifying plates as are supplied by Lessor.

## **10. DAMAGE AND DESTRUCTION.**

No loss of the Equipment or any part thereof due to theft or any other cause, and no damage to or destruction of the Equipment or any part thereof from fire, collision, vandalism, lightning, windstorm or any other cause shall excuse Lessee of any of the obligations under this Lease (including the obligation to pay rent). Lessee agrees, at his sole expense, to maintain insurance on behalf of and payable to Lessor, for the full replacement value of the Equipment and all related accessories and components, against loss, damage or destruction from theft, fire, collision, vandalism, lightning, windstorm and other peril generally included in a broad form extended coverage insurance, for the full insurable value of the Equipment as specified by Lessor, subject to a deductible amount not to exceed One Thousand Dollars (\$1,000.00). Lessee shall be responsible for any loss, damage or destruction not covered by such insurance, including any deductible amount. Lessee shall report any loss, damage or destruction to Lessor within forty eight (48) hours after it becomes known or should have become known to Lessee. In the event of such loss, damage or destruction, upon written notice thereof, Lessor shall replace such lost, damaged or destroyed Equipment or component thereof. Lessee shall return to Lessor, at Lessee's expense, any salvageable parts of any destroyed Equipment. "Destruction" shall mean damage to the Equipment or any component thereof for which the cost of repair equals or exceeds fifty percent (50%) of the insurable value of the Equipment or part thereof. Notwithstanding the foregoing, Lessor may at its option replace the lost, damaged or destroyed Equipment with equipment currently being provided to new franchisees.

## **11. LIABILITY INSURANCE.**

During the term of this Lease, Lessee, at its sole expense, shall maintain in force for the benefit of Lessor and Lessee, the following insurance, all to be obtained from insurance companies rated A- :VII or better by Alfred M. Best & Company, Inc.: comprehensive general liability insurance (including products and completed operations liability) on an occurrence basis against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the use of the Equipment and any products or materials used in conjunction with the operation of the Equipment. Such insurance shall afford protection at minimum limits of One Million Dollars (\$1,000,000) combined single limit each occurrence, Two Million Dollars (\$2,000,000) combined single limit aggregate, One Million Dollars (\$1,000,000) combined single limit products and completed operations aggregate, and shall contain all standard comprehensive or commercial general liability broad form terms and conditions. Coverage for application of herbicides must be included. All policies shall provide for ten (10) days' notice to Lessor prior to cancellation for any cause. Lessee and Lessor shall be named insured on all such policies.

## **12. EVIDENCE OF INSURANCE.**

Annually, Lessee must obtain from its insurance agent and provide to Lessor evidence of insurance on an ACORD form 25-S (or other form specified by Lessor) and name Lessor as an additional insured with respect to the Equipment. Lessee also must obtain from its insurance agent and provide to Lessor a valid Evidence of Property Insurance on an ACORD form 27 (or other form specified by Lessor) listing the Equipment and amounts of insurance. If Lessor so requires, such insurance policy or policies shall be held by it or by such lending institution. If Lessee fails or refuses to maintain required insurance coverage in full force and effect or to furnish satisfactory evidence thereof, Lessor, at its option and in addition to any other rights and remedies it may have, may obtain such insurance coverage on behalf of Lessee and Lessee shall fully cooperate with Lessor in its effort to obtain such insurance policies and pay to Lessor, on demand, any costs and premiums incurred by Lessor. All amounts expended by Lessor in connection therewith shall be deemed additional rent due from Lessee.

## **13. INSPECTION.**

Lessor shall have the right at any time during business hours to enter the premises where the Equipment is located for the purpose of inspecting the Equipment.

## **14. INDEMNITIES.**

Lessee agrees to indemnify and hold harmless Lessor, its shareholders, directors, officers, employees, agents, successors and assigns from and against any liability for all losses, damages, injuries, claims, demands, taxes, costs and expenses (including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses) directly or indirectly arising out of or relating to the use, operation or condition of the Equipment or any chemical or other products or materials used in conjunction with the operation of the Equipment regardless of where, how, and by whom used. Lessee shall assume the cost of defense of all suits and other legal proceedings brought to enforce liability for any such losses, damages, injuries, claims or demands and shall pay

all judgments entered in any such suits or other legal proceedings. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or termination of this Lease, whether by lapse of time, by operation of law or otherwise.

**15. TAXES.**

All taxes, fees and similar charges, including, without limitation, personal property taxes imposed on the ownership, possession or use of the Equipment during the term of this Lease, shall be paid by Lessee. If Lessor is, in its sole discretion, at any time obligated to pay any such tax, the amount of any such tax and any interest or penalties thereon shall become additional rent due hereunder, payable by Lessee to Lessor on demand.

**16. ASSIGNMENT.**

**A. BY LESSOR.**

Lessee agrees that Lessor may, without prior notice to Lessee, assign all right, title and interest of Lessor in and to the Equipment, this Lease and/or all rents due or to become due to Lessor hereunder, including any security deposit and the right to apply the same to the payment of any obligation to Lessor hereunder, and Lessee agrees to recognize such assignment. Following such assignment the term "Lessor" herein shall be deemed to include or refer to Lessor's assignee. No lending institution assignee shall be obligated to perform any duty, covenant or condition required to be performed by Lessor under the terms of this Lease. If Lessor defaults in the performance of the terms and conditions of this Lease, or otherwise breaches any provisions of this Lease, Lessee may not, as to the assignee, terminate this Lease, nor shall Lessee's obligation to pay rent under this Lease be subject to any diminution or right of set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Lessor hereunder or by reason of any other liability at any time owing by Lessor to Lessee. Nothing herein contained shall be deemed to release Lessor from its obligations to Lessee hereunder. Notwithstanding any of the foregoing, so long as the terms of this Lease are performed by Lessee, no such lending institution shall interfere with Lessee's rights under this Lease.

**B. BY LESSEE.**

Lessee may not assign this Lease or grant any sublease hereunder nor shall this Lease, the Equipment or any rights granted hereunder inure to the benefit of any trustee in bankruptcy, receiver, creditor or successor to Lessee or his property, whether by operation of law or otherwise, without the prior written consent of Lessor.

**17. DEFAULT AND TERMINATION.**

This Lease shall automatically terminate upon delivery of notice of termination to Lessee, if Lessee: (1) fails to pay any installment or rent due hereunder within ten (10) days after the date on which same becomes due; (2) breaches or fails to observe or perform any of his other obligations hereunder and such breach or failure continues for fifteen (15) days after notice in writing to Lessee of the existence of such breach or failure; (3) Lessee is adjudicated a bankrupt, is



the subject of any proceeding under federal or state insolvency law, suspends business, becomes insolvent, makes an assignment for the benefit of creditors or enters into or petitions for a creditor's arrangement; or (4) the Franchise Agreement between Lessor and Lessee is terminated pursuant to the terms and conditions of the Franchise Agreement for the operation of a LAWN DOCTOR business. Upon such termination, the Equipment and all rights of Lessee thereto shall be surrendered to Lessor and all rental and other payments shall become immediately due and owing to Lessor. Lessor or its agent(s) may take possession of the Equipment, with or without process of law, and for this purpose may enter upon any premises of Lessee without liability to Lessee and remove the Equipment. Repossession of the Equipment shall not bar an action by Lessor against Lessee for damages, injunction or specific performance. Further, the entry of judgment against Lessee shall not bar Lessor's right to repossess the Equipment. All rights and remedies conferred upon Lessor by this Lease or by law shall be cumulative and in addition to any other right and remedy available to Lessor.

## **18. ENFORCEMENT.**

In addition to and not in lieu of all rights it may have at law to enforce the provisions of this Lease and the obligations of Lessee hereunder, Lessee agrees to entry without prior notice or bond of temporary and permanent injunctions and orders of specific performance enforcing any of the provisions of this Lease, and further agrees to pay to Lessor an amount equal to the aggregate of its costs of obtaining any such relief, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages incurred by Lessor as a result of the breach of any provisions hereof, including, without limitation, all costs incurred by Lessor in repossessing, transporting, reconditioning and re-leasing the Equipment.

## **19. WAIVER.**

Lessor and Lessee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Lease, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Any waiver granted by Lessor shall be without prejudice to any other rights Lessor may have, will be subject to continuing review by Lessor, and may be revoked, in Lessor's sole discretion, at any time and for any reason, effective upon delivery to Lessee of ten (10) days' prior written notice. Lessor and Lessee shall not be deemed to have waived or impaired any right, power or option reserved by this Lease (including, without limitation, the right to demand exact compliance with every term, condition and covenant herein, or to declare any breach thereof to be a default and to terminate the Lease prior to the expiration of its term), by virtue of any custom or practice of the parties at variance with the terms hereof; any failure, refusal or neglect of Lessor or Lessee to exercise any right under this Lease or to insist upon exact compliance by the other with its obligations hereunder.

## **20. FILING.**

Lessee hereby irrevocably authorizes Lessor at any time and from time to time to file in any Uniform Commercial Code jurisdiction any financing statements and amendments covering the Equipment, naming Lessee as debtor and Lessor as secured party. Lessee agrees to meet all requirements necessary to perfect the interest of Lessor in the Equipment in any jurisdiction,

including the signing of all financing statements and continuations thereof and other documents as Lessor may from time to time require.

**21. NOTICES.**

All notices to Lessor shall be in writing and shall be sent by a commercial carrier service for next business day delivery, or Registered or Certified Mail, postage prepaid, addressed to its principal office or at such other address as Lessor shall from time to time designate in writing. All notices to Lessee shall be in writing and shall be sent by a commercial carrier service for next business day delivery, or Registered or Certified Mail, postage prepaid, addressed to Lessee at his principal office or at such other address as Lessee shall from time to time designate.

**22. MISCELLANEOUS.**

Section and paragraph titles are used for convenience only and are not a part of the text hereof. All terms used in any number or gender shall extend to, mean, and include any other number and gender as the facts, context, or sense of this Lease or any paragraph or section hereof may require. Anything herein to the contrary notwithstanding, Lessee shall use and maintain the Equipment in a lawful manner and so as not to violate any law or regulation of the state, city or other political subdivisions in which Lessee uses the Equipment or of the United States.

This Lease may be executed in multiple copies, each of which shall be deemed an original.

**23. PARTNERSHIP/CORPORATION.**

If Lessee becomes a partnership, corporation, limited liability company, or other entity or if this Lease is assigned to an entity, all general partners, shareholders of voting stock (including securities convertible thereto), members or other owners shall execute this Lease and be bound jointly and severally by all provisions hereof. The signatories to this Lease from time to time represent and warrant that they are the sole proprietor of Lessee or all of the persons required to sign this Lease pursuant to this paragraph.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURES ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease the day and year first above written.

**LESSOR**  
LAWN DOCTOR, INC

**ATTEST:**

By \_\_\_\_\_  
Its Chief Executive Officer,  
SCOTT D. FRITH

By \_\_\_\_\_  
Its Secretary,  
JOHN MISKIN

**LESSEE(S)**

By \_\_\_\_\_  
Its: \_\_\_\_\_

By \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT E**

**TURF TAMER POWER SEEDER EQUIPMENT LEASE AGREEMENT**



Lease No.: \_\_\_\_\_

Franchise Name: Lawn Doctor of \_\_\_\_\_

## TURF TAMER POWER SEEDER EQUIPMENT LEASE AGREEMENT

**THIS LEASE AGREEMENT** (this "Lease") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between LAWN DOCTOR, INC., a New Jersey corporation, with its principal office at 142 State Route 34, Holmdel, New Jersey 07733-2092 ("Lessor") and \_\_\_\_\_, a(n) \_\_\_\_\_ with its principal office at \_\_\_\_\_, \_\_\_\_\_ ("Lessee").

### WITNESSETH:

In consideration of the rent to be paid to Lessor and the mutual covenants and agreements hereinafter set forth, the parties mutually agree as follows:

#### **1. AGREEMENT TO LEASE.**

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, one (1) LAWN DOCTOR® Turf Tamer® Power Seeder (Serial Number \_\_\_\_\_) together with all accessories and components affixed or related thereto (the "Equipment"). At Lessor's option any or all of the Equipment may be new and unused or used and fully reconditioned. All reconditioned Equipment shall be equivalent to new Equipment in function and appearance. Lessee is leasing the Equipment in connection with the operation of its LAWN DOCTOR business primarily within the "Area of Primary Responsibility" described in that certain Franchise Agreement between Lessor and Lessee dated \_\_\_\_\_, (the "Franchise Agreement"). Lessee shall not use the Equipment in any business or manner other than in the conduct of its LAWN DOCTOR business pursuant to the Franchise Agreement.

#### **2. DELIVERY.**

Lessor will deliver, and Lessee agrees to take possession of, the Equipment at Lessor's principal office or the manufacturing or assembly facility at which the manufacture or reconditioning of the Equipment is completed. Lessor agrees to exert its best efforts to effect delivery of the Equipment on or before \_\_\_\_\_, 20\_\_\_\_\_. Said delivery date is approximate and Lessor shall not be liable to Lessee for any loss of business or otherwise due to a delay in delivery which is not willful or grossly negligent. Lessor assumes all risk of loss until delivery.

**3. TERM.**

The term of this Lease is six (6) years commencing upon the date of delivery of the Equipment to Lessee.

**4. RENT.**

Lessee shall pay to Lessor as rent for such Equipment (1) a lump sum payment of Fourteen Thousand Three Hundred Fifty Dollars and No Cents (\$14,350.00), plus sales tax, upon execution of this Lease; or (2) an amount equal to Eighteen Thousand Nine Hundred Fifty-Six Dollars and Twenty-Four Cents (\$18,956.24), plus sales tax payable as follows: Three Thousand Fifty Dollars and No Cents (\$3,050.00), plus sales tax, upon execution of this Lease, the remainder to be paid in seventy two (72) equal monthly installments of Two Hundred Twenty Dollars and Ninety-Two Cents (\$220.92), plus sales tax, commencing on the tenth (10th) day of each month, commencing on \_\_\_\_\_, 20\_\_\_\_ and ending \_\_\_\_\_, 20\_\_\_\_\_.

All amounts which Lessee owes to Lessor shall bear interest after the due date at the highest applicable legal rate for open account business credit in the state of Lessee's domicile, not to exceed one and one-half percent (1.5%) per month. Lessee acknowledges that this shall not constitute Lessor's agreement to accept such payments after same is due or a commitment by Lessor to extend credit to, or otherwise finance Lessee's LAWN DOCTOR business.

**5. EXPIRATION OF THE LEASE.**

Upon expiration of this Lease, Lessee shall have the right to exercise one of the following options:

(a) Lessee may return the Equipment and enter into a new lease agreement with Lessor under the then-current form of lease agreement used by Lessor. In the event Lessee exercises this option, the new equipment will be delivered in exchange for the old Equipment, provided that Lessee pays applicable rent as specified therein; or

(b) Lessee may retain the Equipment leased hereunder for an additional six (6)-year period without any further obligation for rent to Lessor; provided that for and in consideration of such arrangement Lessee agrees to execute the then-current lease agreement at Lessor's sole discretion; provided, however, that Lessee shall not be required to make any additional rent payments to Lessor in connection with such lease agreement.

**6. LESSOR'S WARRANTIES.**

Lessor warrants that it has the right to lease the Equipment to Lessee, and that at the time of delivery the Equipment will be free of all liens and encumbrances other than a security interest given to, or a lease-financing agreement with, a lending institution. Lessor shall repair or supply replacements for all defective parts of the Equipment as Lessor in its sole discretion deems necessary upon inspection. This warranty does not cover or extend to any part damaged by improper maintenance or use of the

Equipment. Lessee shall pay all labor charges incurred in replacing defective parts. EXCEPT AS OTHERWISE PROVIDED HEREIN, LESSOR DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, CONDITION OR QUALITY OF ANY ASPECT OF THE EQUIPMENT. LESSEE HAS MADE AN INDEPENDENT INVESTIGATION OF THE EQUIPMENT AND IN ENTERING INTO THIS LEASE HAS RELIED SOLELY UPON HIS OWN INVESTIGATION AND HAS PLACED NO RELIANCE UPON, NOR HAS HE ACTED UPON, ANY REPRESENTATIONS OR WARRANTIES OF LESSOR OR LESSOR'S AGENTS WHICH ARE NOT SPECIFICALLY SET FORTH HEREIN. LESSEE AGREES THAT LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY CLAIM, LOSS, DAMAGE OR EXPENSE OF ANY KIND CAUSED, DIRECTLY OR INDIRECTLY, BY ANY INADEQUACY, DEFECT OR DEFICIENCY RELATING TO THE EQUIPMENT. LESSEE'S RECOURSE FOR ANY SUCH ACTUAL OR ALLEGED CLAIM, LOSS, DAMAGE OR EXPENSE SHALL BE LIMITED TO THE RETURN OF THE EQUIPMENT TO LESSOR AND TERMINATION OF THIS LEASE. FURTHER, THIS WARRANTY DOES NOT COVER OR EXTEND TO ANY LOSS OF BUSINESS OR OTHER COSTS INCURRED BY LESSEE DUE TO THE USE OF THE EQUIPMENT, NOR DOES IT COVER OR EXTEND TO ANY PART DAMAGED BY IMPROPER MAINTENANCE OR OPERATION OF THE EQUIPMENT.

#### **7. MAINTENANCE, REPAIR AND RETURN.**

Lessee shall, at his sole expense, keep the Equipment clean and in good repair, condition and working order and free from dents, rust and any other damage or deterioration and shall promptly replace or repair all damaged parts and accessories. Lessee shall purchase replacement parts and accessories exclusively from Lessor at Lessor's selling price plus a reasonable handling charge or replacement parts and accessories of approved manufacturers. Such parts and accessories shall be deemed to be the sole property of Lessor. Replacement of defective and damaged parts and other repairs to the Equipment shall be effected strictly as prescribed in the applicable Equipment manuals. Upon expiration or termination of this Lease, Lessee shall immediately disassemble the Equipment as prescribed in the applicable Equipment manuals and crate and ship the Equipment to a location designated by Lessor in clean and good condition, repair and working order, and free from dents, rust and all other damage and deterioration, excepting only ordinary wear and tear. Lessee agrees to pay the cost of any parts or labor required to place the Equipment in such condition. Lessor shall pay the cost of disassembly, crating and transport. At Lessor's request, Lessee shall store the disassembled and crated Equipment without charge for a reasonable period, not to exceed six (6) months and will exercise reasonable care to safeguard such stored Equipment.

#### **8. ALTERATIONS.**

Lessee may not make any alterations, modifications, additions, subtractions or improvements to the Equipment without Lessor's prior written consent (the "Alterations"). If Lessor consents to any Alterations, any such Alterations shall become the property of Lessor and shall be deemed to be a part of the Equipment.

## **9. TITLE.**

The Equipment shall at all times be the sole property of Lessor, and Lessee shall have no proprietary interest therein except the right to use the Equipment during the term of this Lease and any extensions thereof. Title to the Equipment shall at all times remain exclusively with Lessor (or its lessor under a lease-financing agreement). Lessee, at his sole cost and expense, shall protect and defend Lessor's title in and/or rights to the Equipment and shall at all times keep the Equipment free and clear of and from all levies, attachments, liens, encumbrances and charges or other judicial process of every kind or nature whatsoever. Lessee shall not perform or permit any act or do or permit anything to be done whereby Lessor's title or rights may be encumbered or impaired. Lessee shall give Lessor immediately written notice of any attempted or completed seizure by process of law or otherwise affecting or relating to the Equipment and agrees to indemnify and hold Lessor harmless from any loss or damage caused thereby. Lessee shall cooperate with Lessor to file, register or record this Lease and/or any memorandum or notice thereof in such governmental offices as Lessor may determine or wherever Lessor determines the same to be required or permitted by and advisable under law, for the proper protection of Lessor's (or its lessor's) title to the Equipment. No name plates, labels, identifying numbers, trade names, trademarks or other commercial symbols identifying Lessor or any other company or in any way indicating Lessor's (or its lessor's) title to the Equipment may be removed, changed, covered, obliterated or obscured in any manner. Upon request of Lessor, Lessee shall affix to the Equipment in the place designated by Lessor such identifying plates as are supplied by Lessor.

## **10. DAMAGE AND DESTRUCTION.**

No loss of the Equipment or any part thereof due to theft or any other cause, and no damage to or destruction of the Equipment or any part thereof from fire, collision, vandalism, lightning, windstorm or any other cause shall excuse Lessee of any of the obligations under this Lease (including the obligation to pay rent). Lessee agrees, at his sole expense, to maintain insurance on behalf of and payable to Lessor, for the full replacement value of the Equipment and all related accessories and components, against loss, damage or destruction from theft, fire, collision, vandalism, lightning, windstorm and other peril generally included in a broad form extended coverage insurance, for the full insurable value of the Equipment as specified by Lessor, subject to a deductible amount not to exceed One Thousand Dollars (\$1,000.00). Lessee shall be responsible for any loss, damage or destruction not covered by such insurance, including any deductible amount. Lessee shall report any loss, damage or destruction to Lessor within forty eight (48) hours after it becomes known or should have become known to Lessee. In the event of such loss, damage or destruction, upon written notice thereof, Lessor shall replace such lost, damaged or destroyed Equipment or component thereof. Lessee shall return to Lessor, at Lessee's expense, any salvageable parts of any destroyed Equipment. "Destruction" shall mean damage to the Equipment or any component thereof for which the cost of repair equals or exceeds fifty percent (50%) of the insurable value of the Equipment or part thereof. Notwithstanding the foregoing, Lessor may at its option replace the lost, damaged or destroyed Equipment with equipment currently being provided to new franchisees.



## **11. LIABILITY INSURANCE.**

During the term of this Lease, Lessee, at its sole expense, shall maintain in force for the benefit of Lessor and Lessee, the following insurance, all to be obtained from insurance companies rated A-:VII or better by Alfred M. Best & Company, Inc.: comprehensive general liability insurance (including products and completed operations liability) on an occurrence basis against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the use of the Equipment and any products or materials used in conjunction with the operation of the Equipment. Such insurance shall afford protection at minimum limits of One Million Dollars (\$1,000,000) combined single limit each occurrence, Two Million Dollars (\$2,000,000) combined single limit aggregate, One Million Dollars (\$1,000,000) combined single limit products and completed operations aggregate, and shall contain all standard comprehensive or commercial general liability broad form terms and conditions. Coverage for application of herbicides must be included. All policies shall provide for ten (10) days' notice to Lessor prior to cancellation for any cause. Lessee and Lessor shall be named insured on all such policies.

## **12. EVIDENCE OF INSURANCE.**

Annually, Lessee must obtain from its insurance agent and provide to Lessor evidence of insurance on an ACORD form 25-S (or other form specified by Lessor) and name Lessor as an additional insured with respect to the Equipment. Lessee also must obtain from its insurance agent and provide to Lessor a valid Evidence of Property Insurance on an ACORD form 27 (or other form specified by Lessor) listing the Equipment and amounts of insurance. If Lessor so requires, such insurance policy or policies shall be held by it or by such lending institution. If Lessee fails or refuses to maintain required insurance coverage in full force and effect or to furnish satisfactory evidence thereof, Lessor, at its option and in addition to any other rights and remedies it may have, may obtain such insurance coverage on behalf of Lessee and Lessee shall fully cooperate with Lessor in its effort to obtain such insurance policies and pay to Lessor, on demand, any costs and premiums incurred by Lessor. All amounts expended by Lessor in connection therewith shall be deemed additional rent due from Lessee.

## **13. INSPECTION.**

Lessor shall have the right at any time during business hours to enter the premises where the Equipment is located for the purpose of inspecting the Equipment.

## **14. INDEMNITIES.**

Lessee agrees to indemnify and hold harmless Lessor, its shareholders, directors, officers, employees, agents, successors and assigns from and against any liability for all losses, damages, injuries, claims, demands, taxes, costs and expenses (including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses) directly or indirectly arising out of or relating to the use, operation or condition of the Equipment or any chemical or other products or materials used in conjunction with the operation of the Equipment regardless of where, how, and by whom used. Lessee shall assume the cost of defense of all suits and other legal proceedings brought to enforce liability for any such losses, damages, injuries, claims or demands and shall pay all judgments entered in any such

suits or other legal proceedings. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or termination of this Lease, whether by lapse of time, by operation of law or otherwise.

**15. TAXES.**

All taxes, fees and similar charges, including, without limitation, personal property taxes imposed on the ownership, possession or use of the Equipment during the term of this Lease, shall be paid by Lessee. If Lessor is, in its sole discretion, at any time obligated to pay any such tax, the amount of any such tax and any interest or penalties thereon shall become additional rent due hereunder, payable by Lessee to Lessor on demand.

**16. ASSIGNMENT.**

**A. BY LESSOR.**

Lessee agrees that Lessor may, without prior notice to Lessee, assign all right, title and interest of Lessor in and to the Equipment, this Lease and/or all rents due or to become due to Lessor hereunder, including any security deposit and the right to apply same to the payment of any obligation to Lessor hereunder, and Lessee agrees to recognize such assignment. Following such assignment the term "Lessor" herein shall be deemed to include or refer to Lessor's assignee. No lending institution assignee shall be obligated to perform any duty, covenant or condition required to be performed by Lessor under the terms of this Lease. If Lessor defaults in the performance of the terms and conditions of this Lease, or otherwise breaches any provisions of this Lease, Lessee may not, as to the assignee, terminate this Lease, nor shall Lessee's obligation to pay rent under this Lease be subject to any diminution or right of set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Lessor hereunder or by reason of any other liability at any time owing by Lessor to Lessee. Nothing herein contained shall be deemed to release Lessor from its obligations to Lessee hereunder. Notwithstanding any of the foregoing, so long as the terms of this Lease are performed by Lessee, no such lending institution shall interfere with Lessee's rights under this Lease.

**B. BY LESSEE.**

Lessee may not assign this Lease or grant any sublease hereunder nor shall this Lease, the Equipment or any rights granted hereunder inure to the benefit of any trustee in bankruptcy, receiver, creditor or successor to Lessee or his property, whether by operation of law or otherwise, without the prior written consent of Lessor.

**17. DEFAULT AND TERMINATION.**

This Lease shall automatically terminate upon delivery of notice of termination to Lessee, if Lessee: (1) fails to pay any installment or rent due hereunder within ten (10) days after the date on which same becomes due; (2) breaches or fails to observe or perform any of his other obligations hereunder and such breach or failure continues for fifteen (15) days after notice in writing to Lessee of the existence of such breach or failure; (3) Lessee is adjudicated a bankrupt, is the subject of any proceeding under federal or state insolvency law, suspends business, becomes insolvent, makes an assignment for the

benefit of creditors or enters into or petitions for a creditor's arrangement; or (4) the Franchise Agreement between Lessor and Lessee is terminated pursuant to the terms and conditions of the Franchise Agreement for the operation of a LAWN DOCTOR business. Upon such termination, the Equipment and all rights of Lessee thereto shall be surrendered to Lessor and all rental and other payments shall become immediately due and owing to Lessor. Lessor or its agent(s) may take possession of the Equipment, with or without process of law, and for this purpose may enter upon any premises of Lessee without liability to Lessee and remove the Equipment. Repossession of the Equipment shall not bar an action by Lessor against Lessee for damages, injunction or specific performance. Further, the entry of judgment against Lessee shall not bar Lessor's right to repossess the Equipment. All rights and remedies conferred upon Lessor by this Lease or by law shall be cumulative and in addition to any other right and remedy available to Lessor.

## **18. ENFORCEMENT.**

In addition to and not in lieu of all rights it may have at law to enforce the provisions of this Lease and the obligations of Lessee hereunder, Lessee agrees to entry without prior notice or bond of temporary and permanent injunctions and orders of specific performance enforcing any of the provisions of this Lease, and further agrees to pay to Lessor an amount equal to the aggregate of its costs of obtaining any such relief, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages incurred by Lessor as a result of the breach of any provisions hereof, including, without limitation, all costs incurred by Lessor in repossessing, transporting, reconditioning and re-leasing the Equipment.

## **19. WAIVER.**

Lessor and Lessee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Lease, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Any waiver granted by Lessor shall be without prejudice to any other rights Lessor may have, will be subject to continuing review by Lessor, and may be revoked, in Lessor's sole discretion, at any time and for any reason, effective upon delivery to Lessee of ten (10) days' prior written notice. Lessor and Lessee shall not be deemed to have waived or impaired any right, power or option reserved by this Lease (including, without limitation, the right to demand exact compliance with every term, condition and covenant herein, or to declare any breach thereof to be a default and to terminate the Lease prior to the expiration of its term), by virtue of any custom or practice of the parties at variance with the terms hereof; any failure, refusal or neglect of Lessor or Lessee to exercise any right under this Lease or to insist upon exact compliance by the other with its obligations hereunder.

## **20. FILING.**

Lessee hereby irrevocably authorizes Lessor at any time and from time to time to file in any Uniform Commercial Code jurisdiction any financing statements and amendments covering the Equipment, naming Lessee as debtor and Lessor as secured party. Lessee agrees to meet all requirements necessary to perfect the interest of Lessor in the Equipment in any jurisdiction, including the signing of

all financing statements and continuations thereof and other documents as Lessor may from time to time require.

**21. NOTICES.**

All notices to Lessor shall be in writing and shall be sent by a commercial carrier service for next business day delivery, or Registered or Certified Mail, postage prepaid, addressed to its principal office or at such other address as Lessor shall from time to time designate in writing. All notices to Lessee shall be in writing and shall be sent by a commercial carrier service for next business day delivery, or Registered or Certified Mail, postage prepaid, addressed to Lessee at his principal office or at such other address as Lessee shall from time to time designate.

**22. MISCELLANEOUS.**

Section and paragraph titles are used for convenience only and are not a part of the text hereof. All terms used in any number or gender shall extend to, mean, and include any other number and gender as the facts, context, or sense of this Lease or any paragraph or section hereof may require. Anything herein to the contrary notwithstanding, Lessee shall use and maintain the Equipment in a lawful manner and so as not to violate any law or regulation of the state, city or other political subdivisions in which Lessee uses the Equipment or of the United States.

This Lease may be executed in multiple copies, each of which shall be deemed an original.

**23. PARTNERSHIP/CORPORATION.**

If Lessee becomes a partnership, corporation, limited liability company, or other entity or if this Lease is assigned to an entity, all general partners, shareholders of voting stock (including securities convertible thereto), members or other owners shall execute this Lease and be bound jointly and severally by all provisions hereof. The signatories to this Lease from time to time represent and warrant that they are the sole proprietor of Lessee or all of the persons required to sign this Lease pursuant to this paragraph.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURES ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease the day and year first above written.

**LESSOR**  
LAWN DOCTOR, INC

**ATTEST:**

By \_\_\_\_\_  
Its Chief Executive Officer,  
SCOTT D. FRITH

By \_\_\_\_\_  
Its Secretary,  
JOHN MISKIN

**LESSEE(S)**

By \_\_\_\_\_  
Its: \_\_\_\_\_

By \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT F**  
**EXTRANET AGREEMENT**

# EXTRANET AGREEMENT

This Extranet Agreement (the "**Agreement**") is made as of \_\_\_\_\_, 20\_\_ by and between Lawn Doctor, Inc. ("**Lawn Doctor**") and \_\_\_\_\_ ("**Lawn Doctor Strategic-Partner**").

## *Introduction*

*Lawn Doctor is offering its strategic-partners an opportunity to access Lawn Doctor's official web site (the "**Web site**"). Lawn Doctor has also developed a communication network that utilizes a password protected Internet web site (the "**Extranet**") for the benefit of the Lawn Doctor system and its strategic-partners. To have access privileges to use the Extranet, you must agree to the terms and conditions set forth herein and to the Terms of Use ("**TOU**") attached as Exhibit A. This Agreement and the TOU establish the terms and conditions of the access privileges granted to you and anyone you so designate to use the Extranet.*

*The parties to this Agreement – Lawn Doctor and Lawn Doctor Strategic-Partner – are also parties to a Franchise Agreement relating to the establishment and operation of a Lawn Doctor business at the address noted in the signature block of this Agreement.*

*In this Agreement, the words "**you**" and "**your**" mean Lawn Doctor Strategic-Partner, any other person or agent logging onto the Extranet on your behalf, any other person or agent otherwise using your account password and/or any sub-account that has been created. The words "**we**," "**us**" and "**our**" mean Lawn Doctor.*

## **System Requirements**

In order to use the Extranet, you will need a computer with an internet connection, current internet browser software, and other compatible software (collectively, your "**computer system**"). You are solely and completely responsible for the installation, maintenance and operation of your computer system, and for all costs and expenses that you will incur in connection therewith, as well as telephone and/or cable charges incurred while connecting to the Web site, the Extranet, and for any charges by any internet provider you choose to use to gain access to the Internet and, ultimately, the Web site or the Extranet.

We are not responsible for any errors or failures caused by any malfunction of your computer, and we are not responsible for any computer virus or related problems that may be associated with your use of the Extranet, the Web site or of your computer.

## **Security**

Lawn Doctor is committed to helping to keep your information private and secure. However, we cannot guarantee that this will be the case. You play a critical role in maintaining the security of your system. By using this system, you agree to the following:

- To keep your password and user ID confidential, and not to post them on or in the proximity of your computer, nor to store your password or other sensitive data on

your computer. You further agree not to disclose your password and/or user ID to anyone.

- That your password and user ID are your authorization for using the Extranet.
- To log out of the Extranet when you are finished using the service.

The Extranet permits you to create sub-accounts for franchise partners and/or employees. You alone are responsible for the access granted to these sub-accounts as well as for ensuring these sub-accounts do not post derogatory or defamatory statements or comments. Lawn Doctor reserves the right to immediately disconnect any sub-accounts so created.

The Extranet permits you to electronically communicate with us, but at present, it does not permit you to transfer money, give notices or otherwise communicate with us so as to satisfy the obligations under your Franchise Agreement or any other agreements with Lawn Doctor.

### **Limits On Our Responsibility**

We agree to make reasonable efforts to ensure the performance of the Extranet and the Web site, but we are not responsible for any losses or delays in transmission arising out of the use of any Internet service provider providing connection to the Internet or caused by any browser software. We are not responsible for any direct, indirect, special, incidental or consequential damages arising in any way out of your use of the Extranet or the Web site. Because some states do not allow the exclusion or limitation of liability for incidental or consequential damages, in such states our liability is limited to the extent permitted by law.

Lawn Doctor makes no express or implied warranties concerning the Extranet service or the Web site, including, but not limited to, any warranties of merchantability, fitness for a particular purpose or non-infringement of third-party proprietary rights.

### **Franchise Agreement**

This Agreement is part of your Franchise Agreement with Lawn Doctor. If you are in default under this Agreement, that will also constitute a default under your Franchise Agreement. The provisions of the Franchise Agreement relating to matters such as confidential information, use of the system, use of the trademarks, and indemnity also apply to your use of the Extranet and the Web site.

### **Changes to the Extranet and Web site**

We reserve the right to change, modify or discontinue the Web site, the Extranet and/or any of its components or features from time to time.



**Property Rights**

The Extranet, the Web site, and all rights in and to any information or data relating to the Extranet and the Web site, including the logs of "hits" by visitors, the Web pages they visited, and any personal or business data they voluntarily supply, will be owned solely by Lawn Doctor.

**Governing Law**

This Agreement shall be governed by, and construed, exclusively in accordance with the laws of the State of New Jersey (without regard to its conflicts of laws rules). If any provision of this Agreement shall be unlawful, void or for any reason unenforceable, then that provision shall be deemed severable from this Agreement and shall not affect the validity and enforceability of any remaining provisions.

**No Other Agreements**

This Agreement and the exhibits hereto are the only agreements between us and you concerning the Extranet and the Web site, and supersede any and all prior communication on the subject matter hereof. Neither party is relying on anything other than the words of this Agreement and the exhibits hereto in deciding whether to enter into this Agreement.

**Amendments**

This Agreement may be amended but only with both parties' written consent; however, revisions to the TOU shall be deemed to have been consented to, in writing, if you receive notice of any such changes online, and then continue to use the Extranet and/or the Web site.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have entered into this Agreement as of the date first written above.

**LAWN DOCTOR, INC.**

**STRATEGIC-PARTNER:**

By: \_\_\_\_\_  
Title: SCOTT D. FRITH  
Chief Executive Officer

\_\_\_\_\_  
STRATEGIC-PARTNER:

\_\_\_\_\_  
STRATEGIC-PARTNER:

**TERMS OF USE  
FOR LAWN DOCTOR'S  
EXTRANET FOR STRATEGIC-PARTNERS**

Lawn Doctor, Inc. ("**Lawn Doctor**" or "**we**" or "**us**") welcomes you to Lawn Doctor's Extranet ("**Extranet**") for its strategic-partners. Please read these Terms of Use (the "**TOU**") carefully before using the Web site (the "**Site**").

By making any use of this Site (such as reading or perusing the Site's content, or downloading material from it), you will indicate your agreement to abide by these TOU. If you do not agree with any of these terms, please do not use this Site or download any materials from it.

We reserve the right to modify, alter or otherwise update these TOU at any time, and you agree to be bound by such modifications, alterations or updates. You should review the then-current terms because they will be binding on you if you continue to use this Site after receiving notice of any such changes.

**Objectives**

The Extranet is intended solely for the business use of Lawn Doctor, its strategic-partners and any so designated sub-accounts. Any other use of the Extranet is not permitted.

The TOU are designed to assist in protecting the Extranet, Lawn Doctor's strategic-partners, and other users of the Extranet from improper and/or illegal activity over the Internet. You are expected to use the Extranet in a reasonable fashion and to adhere to commonly accepted practices of the Internet community.

The categories listed below are intended merely to serve as guidelines regarding appropriate and inappropriate conduct. This list is by no means exhaustive and should not be interpreted as such. We reserve the right to take action and stop any activity that we deem to be inappropriate, derogatory or defamatory that takes place on the Extranet.

**While we do not intend to control or monitor your use of the Extranet or the content of your online communications, and we are not obligated to do so, we reserve the right to edit or remove content or accounts that we deem to be in violation of the TOU or that we otherwise deem harmful or offensive. The TOU apply to all aspects of the Extranet, including (without limitation) e-mail, message posting, chatting and browsing.**

**Access Rights**

We are granting you the right to access the Extranet using the appropriate user ID and password. You agree to accept the affirmative duty to keep your user ID and password secure, and further agree that you will not post that information anywhere in, on, or near your computer or otherwise where it can be easily found by someone else. If your password is lost, stolen or otherwise compromised, you must immediately take reasonable steps to deactivate the compromised password. Lawn Doctor is not responsible for any data that is lost, altered or that becomes public through your failure to protect your password.

We will allow you (and any sub-accounts you create) access to the Extranet so long as you comply with these TOU and for so long as you remain a Lawn Doctor strategic-partner in good standing. You may not transfer your user account to anyone without our prior written consent. We reserve the right to terminate access to the Extranet by you or any sub-accounts, in our sole judgment, to discontinue the Extranet itself. We will have no liability to you if we terminate access to the Extranet.

**Rights of Lawn Doctor**

If you engage in conduct while using the Extranet that is in violation of the TOU or is otherwise illegal or improper, we reserve the right to suspend or terminate your access to the Extranet without prior notice to you. In most cases, we may attempt to notify you of any activity in violation of the TOU and request that you cease such activity; however, we are not required to do so. In addition, we may take any other appropriate action against you for violations of the TOU. We do not

make any promise, nor do we have any obligation, to monitor or police activity occurring via the Extranet and will have no liability to any party, including you, for any violation of the TOU.

### **Linked Sites**

We may provide links from our Site to other Web sites. Linked sites are not under the control of Lawn Doctor, and Lawn Doctor is not responsible for the content of any linked site or any link contained in a linked site. Lawn Doctor reserves the right to terminate any link or linking program at any time. Lawn Doctor does not endorse companies or products to which it links and reserves the right to note as such on its Web pages. If you decide to access any of the third-party sites that may be linked to this Site, you do so entirely at your own risk.

### **Unauthorized Access/Interference**

You may not attempt to gain unauthorized access to, or attempt to interfere with or compromise the normal functioning, operation or security of the Extranet. You may not use the Extranet to engage in any activities that may interfere with the ability of others to access or use the Extranet. You may not attempt to gain unauthorized access to the user accounts or passwords of other users.

### **Trademarks and Copyright**

The materials on this Site are copyrighted and are protected by U.S. and international copyright laws and treaty provisions. All content included on this Site, such as text, graphics, logos, button icons, images, audio clips and software, is the property of Lawn Doctor. The compilation (meaning the collection, arrangement and assembly) of all content on this site is the exclusive property of Lawn Doctor. No material from this Extranet or any Web site owned, operated, licensed or controlled by Lawn Doctor may be copied, reproduced, republished, uploaded, posted, transmitted or distributed in any way, except that you may view the materials online, download the materials and retain one electronic copy on any single computer and one print copy of any individual file solely for your use in connection with the business of operating your Lawn Doctor Franchise under the terms of the relevant franchise agreement, provided that you keep intact all copyright and other proprietary notices. Modification, decompiling, reverse engineering or any use of the materials for any other purpose is a violation of Lawn Doctor's copyrights. Lawn Doctor's trademarks may only be used with express written consent from Lawn Doctor. Except as expressly provided in these TOU, Lawn Doctor does not grant any express or implied right to you under any copyrights, trademarks or other proprietary rights. All other brands and names are property of their respective owners.

You agree that you will not upload, post, or otherwise distribute or facilitate distribution of any content, including text, communications, software, images, sounds, data or other information that:

- a. is unlawful, threatening, abusive, harassing, defamatory, libelous, deceptive, fraudulent, invasive of another's privacy, tortious, contains explicit or graphic descriptions or accounts of sexual acts (including, without limitation, sexual language of a violent or threatening nature directed at another individual or group of individuals), or otherwise violates Lawn Doctor's rules or policies;
- b. victimizes, harasses, degrades, or intimidates an individual or group of individuals on the basis of religion, gender, sexual orientation, race, ethnicity, age or disability;
- c. infringes on any patent, trademark, trade secret, copyright, right of publicity or any other proprietary right of any party; or
- d. contains software viruses or any other computer code, files, or programs that are designed or intended to disrupt, damage or limit the functioning of any software, hardware, or telecommunications equipment or to damage or obtain unauthorized access to any data or other information of any third party.

We have no obligation to monitor, do not control, and are not responsible for the content of postings made by Lawn Doctor strategic-partners, their guests and others. If we become aware of posted information that is illegal, infringing upon any intellectual property rights, otherwise improper or that violates the TOU, we reserve the rights at all times to disclose any information as necessary to satisfy any law, regulation or governmental request, or to edit, refuse to post or to remove any information or materials, in whole or in part, that, in Lawn Doctor's sole discretion, are objectionable or in violation of the TOU.

You also agree not to harvest or collect information about the users or members of this Extranet or use such information for any purpose.

The Extranet contains materials published by Lawn Doctor (the "**Materials**"). We authorize you to copy the Materials only for the internal use of your employees in conducting your franchised Lawn Doctor business. No other use of the Materials is permitted. In consideration of this authorization, you agree that any copy of the Materials (or any portion of the Materials) that you make will retain all copyright and other proprietary notices contained thereon.

### **Spamming/Mailbombing**

You may not use the Extranet to transmit unsolicited e-mail messages (whether commercial or otherwise) or deliberately send very large attachments to one recipient. Any unsolicited e-mail messages sent to 10 or more recipients, or a series of unsolicited e-mail messages or large attachments sent to one recipient, constitutes "spamming" or "mailbombing" and is prohibited. Likewise, you may not use the Extranet to collect responses from mass unsolicited e-mail messages.

### **Spoofing/Fraud**

You may not attempt to send e-mail messages or transmit any electronic communications using a name or address of someone other than yourself for purposes of deception. Any attempt to impersonate someone else using forged headers or other identifying information is prohibited. Any attempt to fraudulently conceal, forge or otherwise falsify your identity in connection with your use of the Extranet is prohibited.

### **E-Mail Relay**

Any use of another party's electronic mail server to relay e-mail without express permission from such other party is prohibited.

### **Illegal Activity**

You agree to use the Extranet only for lawful purposes. Use of the Extranet for transmission, distribution, retrieval or storage of any information, data or other material in violation of any applicable law, regulation, tariff or treaty is prohibited. This includes, without limitation, the use or transmission of any data or material protected by copyright, trademark, trade secret, patent or other intellectual property right without proper authorization and the transmission of any material that constitutes an illegal threat, violates export control laws or is obscene, defamatory or otherwise unlawful.

### **Privacy**

Any data or information submitted to or provided by us through the Extranet will be subject to any Privacy Statement that Lawn Doctor has or may develop in the future. Any data or information submitted through the Extranet to any party or person will be transmitted at your own risk. We make no guarantee regarding, and assume no liability for, the security and privacy of any data or information you transmit via the Extranet or over the Internet (including, without limitation, data or information transmitted via any server designated as "secure").

## **Excessive Usage and Inactivity Disconnects**

If we have specified bandwidth limitations for your user account, we will inform you and you will not use the Extranet in excess of those limitations. Also, if you are accessing the Extranet via a dial-up connection, we may terminate your user session if you are connected for an excessive amount of time in order to protect our network resources and maintain Extranet availability for others.

You may keep your user session connected only when you are actively using the Extranet. We may disconnect your user session if there appears to be no interactive activity within a prescribed amount of time. Activity that is automatically generated by your computer system through automated programs, scripts, re-dialers, or any other software or hardware device will not be considered "interactive." The use of any automated method to avoid inactivity disconnects or to automatically reinstate an inactive connection is prohibited.

## **Other Prohibited Activities**

The following activities are also prohibited:

- Attempting to intercept, redirect or otherwise interfere with communications intended for others;
- Transmitting files, data or other materials containing a computer virus, corrupted data, worms, Trojan horses or other limiting routine, instruction or design that would erase data or programming or cause the Extranet or any other equipment or system to become inoperable or incapable of being used in the full manner for which it was designed;
- Using the Extranet to threaten, harass, stalk, abuse or otherwise violate the legal rights of others; and
- Any other inappropriate activity or abuse of the Extranet (as we determine in our sole discretion), whether or not specifically listed in these TOU, may result in suspension or termination of your access to and use of the Extranet.

## **Disclaimer**

Lawn Doctor does not promise that any software or other material will work on your computer and is not responsible if they do not. Lawn Doctor makes no representation or warranty as to the timeliness or availability of the Extranet or the information contained therein or that the Extranet will be error-free. Lawn Doctor has no obligation to maintain or support the Extranet and may, at its option, discontinue the Extranet at any time.

THE MATERIALS ON THIS SITE ARE PROVIDED "AS IS" AND WITHOUT EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING WARRANTIES OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF NON-INFRINGEMENT AND THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. LAWN DOCTOR DOES NOT WARRANT THAT THE INFORMATION ON OUR SITE WILL BE ACCURATE, COMPLETE, UNINTERRUPTED OR ERROR-FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT THIS SITE OR THE SERVERS THAT MAKE IT AVAILABLE ARE FREE OF VIRUSES, WORMS, TROJAN HORSES OR OTHER HARMFUL COMPONENTS. LAWN DOCTOR DOES NOT MAKE ANY REPRESENTATIONS REGARDING THE USE OF THE MATERIALS ON THIS SITE IN TERMS OF THEIR CORRECTNESS, ACCURACY, RELIABILITY OR OTHERWISE.

LAWN DOCTOR WILL NOT BE LIABLE FOR ANY DAMAGES SUFFERED BY OR INJURY CAUSED TO ANY PARTY (INCLUDING, WITHOUT LIMITATION, YOU AND/OR YOUR EMPLOYEES), INCLUDING, WITHOUT LIMITATION, ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL AND/OR INCIDENTAL DAMAGES, RESULTING FROM YOUR ACCESS TO, OR INABILITY TO ACCESS, THE EXTRANET, OR FROM YOUR RELIANCE ON ANY INFORMATION PROVIDED ON THE EXTRANET, EVEN IF LAWN DOCTOR AND ITS AFFILIATES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## **Indemnification**

You agree to indemnify and hold harmless Lawn Doctor and Lawn Doctor's corporate affiliates, as well as their respective direct and indirect owners, officers, directors, agents and employees from and against any and all claims brought by any other party relating to your use of the Extranet (as well as the associated costs of defense, including, without limitation, legal fees).

## **Submissions**

Notes, messages, ideas, suggestions, concepts or other material submitted to Lawn Doctor ("**Submissions**") will be considered non-confidential and non-proprietary. Lawn Doctor will have no obligation regarding Submissions. Lawn Doctor and its designees will be entitled to copy, distribute, incorporate, modify and otherwise use the Submissions for any type of commercial or non-commercial use, including in any media, whether now known or not yet conceived. You agree that Lawn Doctor has the right to publish Submissions for any type of use as outlined above, including promotional and advertising purposes.

Lawn Doctor is not responsible for any Submissions posted on our forums. You will not submit or otherwise publish through these forums any content that:

- Defames, libels, or invades the privacy of other persons, is obscene, pornographic, abusive or threatening;
- Infringes on any intellectual property or other right of any person or entity, including, but not limited to, copyrights and trademarks;
- Violates any law;
- Advocates any illegal activity; or
- Advertises or solicits funds for goods or services.

## **Governing Law**

This agreement shall be governed by and construed in accordance with the laws of the State of New Jersey, without regard to its conflicts of laws rules. If any provision of these TOU is unlawful, void or for any reason unenforceable, then that provision shall be deemed severable from the TOU, and shall not affect the validity and enforceability of any remaining provisions.

## **Your Assent to These Terms**

Your use of the Extranet is subject to the conditions of this TOU and the Extranet Agreement, and is also subject to the terms and conditions in your Franchise Agreement.

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**EXHIBIT G**

**LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS**

## **STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS**

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

### **CALIFORNIA**

Website: [www.dfpi.ca.gov](http://www.dfpi.ca.gov)

Email: [ask.DFPI@dfpi.ca.gov](mailto:ask.DFPI@dfpi.ca.gov)

Commissioner of Department of Financial  
Protection & Innovation  
Department of Financial Protection &  
Innovation  
Toll Free: 1 (866) 275-2677

#### ***Los Angeles***

320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
(213) 576-7500

#### ***Sacramento***

2101 Arena Boulevard  
Sacramento, California 95834  
(866) 275-2677

#### ***San Diego***

1455 Frazee Road, Suite 315  
San Diego, California 92108  
(619) 525-4233

#### ***San Francisco***

One Sansome Street, Suite 600  
San Francisco, California 94104-4428  
(415) 972-8559

### **HAWAII**

(for service of process)

Commissioner of Securities  
Department of Commerce  
and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813  
(808) 586-2722

(for other matters)

Commissioner of Securities  
Department of Commerce  
and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813  
(808) 586-2722

### **ILLINOIS**

Illinois Attorney General  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-4465



**INDIANA**

(for service of process)

Indiana Secretary of State  
201 State House  
200 West Washington Street  
Indianapolis, Indiana 46204  
(317) 232-6531

(state agency)

Indiana Secretary of State  
Securities Division  
Room E-111  
302 West Washington Street  
Indianapolis, Indiana 46204  
(317) 232-6681

**MARYLAND**

(for service of process)

Maryland Securities Commissioner  
at the Office of Attorney General-  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202-2021  
(410) 576-6360

(state agency)

Office of the Attorney General-  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202-2021  
(410) 576-6360

**MICHIGAN**

Michigan Attorney General's Office  
Consumer Protection Division  
Attn: Franchise Section  
G. Mennen Williams Building, 1st Floor  
525 West Ottawa Street  
Lansing, Michigan 48933  
(517) 335-7567

**MINNESOTA**

Commissioner of Commerce  
Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1500

**NEW YORK**

(for service of process)

Attention: New York Secretary of State  
New York Department of State  
One Commerce Plaza,  
99 Washington Avenue, 6<sup>th</sup> Floor  
Albany, New York 12231-0001  
(518) 473-2492

(Administrator)

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
(212) 416-8236

**NORTH DAKOTA**

(for service of process)

Securities Commissioner  
North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol, 14<sup>th</sup> Floor, Dept. 414  
Bismarck, North Dakota 58505-0510  
(701) 328-4712

(state agency)

North Dakota Securities Department  
600 East Boulevard Avenue, Suite 414  
Bismarck, North Dakota 58505  
(701) 328-2910

**OREGON**

Oregon Division of Financial Regulation  
350 Winter Street NE, Suite 410  
Salem, Oregon 97301  
(503) 378-4140

**RHODE ISLAND**

Securities Division  
Department of Business Regulations  
1511 Pontiac Avenue  
John O. Pastore Complex-Building 69-1  
Cranston, Rhode Island 02920  
(401) 462-9500

**SOUTH DAKOTA**

Division of Insurance  
Securities Regulation  
124 S. Euclid, Suite 104  
Pierre, South Dakota 57501  
(605) 773-3563

**VIRGINIA**

(for service of process)

Clerk, State Corporation Commission  
1300 East Main Street  
First Floor  
Richmond, Virginia 23219  
(804) 371-9733

(for other matters)

State Corporation Commission  
Division of Securities and Retail Franchising  
Tyler Building, 9th Floor  
1300 East Main Street  
Richmond, Virginia 23219  
(804) 371-9051

**WASHINGTON**

(for service of process)

Director Department of Financial Institutions  
Securities Division  
150 Israel Road SW  
Tumwater, Washington 98501  
(360) 902-8760

(for other matters)

Department of Financial Institutions  
Securities Division  
P. O. Box 41200  
Olympia, Washington 98504-1200  
(360) 902-8760

**WISCONSIN**

(for service of process)

Administrator, Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-2139

(state administrator)

Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-9555

**EXHIBIT H**  
**LAWN DOCTOR, INC.**  
**OPERATIONS MANUAL TABLE OF CONTENTS**

<b>MANUAL</b>	<b>NUMBER OF CHAPTERS</b>	<b>NUMBER OF PAGES</b>
Commercial Business Guide	6	100
Customer Service Manual	0	97
Franchisee Manual	0	95
Laborforce Manual	10	236
Marketing Resource Guide	9	100
Mosquito Control Manual	0	85
Quick Manual Summary Guide	0	101
Service Vehicle Equipment Manual	5	125
Technical Resource Manual	3	266
Turf Tamer Power Seeder Manual	3	253
Turf Tamer Stand-On Applicator Manual	2	250
Turf Tamer Walk Behind Manual	3	309
Turf Tamer Wide Area Applicator Manual	3	253
Warehouse & Equipment Recommendation Manual	4	30
<b>Total Number of Pages</b>		<b>2,300</b>

**HOLIDAY LIGHTING HEROES**  
**OPERATIONS MANUAL TABLE OF CONTENTS**

<b>MANUAL</b>	<b>NUMBER OF CHAPTERS</b>	<b>NUMBER OF PAGES</b>
Season Overview	0	1
Ordering Holiday Lights	0	1
Holiday Lights Products and Materials	0	2
Tools and Equipment	0	1
Holiday Lights Technicians	0	1
Marketing	0	2
Estimating	0	4
Sales	0	4
Re-install Scheduling	0	1
Takedown Scheduling	0	1
Operations: Install & Re-install	0	5
Operations: Takedown	0	1
Financials	0	2
Competency Models	0	1
<b>Total Number of Pages</b>		<b>27</b>

**EXHIBIT I**

**LIST OF CURRENT STRATEGIC-PARTNERS**

## LAWN DOCTOR FRANCHISES

### STRATEGIC-PARTNER LISTING AS OF DECEMBER 31, 2023

Strategic-Partner	Market	Address	Phone
<b>ALABAMA</b>			
Smith, Corey	LD of East Montgomery	P.O. Box 3285 Auburn, Alabama 36832	(334) 264-5296
Smith, Corey	LD of Prattville-Millbrook	P.O. Box 3285 Auburn, Alabama 36832	(334) 264-5296
Smith, Corey	LD of Auburn-Opelika-LaGrange	P.O. Box 3285 Auburn, Alabama 36832	(334) 501-2323
Womack, Starr	LD of Madison-Decatur	2309 Diamond Pointe Dr. SE Decatur, Alabama 35603	(256) 355-4362
Womack, Starr	LD of South Huntsville	2309 Diamond Pointe Dr. SE Decatur, Alabama 35603	(256) 355-4362
Womack, Starr	LD of Athens	2309 Diamond Pointe Dr. SE Decatur, Alabama 35603	(256) 355-4362
Fowler, Charles S.	LD of Harvest-Hazel Green- WestHuntsville	741 Plummer Rd Apt. 125 Huntsville, Alabama 35806	(256) 722-1441
Moore, Ryan	LD of South Hoover-Pelham- Helena-Alabaster	102 Windsor Lane Rainbow City, Alabama 35906	(205) 942-3989
Moore, Ryan	LD of Mountain Brook-Homewood	102 Windsor Lane Rainbow City, Alabama 35906	(205) 942-3989
Moore, Ryan	LD of Vestavia-North Hoover	102 Windsor Lane Rainbow City, Alabama 35906	(205) 942-3989
Moore, Ryan	LD of Anniston-Jacksonville	102 Windsor Lane Rainbow City, Alabama 35906	(256) 442-3108
Moore, Edgar LeRay Moore, Ryan	LD of Gadsden-Boaz-Albertville	102 Windsor Lane Rainbow City, Alabama 35906	(256) 442-3108
Stewart, Joshua Stinson Stewart, Shannon	LD of Baldwin County	30941 Mill Ln, Suite G Spanish Fort, Alabama 36527	(251) 597-2959
Stewart, Joshua Stinson Stewart, Shannon	LD of Mobile Counties	30941 Mill Ln, Suite G Spanish Fort, Alabama 36527	(251) 597-2959
<b>ARKANSAS</b>			
Miller, Lauren Miller, Nathan	LD of Benton-Bryant	P.O. Box 1044 Benton, Arkansas 72018	(501) 315-7775
Rucker, Janis Lynn Rucker, Jeffrey Todd	LD of Hot Springs	P.O. Box 20587 Hot Springs, Arkansas 71903-0587	(501) 609-0055

Strategic-Partner	Market	Address	Phone
Johnson, Sharon Tebbetts, Tracey M. Tebbetts, John J.	LD of West Little Rock	6 Hoggards Ridge Little Rock, Arkansas 72211	(501) 455-4800
Johnson, Sharon Tebbetts, Tracey M. Tebbetts, John J.	LD of Maumelle-North Little Rock	6 Hoggards Ridge Little Rock, Arkansas 72211	(501) 455-4800
Bowman, Kent	LD of Northeast Arkansas	500 Tech Street, Paragould, Arkansas 72450	(870) 573-0997
<b>CALIFORNIA</b>			
Smith, Brad Smith, Emilee	LD of Bakersfield	13403 Challis Forest Lane, Bakersfield California, 93314	(661) 399-5296
Taylor, Thomas Taylor, Marie	LD of North County Coastal	723 Rivertree Drive Oceanside, California 92058	(760) 967-7800
Flynn, William	LD of Claremont-Upland-Chino	3045 S. Archibald #332, Ontario, California 91761	(909) 923-9262
Flynn, William	LD of Rancho Cucamonga	3045 S. Archibald #332, Ontario, California 91761	(909) 923-9262
Larson, David Larson, Peter	LD of Concord-Clayton-Blackhawk	160 Canyon Green Place San Ramon, California 94582	(925) 294-0333
Larson, David Larson, Peter	LD of Danville-Alamo-Walnut Creek	160 Canyon Green Place San Ramon, California 94582	(925) 294-0333
<b>COLORADO</b>			
Verde, Michael	LD of Fort Collins	P.O. Box 1784 Fort Collilins, Colorado 80522	(970) 221-0441
Harl, J. Brent	LD of Colorado Springs	5315 W. Mississippi Ave Lakewood, Colorado 80226	(719) 596-0740
Harl, J. Brent	LD of Douglas-Elbert Counties	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Southeast Denver-Cherry CreekDam	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Englewood-Arapahoe County	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Littleton-Englewood East	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001

Strategic-Partner	Market	Address	Phone
Harl, J. Brent	LD of Brighton	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Thornton-Northglenn	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Lakewood	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of South Denver County-N.W. Littleton	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Aurora North	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Aurora South	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of North Central Denver	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Columbine	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Broomfield-North Westminster	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Arvada-Wheatridge	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Harl, J. Brent	LD of Pueblo	5315 W. Mississippi Ave Lakewood, Colorado 80226	(719) 543-2491
Harl, J. Brent	LD of Loveland-Greeley	5315 W. Mississippi Ave Lakewood, Colorado 80226	(303) 936-8001
Johnson, Karen Johnson, Marion	LD of Boulder	P.O. Box 1511 Longmont, Colorado 80502	(303) 442-1074
Johnson, Karen Johnson, Marion	LD of Longmont	P.O. Box 1511 Longmont, Colorado 80502	(303) 772-2827
<b>CONNECTICUT</b>			
Tyson, Elizabeth Tyson, Anthony	LD of Bristol-Southington	271 Farm Meadow Lane Cheshire, Connecticut 06410	(203) 439-7008
Tyson, Elizabeth Tyson, Anthony	LD of Newington-Glastonbury	271 Farm Meadow Lane Cheshire, Connecticut 06410	(203) 439-7008
Luciani, Mario Mazzone, Brian	LD of Torrington	150 Bradley Street East Haven, Connecticut 06512	(203) 951-3221



Strategic-Partner	Market	Address	Phone
Luciani, Mario Mazzone, Brian	LD of Middletown-Essex	150 Bradley Street East Haven, Connecticut 06512	(203) 951-3221
Luciani, Mario Mazzone, Brian	LD of Old Lyme-Groton	150 Bradley Street East Haven, Connecticut 06512	(203) 951-3221
Luciani, Mario Mazzone, Brian	LD of Tolland	150 Bradley Street East Haven, Connecticut 06512	(203) 951-3221
Pesarini, Stenio Pesarini, Fernanda	LD of Hartfords-Manchester	56 Beaver Bog Road New Fairfield, Connecticut 06812	(860) 643-9956
Pesarini, Fernanda Pesarini, Stenio	LD of Windsor-Coventry	56 Beaver Bog Road New Fairfield, Connecticut 06812	(860) 643-9956
Pesarini, Stenio Pesarini, Fernanda	LD of Avon-Farmington	56 Beaver Bog Road New Fairfield, Connecticut 06812	(860) 643-9956
Demeyer, John M.	LD of Milford-Stratford	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of Greater New Haven	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of Hamden-Wallingford-Cheshire	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of The Naugatuck Valley	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of Bethel-Brookfield-Redding	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of Newtown-Southbury	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of Trumbull	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of Branford-Guilford-Madison	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of New Fairfield-New Milford	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998
Demeyer, John M.	LD of Ridgefield-Danbury	3 Turnberry Lane, Unit 1 Sandy Hook, Connecticut 06482	(203) 881-9998

Strategic-Partner	Market	Address	Phone
Farrell, Glenn	LD of Greenwich	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of Norwalk-Wilton	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of Fairfield	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of Stamford-Darien-New Canaan	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of Westport-Weston	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
<b>DELAWARE</b>			
Singleton, Brian S.	LD of Newark	113 Megan Drive Bear, Delaware 19701	(302) 731-1616
Hopkins, Aaron Hopkins, Emily	LD of Dover-Middletown	P.O. Box 719 Greenwood, Delaware 19950	(302) 378-3435
Hopkins, Aaron Hopkins, Emily	LD of Sussex County	P.O. Box 719 Greenwood, Delaware 19950	(302) 656-4900
Jason R. Miller	LD of Cecil County	408 Nona Lane Newark, Delaware 19702	(302) 650-9358
McCarther, Nicole McCarther, Michael E.	LD of Wilmington	P.O. Box 3049 Newport, Delaware 19804	(302) 656-4900
Grasso, Salvatore A.	LD of Brandywine	P.O. Box 488 Chester Heights, Pennsylvania 19017	(302) 764-2030
<b>FLORIDA</b>			
Ramirez, Joe	LD of Winter Haven	1370 S. Gordon Avenue Bartow, Florida 33830	(863) 268-5095
Ramirez, Joe	LD of Lakeland	1370 S. Gordon Avenue Bartow, Florida 33830	(863) 268-5095
Berry Jr., Edward A.	LD of Clearwater-Palm Harbor	P.O. Box 16294 Clearwater, Florida 33766	(727) 797-3639
Berry Jr., Edward A.	LD of West Tampa-Oldsmar	P.O. Box 16294 Clearwater, Florida 33766	(727) 797-3639
Roca, Carlos	LD of North Bradenton-Sun City Center	8955 Bunker Hill Road Duette, Florida 34219	(941) 527-9836
Roca, Carlos	LD of Riverview-Valrico-Lithia	8955 Bunker Hill Road Duette, Florida 34219	(941) 527-9836
Duffy, James P. Duffy, Dorothy A.	LD of Fort Myers	12458 Kentwood Avenue Fort Myers, Florida 33913	(239) 768-9366

Strategic-Partner	Market	Address	Phone
Duffy, James P. Duffy, Dorothy A.	LD of North Naples-Bonita Springs	12458 Kentwood Avenue Fort Myers, Florida 33913	(239) 768-9366
Duffy, James P. Duffy, Dorothy A.	LD of Cape Coral-Sanibel Island	12458 Kentwood Avenue Fort Myers, Florida 33913	(239) 768-9366
Duffy, James P. Duffy, Dorothy A.	LD of East Sarasota-East Bradenton	12458 Kentwood Avenue Fort Myers, Florida 33913	(239) 768-9366
Duffy, James P. Duffy, Dorothy A.	LD of Nokomis-Venice-Englewood	12458 Kentwood Avenue Forty Myers, Florida 33913	(239) 768-9366
Valle, Rafael Valle, Lara C. Harkrider, Gregory T. Harkrider, Sherri	LD of Fleming Island and Oakleaf	2611 Old Middleburg Road, Suite 203, Jacksonville, Florida 32210	(904) 672-7690
Valle, Rafael Valle, Lara C. Harkrider, Gregory T. Harkrider, Sherri.	LD of Jacksonville West Side-Orange Park	2611 Old Middleburg Road, Suite 203, Jacksonville, Florida 32210	(904) 672-7690
Valle, Rafael Valle, Lara C. Harkrider, Gregory T. Harkrider, Sherri	LD of Jacksonville-South Side-The Beaches	2611 Old Middleburg Road, Suite 203, Jacksonville, Florida 32210	(904) 672-7690
Valle, Rafael Valle, Lara C. Harkrider, Gregory T. Harkrider, Sherri	LD of Jacksonville East	2611 Old Middleburg Road, Suite 203, Jacksonville, Florida 32210	(904) 672-7690
Valle, Rafael Valle, Lara C. Harkrider, Gregory T. Harkrider, Sherri	LD of South Jacksonville-Saint Johns	2611 Old Middleburg Road, Suite 203, Jacksonville, Florida 32210	(904) 672-7690
Charles Matthew Reddington, Mary Elizabeth Reddington	LD of Clermont-Winter Garden	327 Pine Shadow Ln Lake Mary, Florida 32746	(779) 456-0829
Charles Matthew Reddington, Mary Elizabeth Reddington	LD of Southwest Orlando	327 Pine Shadow Ln Lake Mary, Florida 32746	(779) 456-0829
Charles Matthew Reddington, Mary Elizabeth Reddington	LD of Windermere-Apopka	327 Pine Shadow Ln Lake Mary, Florida 32746	(779) 456-0829
Smith, Pete Smith, Alex	LD of Boynton Beach	18 Bella Vista Avenue Lake Worth, Florida 33460	(561) 383-2818
Smith, Pete Smith, Alex	LD of Northern Boca Raton	18 Bella Vista Avenue Lake Worth, Florida 33460	(561) 383-2818
Smith, Pete Smith, Alex	LD of Central and South Boca Raton	18 Bella Vista Avenue Lake Worth, Florida 33460	(561) 383-2818
Spitz, Scott	LD of Lake Worth-Southwest Palm Beach	5475 Maule Way Unit 20, Mangonia Park, Florida 33407	(561) 643-6407
Spitz, Scott	LD of West Palm Beach	5475 Maule Way Unit 20, Mangonia Park, Florida 33407	(561) 643-6407

Strategic-Partner	Market	Address	Phone
Spitz, Scott	LD of Jupiter-Palm Beach Gardens	5475 Maule Way, Unit 20 Mangonia Park, Florida 33407	(561) 643-6407
Riveira, Stephen	LD of Coral Gables-Kendall	1801 SW 14th Street Miami, Florida 33145	(786) 427-7001
Jarrett, Norman	LD of Ocala-Homosassa	3700 SW 133rd Loop Ocala, Florida 34473	(352) 307-2340
Jarrett, Norman	LD of The Villages-Lady Lake-Wildwood	3700 SW 133rd Loop Ocala, Florida 34473	(352) 307-2340
Aldehneh, Bayan	LD of St. Cloud-Kissimmee	3251 Lake Jean Drive Orlando, Florida 32817	(321) 430-0333
Cross, Linda G. Dunning, Steven C. Dunning, Jeanne	LD of Daytona Beach	5 Woodfield Drive Palm Coast, Florida 32164	(386) 437-4303
Cross, Linda G. Dunning, Steven C. Dunning, Jeanne	LD of Deltona-Debary	5 Woodfield Drive Palm Coast, Florida 32164	(386) 437-4303
Scott, Joshua Scott, Mary	LD of Panama City Beach-Port St. Joe	114 Byrd Dr. Panama City, Florida 32404	(850) 215-0474
Hagen, Erik A. Tudela Hagen, Selene	LD of Fort Lauderdale West	1208 NW 180th Ave. Pembroke Pines, Florida 33029	(954) 842-3784
Hagen, Erik A. Tudela Hagen, Selene	LD of Coral Springs-Sunrise	1208 NW 180th Ave. Pembroke Pines, Florida 33029	(954) 842-3784
Hagen, Erik A. Tudela Hagen, Selene	LD of Southwest Broward	1208 NW 180th Ave. Pembroke Pines, Florida 33029	(954) 842-3784
Joseph A. WeingatesIV Alicia A. Weingates	LD of Saint Petersburg	3959 San Rocco Drive, Unit 212, Punta Gorda, Florida 33950	(941) 315-6774
Joseph A. WeingatesIV Alicia A. Weingates	LD of Bradenton-North Sarasota	3959 San Rocco Drive, Unit 212 Punta Gorda, Florida 33950	(941) 315-6774
Joseph A. WeingatesIV Alicia A. Weingates	LD of Northeast Tampa	3959 San Rocco Drive, Unit 212 Punta Gorda, Florida 33950	(941) 315-6774
Joseph A. WeingatesIV Alicia A. Weingates	LD of North Tampa-Lutz	3959 San Rocco Drive, Unit 212 Punta Gorda, Florida 33950	(941) 315-6774
Joseph A. WeingatesIV Alicia A. Weingates	LD of Seminole-Largo	3959 San Rocco Drive, Unit 212 Punta Gorda, Florida 33950	(941) 315-6774

Strategic-Partner	Market	Address	Phone
Haase, Ted W.	LD of Fort Walton Beach-Destin-Niceville	P.O. Box 802 Shalimar, Florida 32579	(850) 651-8232
Fischer, ChristopherG.	LD of Zephyrhills-Land O Lakes	1653 Firewheel Drive Wesley Chapel, Florida 33543	(813) 973-1602
<b>GEORGIA</b>			
Ammons, George H.	LD of Brunswick-St. Simons-St. Marys	P.O. Box 17252 Fernandina Beach, Florida 32035	(912) 265-0801
Lang, Gordon O.	LD of South Dunwoody-Sandy Springs	6112 Hadden Hall Court Alpharetta, Georgia 30005	(404) 492-2897
Lang, Gordon O.	LD of North Norcross-North Dunwoody	6112 Hadden Hall Court Alpharetta, Georgia 30005	(404) 492-2897
Lang, Gordon O.	LD of Duluth	6112 Hadden Hall Court Alpharetta, Georgia 30005	(404) 492-2897
Smith, Corey	LD of Newnan	P.O. Box 3285 Auburn, Georgia 36832	(706) 884-1909
Ross, Antonio W.	LD of McDonough-Covington	105 West Forest Drive Covington, Georgia 30016	(678) 310-2449
Ross, Antonio W.	LD of Conyers	105 West Forest Drive Covington, Georgia 30016	(678) 310-2449
Wood, Marshall	LD of Columbus-Phenix City	1481 Mayo Road, Ellerslie, Georgia 31807	(706) 653-8923
Wood, Marshall	LD of East Columbus-Fortson	1481 Mayo Road, Ellerslie, Georgia 31807	(706) 653-8923
Deloach, Mark D.	LD of S.W. Savannah	P.O. Box 7542 Garden City, Georgia 31418	(912) 966-1123
Deloach, Mark D.	LD of S.E. Savannah	P.O. Box 7542 Garden City, Georgia 31418	(912) 966-1123
Jourdan, Daniel B. Jourdan, Sharon Davis	LD of Acworth	2594 Chimney Springs Drive Marietta, Georgia 30062	(770) 517-2129
Pickering, Matthew	LD of Alpharetta-Cumming	2640 Fraser Rd Marietta, Georgia 30066	(770) 888-4779
Pickering, Matthew	LD of Gainesville	2640 Fraser Rd Marietta, Georgia 30066	(770) 888-4779
Pickering, Matthew	LD of Auburn-Jefferson	2640 Fraser Rd Marietta, Georgia 30066	(770) 888-4779
Pickering, Matthew	LD of Buford-Dacula	2640 Fraser Rd Marietta, Georgia 30066	(770) 888-4779
Smith, Jabar	LD of Brookhaven-Buckhead	4550 Eastwood Trl NE Marietta, Georgia 30068	(770) 731-5328
Smith, Jabar	LD of Smyrna-Mableton	4550 Eastwood Trl NE Marietta, Georgia 30068	(770) 731-5328
Tudor, James J.	LD of Southeast Marietta	703 Fairgate Road, Suite 302 Marietta, Georgia 30064	(770) 240-0638

Strategic-Partner	Market	Address	Phone
Tudor, James J.	LD of North and Southwest Marietta	703 Fairgate Road, Suite 302 Marietta, Georgia 30064	(770) 240-0638
Cunha, Antonio	LD of South Lawrenceville	P.O. Box 1525 Suwanee, Georgia 30024	(678) 629-3752
Cunha, Antonio	LD of North Lawrenceville-Suwanee	P.O. Box 1525 Suwanee, Georgia 30024	(678) 629-3752
Kriegh, Matthew Oliver, Shawn	LD of Woodstock	538 Industrial Drive Woodstock, Georgia 30189	(770) 591-9101
Kriegh, Matthew Oliver, Shawn	LD of Hiram-Dallas-Powder Springs	538 Industrial Drive Woodstock, Georgia 30189	(770) 591-9101
Kriegh, Matthew Oliver, Shawn	LD of N.E. Marietta	538 Industrial Drive Woodstock, Georgia 30189	(770) 591-9101
Kriegh, Matthew Oliver, Shawn	LD of Kennesaw	538 Industrial Drive Woodstock, Georgia 30189	(770) 591-9101
Kriegh, Matthew Oliver, Shawn	LD of Cartersville-Canton	538 Industrial Drive Woodstock, Georgia 30189	(770) 591-9101
Kriegh, Matthew Oliver, Shawn	LD of Roswell	538 Industrial Drive Woodstock, Georgia 30189	(770) 591-9101
<b>ILLINOIS</b>			
Shkyria, ChristopherJ.	LD of Antioch-Gurnee-Lake Villa	P.O. Box 918 Antioch, Illinois 60002	(847) 395-0940
Shkyria, ChristopherJ.	LD of Waukegan-Lake Forest	P.O. Box 918 Antioch, Illinois 60002	(847) 395-0940
Toth, Kimberly	LD of Naperville	1921 W. Wilson St. Suite A #215 Batavia, Illinois 60510	(630) 406-8535
Toth, Kimberly	LD of Geneva-Saint Charles	1921 W. Wilson St. Suite A #215 Batavia, Illinois 60510	(630) 406-8535
Toth, Kimberly	LD of Downers Grove-Woodridge	1921 W. Wilson St. Suite A #215 Batavia, Illinois 60510	(630) 406-8535
Toth, Kimberly	LD of Batavia-Aurora	1921 W. Wilson St. Suite A #215 Batavia, Illinois 60510	(630) 406-8535
Toth, Kimberly	LD of Wheaton-Glen Ellyn-Winfield	1921 W. Wilson St. Suite A #215 Batavia, Illinois 60510	(630) 681-8580
Toth, Kimberly	LD of Lombard-Carol Stream	1921 W. Wilson St. Suite A #215 Batavia, Illinois 60510	(630) 681-8580
Toth, Kimberly	LD of Oswego - Yorkville - Sugar Grove	1921 W. Wilson St. Suite A #215 Batavia, Illinois 60510	(630) 681-8580
Winfrey, Sallie M.	LD of Buffalo Grove-Lake Zurich	P.O. Box 5918 Buffalo Grove, Illinois 60089	(847) 844-1332

Strategic-Partner	Market	Address	Phone
Winfrey, Sallie M.	LD of Barrington-Palatine	P.O. Box 5918 Buffalo Grove, Illinois 60089	(847) 844-1332
Winfrey, Sallie M.	LD of Northbrook-Highland Park	P.O. Box 5918 Buffalo Grove, Illinois 60089	(847) 844-1332
Majchrzak, John	LD of Edwardsville-Collinsville	P.O. Box 338 Edwardsville, Illinois 62025	(618) 977-3355
Majchrzak, John	LD of Belleville-Columbia-Waterloo	P.O. Box 338 Edwardsville, Illinois 62025	(618) 977-3355
Gratzke, Joseph T. Gratzke, Christine K.	LD of La Grange-Willowbrook	13740 W. Chicago- Bloomington Trail Homer Glen, Illinois 60491	(630) 324-6985
Hipkins, Benjamin	LD of Metamora-Morton-East Peoria	735 Mt. Vernon Street Metamora, Illinois 61548	(309) 222-8808
Black, Brian	LD of Greater Springfield	408 Treeline Lane Springfield, Illinois 62703	(217) 529-5288
Barlcay, Ben	LD of Villa Park-Elmhurst-Oak Brook	417 N Harvard Avenue Villa Park, Illinois 60181	(630) 923-9626
Berrens, Odalys	LD of McHenry County North	414 Purcell Road Volo, Illinois 60073	(815) 728-0600
Berrens, Odalys	LD of McHenry County South	414 Purcell Road Volo, Illinois 60073	(815) 728-0600
Berrens, Odalys	LD of Libertyville-Mundelein-Vernon Hills	414 Purcell Road Volo, Illinois 60073	(815) 728-0600
Berrens, Odalys	LD of Round Lake-Grayslake	414 Purcell Road Volo, Illinois 60073	(815) 728-0600
<b>INDIANA</b>			
Koone, David	LD of Carmel-Zionsville	13234 Antonia Blvd. Carmel, Indiana 46074	(317) 218-9933
Koone, David	LD of Noblesville-Westfield	13234 Antonia Blvd. Carmel, Indiana 46074	(317) 218-9933
Koone, David	LD of Fishers-Geist	13234 Antonia Blvd. Carmel, Indiana 46074	(317) 218-9933
Shaw, Raymond N.	LD of West Lake County	1103 E. Highway 330 Griffith, Indiana 46319	(219) 440-7098
Faller, Chris Faller, Ginnie A.	LD of Harrison-Batesville	24879 Sawdon Ridge Road Guilford, Indiana 47022	(812) 637-0563
Sallmen, Bryan R.	LD of South Bend-Granger-Mishawaka	10819 Poplar Bluff Court Portage, Michigan 49024	(269) 321-1731
Sallmen, Bryan R.	LD of Elkhart-Goshen	10819 Poplar Bluff Court Portage, Michigan 49024	(269) 321-1731
Sallmen, Bryan R.	LD of East Lansing-Okemos-DeWitt	10819 Poplar Bluff Court Portage, Michigan 49024	(269) 321-1731
Rogers, Logan	LD of Valparaiso-Chesterton-Portage	PO Box 603 Portage, Indiana	(219) 706-3110
<b>IOWA</b>			

Strategic-Partner	Market	Address	Phone
Grutz, Jerry A. Grutz, Cathleen J.	LD of Dubuque	P.O. Box 1713 Dubuque, Iowa 52004- 1713	(563) 690-5296
<b>KANSAS</b>			
Coltrain, Merik	LD of Overland Park-Shawnee-Lenexa	9218 Metcalf Ave., Suite 143 Overland Park, Kansas 66212	(913) 890-3838
Coltrain, Merik	LD of South Overland Park-Leawood	9218 Metcalf Ave., Suite 143 Overland Park, Kansas 66212	(913) 890-3838
<b>KENTUCKY</b>			
Zetterberg, Joshua	LD of Florence-Burlington-Union	8376 East Main Street Alexandria, Kentucky 41001	(859) 993-5296
Zetterberg, Joshua	LD of Alexandria-Fort Mitchell- Independence	8376 East Main Street Alexandria, Kentucky 41001	(859) 993-5296
Pemberton, TimothyA. Pemberton, Kathy L.	LD of Bowling Green	P.O. Box 51208 Bowling Green, Kentucky 42102-5508	(270) 846-1130
Allen, Steven D. Waymire, Adam	LD of South Lexington	P.O. Box 121 Nicholasville, Kentucky 40340	(859) 699-1999
Allen, Steven D. Waymire, Adam	LD of North Lexington-Georgetown	P.O. Box 121 Nicholasville, Kentucky 40356	(859) 699-1999
Allen, Steven D. Waymire, Adam	LD of Southeast Lexington	P.O. Box 121 Nicholasville, Kentucky 40340	(859) 699-1999
Allen, Steven D. Waymire, Adam	LD of Nicholasville	P.O. Box 121 Nicholasville, Kentucky 40340	(859) 699-1999
Ratliff, Susan R. Ratliff Jr., Mathew	LD of Hardin County	240 Forest Trace Radcliff, Kentucky 40160	(270) 877-0369
<b>LOUISIANA</b>			
Fouquier Jr., Homer J.	LD of South Lafayette	440 Industrial Pkwy #2 Lafayette, Louisiana 70508	(337) 591-5432
Steffens, Peter M.	LD of Mandeville-Covington	103 Chasse Place Mandeville, Louisiana 70471	(985) 792-9200
<b>MARYLAND</b>			
Evans, Matthew T.	LD of Harford County	P.O. Box 848 Bel Air, Maryland 21014- 0848	(410) 836-8181
Evans, Matthew T.	LD of Perry Hall-Parkville-Rosedale	P.O. Box 848 Bel Air, Maryland 21014- 0848	(410) 836-8181
Cole, Jason A.	LD of The Lower Eastern Shore	8905 Logtown Road Berlin, Maryland 21811	(410) 641-3111



Strategic-Partner	Market	Address	Phone
Hodgson, Joseph	LD of Germantown-Damascus	P.O. Box 34004 Bethesda, Maryland 20817	(301) 926-6320
Hodgson, Joseph	LD of Gaithersburg	P.O. Box 34004 Bethesda, Maryland 20817	(301) h926-6320
Hodgson, Joseph	LD of Rockville-Olney	P.O. Box 34004 Bethesda, Maryland 20817	(877) 762-4461
Hodgson, Joseph	LD of Southwest Montgomery County	P.O. Box 34004 Bethesda, Maryland 20817	(877) 762-4461
Tyron Ward	LD of Waldorf-Brandywine-La Plata	15401 Bennetts Run Ct Brandywine, Maryland 20613	(301) 463-4331
Tyron Ward	LD of Fort Washington-Clinton	15401 Bennetts Run Ct Brandywine, Maryland 20613	(301) 463-4331
Richardson, FranklinS.	LD of Reisterstown	P.O. Box 261 Finksburg, Maryland 21048	(410) 526-6400
Richardson, FranklinS.	LD of Towson	P.O. Box 261 Finksburg, Maryland 21048	(410) 526-6400
Richardson, FranklinS.	LD of Carroll County	P.O. Box 261 Finksburg, Maryland 21048	(410) 526-6400
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of West County	212 Najoles Road Annapolis, Maryland 21403	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Bowie	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of South County	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Severna Park-Arnold-Kent Island	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Annapolis	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Upper Marlboro	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Columbia	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Ellicott City	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300

Strategic-Partner	Market	Address	Phone
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Northern Prince Georges County	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Catonsville	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
Dell'Oro, Kevin J. Dell'Oro, Jennifer M.	LD of Glen Burnie-Pasadena	41 E. Lake Drive Millersville, Maryland 21108	(410) 956-8300
DiMarino, Joseph N. DiMarino, Deborah L.	LD of Frederick	2718 Flintridge Drive Myersville, Maryland 21773	(301) 371-5966
DiMarino, Joseph N. DiMarino, Deborah L.	LD of Greater Frederick County	2718 Flintridge Drive Myersville, Maryland 21773	(301) 371-5966
O'Roke, Eric	LD of Washington County-Cumberland	190 Spartan Court Winchester, Virginia 22603	(301) 739-5299
<b>MASSACHUSETTS</b>			
Adamuska, Stacy	LD of Grafton-Milford	15 Johnathan Pass Dudley, Massachusetts 01571	(508) 579-2761
Adamuska, Stacy	LD of Franklin-Foxboro	15 Johnathan Pass Dudley, Massachusetts 01571	(508) 579-2761
Farrell, Glenn	LD of Shrewsbury-Worcester	76 Viaduct Road Stamford, Connecticut 06907	(978) 592-2237
Farrell, Glenn	LD of Marblehead-Peabody	76 Viaduct Road Stamford, Connecticut 06907	(978) 592-2237
Farrell, Glenn	LD of Billerica-Chelmsford	76 Viaduct Stamford, Connecticut 06907	(978) 592-2237
Farrell, Glenn	LD of Melrose-Wakefield	76 Viaduct Road Stamford, Connecticut 06907	(978) 592-2237
Farrell, Glenn	LD of Winchester-Arlington	76 Viaduct Road Stamford, Connecticut 06907	(978) 592-2237
Farrell, Glenn	LD of Waltham-Lexington	76 Viaduct Road Stamford, Connecticut 06907	(978) 592-2237
Norton, James M. Norton, Thomas A.	LD of Hingham-Scituate-Weymouth	800 Franklin St Hanson Massachusetts 02341	(781) 826-2920
Norton, James M. Norton, Thomas A.	LD of Framingham-Natick	800 Franklin St Hanson Massachusetts 02341	(781) 826-2920

Strategic-Partner	Market	Address	Phone
Norton, James M. Norton, Thomas A.	LD of Braintree-Quincy	800 Franklin St Hanson Massachusetts 02341	(781) 826-2920
Norton, James M. Norton, Thomas A.	LD of Plymouth-Duxbury-Hanover	800 Franklin St Hanson Massachusetts 02341	(781) 826-2920
Norton, James M. Norton, Thomas A.	LD of Norwood-Brockton	800 Franklin St Hanson Massachusetts 02341	(781) 826-2920
Norton, James M. Norton, Thomas A.	LD of Newton-Wellesley-Dedham	800 Franklin St Hanson Massachusetts 02341	(781) 826-2920
Underdown, JamesR.	LD of Pittsfield-Westfield	116 Karen Drive Pittsfield, Massachusetts 01201	(413) 446-7795
Marshall, Gary P.	LD of Andover-Reading-Wilmington	106 Route 125 Unit 4 Brentwood, New Hampshire 03833	(978) 699-3200
Haworth, George W.	LD of Taunton-Fall River-New Bedford- Westport	P.O. Box 3712 Pawtucket, Rhode Island 02861-0733	(401) 392-1025
<b>MICHIGAN</b>			
Hines, JordanJoseph Hough, Angelica Judiette	LD of Ada-Caledonia	6225 McCords Ave SE Alto, Michigan 49302	(616) 281-7109
Hines, Jordan Joseph Hough, Angelica Judiette	LD of Southeast Grand Rapids	6225 McCords Ave SE Alto, Michigan 49302	(616) 281-7109
Hines, Jordan Joseph Hough, Angelica Judiette	LD of Northeast Grand Rapids	6225 McCords Ave SE Alto, Michigan 49302	(616) 281-7109
Hines, Jordan Joseph Hough, Angelica Judiette	LD of Hudsonville-Grandville	6225 McCords Ave SE Alto, Michigan 49302	(616) 281-7109
Hines, Jordan Joseph Hough, Angelica Judiette	LD of Holland-Zeeland	6225 McCords Ave SE Alto, Michigan 49302	(616) 281-7109
Herzberg II, David	LD of Midland-Bay City	708 Garfield Ave Bay City, Michigan 48708	(989) 980-5516
Wolinski, Mark J.	LD of Saginaw-Birch Run-Frankenmuth	P.O. Box 208 Frankenmuth, Michigan 48734	(989) 652-8750
Wier, Jason	LD of Northville-Novı	P.O. Box 700628 Plymouth, Michigan 48170	(734) 309-7870
Wier, Jason	LD of Plymouth-Canton	P.O. Box 700628 Plymouth, Michigan 48170	(734) 309-7870
Sallmen, Bryan R.	LD of Kalamazoo	8536 Shaver Road Portage, Michigan 49024	(269) 321-1731

Strategic-Partner	Market	Address	Phone
Sallmen, Bryan R.	LD of Battle Creek-Portage	8536 Shaver Road Portage, Michigan 49024	(269) 321-1731
Eisbrenner, Robert Eisbrenner, Kristin	LD of Royal Oak-Birmingham	3226 Harvard Road Royal Oak, Michigan 48073	(248) 439-0072
Eisbrenner, Robert Eisbrenner, Kristin	LD of Farmington-Southfield	3226 Harvard Road Royal Oak, Michigan 48073	(248) 439-0072
Eisbrenner, Robert Eisbrenner, Kristin	LD of Troy-Rochester	3226 Harvard Road Royal Oak, Michigan 48073	(248) 439-0072
Eisbrenner, Robert Eisbrenner, Kristin	LD of Bloomfield Hills-West Bloomfield	3226 Harvard Road Royal Oak, Michigan 48073	(248) 439-0072
Pipitone, Joan Pipitone, Christopher	LD of Utica-Macomb	7000 Gunlock Bay Shelby Township, Michigan 48317	(586) 737-7246
<b>MINNESOTA</b>			
Anderson, Ryan	LD of Fargo-Moorhead-Detroit	2505 Valley View Hawley, Minnesota 56549	(701) 951-9749
<b>MISSISSIPPI</b>			
Canada, Scott J. Canada, Loren Bruce	LD of Brandon-Madison-Ridgeland	P.O. Box 4358 Brandon, Mississippi 39047	(601) 829-0044
Tesreau, Paul Bradley	LD of Tupelo-Corinth-Jackson	2488 Oak Trail Dr Germantown, Tennessee 38139	(901) 654-7134
Linyard, Ricki	LD of Oxford-Senatobia	P.O. Box 310 Olive Branch, Mississippi 38654-0310	(662) 890-4788
Linyard, Ricki	LD of DeSoto County	P.O. Box 310 Olive Branch, Mississippi 38654-0310	(662) 890-4788
<b>MISSOURI</b>			
Wessling, Gale G. Wessling, Ann M.	LD of Fenton-Eureka-Wildwood	739 Oak Hall Lane Ballwin, Missouri 63021	(636) 600-1515
Wessling, Gale G. Wessling, Ann M.	LD of Oakville-Arnold-Imperial	739 Oak Hall Lane Ballwin, Missouri 63021	(636) 600-1515
Bagley, Karrie Petersen, Mitch	LD of Springfield-Lebanon-Bolivar	721 S. Jefferson ave Lebanon, Missouri 65536	(417) 872-0479
Bagley, Karrie Petersen, Mitch	LD of Ozark-Nixa-Republic	721 S. Jefferson ave Lebanon, Missouri 65536	(417) 872-0479
Linberry, Preston Lee Brad	LD of Liberty-Gladstone	1335 N Clayview Drive Liberty, Missouri 64068	(816) 845-8484
Turner, Jeremy A.	LD of Webster-Kirkwood	107 North Service Road St. Peters, Missouri 63376	(314) 594-5025
Turner, Jeremy A.	LD of St. Charles	107 North Service Road St. Peters, Missouri 63376	(314) 594-5025

Strategic-Partner	Market	Address	Phone
Turner, Jeremy A.	LD of Saint Peters-O Fallon	107 North Service Road St. Peters, Missouri 63376	(314) 594-5025
Turner, Jeremy A.	LD of Ladue	107 North Service Road St. Peters, Missouri 63376	(314) 594-5025
Turner, Jeremy A.	LD of Creve Coeur-Maryland Heights	107 North Service Road St. Peters, Missouri 63376	(314) 594-5025
Turner, Jeremy A.	LD of Chesterfield-Ballwin	107 North Service Road St. Peters, Missouri 63376	(314) 594-5025
<b>MONTANA</b>			
Hamilton, Erik	LD of Missoula-Ravalli Counties	P.O. Box 17916 Missoula, Montana 59808	(406) 542-6210
<b>NEW HAMPSHIRE</b>			
Marshall, Gary P.	LD of Portsmouth-Exeter	106 Route 125, Unit 4 Brentwood, New Hampshire 03833	(603) 772-0810
Marshall, Gary P.	LD of Hampstead-Salem-Derry	106 Route 125, Unit 4 Brentwood, New Hampshire 03833	(603) 772-0810
Marshall, Gary P.	LD of Merrimack Valley New Hampshire	106 Route 125, Unit 4 Brentwood, New Hampshire 03833	(603) 772-0810
<b>NEW JERSEY</b>			
O'Rourke, Deborah	LD of Cherry Hill South	1916 Old Cuthbert Road Unit A-11 Cherry Hill, New Jersey 08034	(856) 428-0858
O'Rourke, Deborah	LD of Cherry Hill West	1916 Old Cuthbert Road Unit A-11 Cherry Hill, New Jersey 08034	(856) 428-0858
Reich, David	LD of Bernardsville-Basking Ridge	P.O. Box 718 Far Hills, New Jersey 07931	(908) 626-0303
Shank, Gloria Shank, Howard Shank Jr., Howard	LD of Burlington-Willingboro	52 Colts Gait Road Marlton, New Jersey 08053	(856) 751-1623
Marcario, Mark	LD of Matawan-Colts Neck-Holmdel	P.O. Box 547 Matawan, New Jersey 07747	(732) 817-0909
Tamburro, Harold C. Tamburro, Tracey	LD of Southern Cape May County	P.O. Box 417 Mullica Hill, New Jersey 08062	(609) 465-3700
Tamburro, Harold C. Tamburro, Tracey	LD of Northern Atlantic County	P.O. Box 417 Mullica Hill, New Jersey 08062	(856) 478-6110
Tamburro, Harold C. Tamburro, Tracey	LD of Southeastern Atlantic County	P.O. Box 417 Mullica Hill, New Jersey 08062	(856) 478-6110

Strategic-Partner	Market	Address	Phone
Tamburro, Harold C. Tamburro, Tracey	LD of Cinnaminson-Delran	P.O. Box 417 Mullica Hill, New Jersey 08062	(856) 478-6110
Tamburro, Harold C. Tamburro, Tracey	LD of Woodbury	P.O. Box 417 Mullica Hill, New Jersey 08062	(856) 478-6110
Tamburro, Harold C. Tamburro, Tracey	LD of Stratford-Turnersville	P.O. Box 417 Mullica Hill, New Jersey 08062	(856) 478-6110
Tamburro, Harold C. Tamburro, Tracey	LD of Pitman-Glassboro	P.O. Box 417 Mullica Hill, New Jersey 08062	(856) 478-6110
Tamburro, Harold C. Tamburro, Tracey	LD of Millville-Vineland	P.O. Box 417 Mullica Hill, New Jersey 08062	(856) 478-6110
Tamburro, Harold C. Tamburro, Tracey	LD of Cherry Hill East	P.O. Box 417 Mullica Hill, New Jersey 08062	(609) 953-1533
Tamburro, Harold C. Tamburro, Tracey	LD of Moorestown-Medford	P.O. Box 417 Mullica Hill, New Jersey 08062	(609) 953-1533
Elwood, Lauren S. Elwood III, William P.	LD of Central Bergen	6 Mohawk Avenue Oakland, New Jersey 07436	(201) 445-2007
Elwood, Lauren S. Elwood III, William P.	LD of Paramus	6 Mohawk Avenue Oakland, New Jersey 07436	(201) 445-2007
Elwood, Lauren S. Elwood III, William P.	LD of The Palisades	6 Mohawk Avenue Oakland, New Jersey 07436	(201) 445-2007
Elwood, Lauren S. Elwood III, William P.	LD of Clifton-Little Falls-West Paterson	6 Mohawk Avenue Oakland, New Jersey 07436	(201) 445-2007
Elwood, Lauren S. Elwood III, William P.	LD of Wayne	6 Mohawk Avenue Oakland, New Jersey 07436	(201) 445-2007
Elwood, Lauren S. Elwood III, William P.	LD of North Morris	6 Mohawk Avenue Oakland, New Jersey 07436	(201) 445-2007
Elwood, Lauren S. Elwood III, William P.	LD of Fair Lawn-Saddlebrook-Hasbrouck Heights	6 Mohawk Avenue Oakland, New Jersey 07436	(201) 445-2007
Martucci, Rhonda Martucci, Paul	LD of Livingston-Short Hills- Maplewood	41 Winfield Drive Parsippany, New Jersey 07054	(973) 500-3684
Heym, Martin	LD of Manchester-Hawthorne-Totowa	44 Refy Avenue Ramsey, New Jersey 07446	(973) 427-3141
Martucci, Rhonda Martucci, Paul	LD of East Morris	14 Union Street Rockaway, New Jersey 07866	(973) 500-3684

Strategic-Partner	Market	Address	Phone
Martucci, Rhonda Martucci, Paul	LD of Bloomfield-Nutley	14 Union Street Rockaway, New Jersey 07866	(973) 500-3684
Martucci, Rhonda Martucci, Paul	LD of Parsippany	14 Union Street Rockaway, New Jersey 07866	(973) 500-3684
Martucci, Rhonda Martucci, Paul	LD of Hanover	14 Union Street Rockaway, New Jersey 07866	(973) 500-3684
Magda, Robert M.	LD of Eastern and Southeastern MercerCounty	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of Yardville-Bordentown	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of Somerset-North & South Brunswick	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of East Brunswick	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of Sayreville-Parlin-South Amboy	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of Edison-Metuchen	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of Mountainside-Cranford	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of The Plainfields	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Magda, Robert M.	LD of Westfield-Scotch Plains-Clark	P.O.Box 13 Somerset, New Jersey 08875	(732) 246-1101
Kotalic, Christopher	LD of Springfield-Summit	P.O. Box 395 Somerville, New Jersey 08876	(908) 273-2220
Kotalic, Christopher	LD of Bridgewater-Hillsborough	P.O. Box 395 Somerville, New Jersey 08876	(908) 526-3030
Kotalic, Christopher	LD of Flemington-Clinton	P.O. Box 395 Somerville, New Jersey 08876	(908) 782-5296
Whilby, Rayon	LD of Teaneck-Englewood-Leonia- Ridgefield	1265 Arlington Ave Teaneck, New Jersey 07666	(201) 851-4440
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of Bricktown-Point Pleasant	P.O. Box 1264 Toms River, New Jersey 08754-1264	(732) 797-2405

Strategic-Partner	Market	Address	Phone
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of Southeast Monmouth	P.O. Box 1264 Toms River, New Jersey 08754-1264	(732) 797-2405
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of Southern Ocean County	P.O. Box 1264 Toms River, New Jersey 08754-1264	(732) 797-2405
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of Eatontown-Ocean Township	P.O. Box 1264 Toms River, New Jersey 08754-1264	(732) 797-2405
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of Rumson-Greater Red Bank Area	P.O. Box 1264 Toms River, New Jersey 08754-1264	(732) 797-2405
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of South Monmouth Shore	P.O. Box 1264 Toms River, New Jersey 08754-1264	(732) 797-2405
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of Berkeley-Manchester-Whiting	P.O. Box 1264 Toms River, New Jersey 08754	(732) 797-2405
Mlotkiewicz, David J. Mlotkiewicz, Dawn M.	LD of Toms River	P.O. Box 1264 Toms River, New Jersey 08754-1264	(732) 797-2405
Parlegreco, Gregg Parlegreco, Incoronata Tina	LD of Dover-Rockaway	363 Delaware Avenue Union, New Jersey 07083	(973) 784-9549
Fransen, Erik C.	LD of Warren County	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Randolph-Roxbury-Mount Olive	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of South Morris	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Southern Sussex County	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Oakland-Ringwood-West Milford	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Mumm, Paul	LD of Lakewood-Jackson	2 Waycake Drive Wayside, New Jersey	(732) 928-6736



Strategic-Partner	Market	Address	Phone
		07712	
Mumm, Paul	LD of Middletown-Lincroft-Oak Hill	2 Waycake Drive Wayside, New Jersey 07712	(732) 928-6736
Mumm, Paul	LD of Howell	2 Waycake Drive Wayside, New Jersey 07712	(732) 928-6736
Mumm, Paul	LD of Freehold-Upper Freehold	2 Waycake Drive Wayside, New Jersey 07712	(732) 928-6736
Mumm, Paul	LD of Manalapan-Central and South Marlboro	2 Waycake Drive Wayside, New Jersey 07712	(732) 928-6736
Mumm, Paul	LD of Pennington-Hopewell	2 Waycake Drive Wayside, New Jersey 07712	(732) 928-6736
Mumm, Paul	LD of Princeton-Montgomery	2 Waycake Drive Wayside, New Jersey 07712	(732) 928-6736
Pelliccio, Karen M. Pelliccio III, John R.	LD of Pascack Valley	175 Long Clove Road New City, New York, 10956	(201) 664-4358
<b>NEW MEXICO</b>			
Milks, Regina Milks Jr., Charles H.	LD of LaCueva-Sandia Heights	1500 Acapulco Road Rio Rancho, New Mexico 87144	(505) 884-4433
Milks, Regina Milks Jr., Charles H.	LD of West Albuquerque	1500 Acapulco Road Rio Rancho, New Mexico 87144	(505) 884-4433
Milks Jr., Charles H. Milks, Regina	LD of The Foothills	1500 Acapulco Road Rio Rancho, New Mexico 87144	(505) 884-4433
<b>NEW YORK</b>			
Farrell, Glenn	LD of White Plains-Scarsdale- Tuckahoe-Pelham	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of S.E. Westchester	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of West Westchester	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of Peekskill-Cortlandt-Yorktown	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Farrell, Glenn	LD of Central Westchester	76 Viaduct Road Stamford, Connecticut 06907	(203) 348-3025
Grolier, Jean-Marc	LD of Brewster-Carmel-Mahopac	6 Chauncey Circle Ardsley, New York 10502	(845) 582-0545

Strategic-Partner	Market	Address	Phone
Grolier, Jean-Marc	LD of Wappinger Falls	6 Chauncey Circle Ardsley, New York 10502	(845) 582-0545
Grolier, Jean-Marc	LD of Putnam Valley-Cold Spring- Beacon	6 Chauncey Circle Ardsley, New York 10502	(845) 582-0545
Pflaumer, Kim	LD of Oyster Bay-Syosset	1 Tradewinds Drive Bayville, New York 11709	(516) 628-0275
Mazzone, Matthew	LD of Clifton Park-Ballston	2 Lavant Lane Burnt Hills, New York 12027	(518) 362-9888
Mazzone, Matthew	LD of Schenectady	2 Lavant Lane Burnt Hills, New York 12027	(518) 362-9888
Kramer, Ted	LD of West Islip-North Bayshore	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of Bayshore-Brightwaters	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of North Babylon-Deer Park	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of Babylon-Lindenhurst	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of Great Neck-Manhasset- Port Washington	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of Plainview-Old Bethpage	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of Garden City-Hicksville-Levittown	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of Bethpage-Massapequa-Seafood	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Kramer, Ted	LD of Merrick-Bellmore-Wantagh	P.O. Box 791 Deer Park, New York 11729	(516) 586-5528
Barry, Jason T.	LD of Middletown- Montgomery-Newburgh	57 Brook Trail Greenwood Lake New York 10925	(845) 496-0582
Barry, Jason T.	LD of Greater Monroe- Washingtonville-Cornwall Area	57 Brook Trail Greenwood Lake, New York 10925	(845) 496-0582
Foote, Timothy P.	LD of Bayport-Sayville	129 Bradford Avenue Holbrook, New York 11741	(631) 384-1977
Augustine, Ronald J.	LD of Ulster and N.W. Dutchess Counties	177 Van Kleecks Lane Kingston, New York 12401	(845) 339-6788

Strategic-Partner	Market	Address	Phone
Augustine, Ronald J.	LD of Poughkeepsie-Hyde Park	177 Van Kleecks Lane Kingston, New York 12401	(845) 471-6788
Matynka, Carrie A. Matynka, Kenneth F.	LD of Central Erie County	PO Box 372 Lancaster, New York 14086	(716) 515-5525
Matynka, Carrie A. Matynka, Kenneth F.	LD of Southern Erie County	PO Box 372 Lancaster, New York 14086	(716) 515-5525
Pelliccio, Karen M. Pelliccio III, John R.	LD of North Rockland	175 Long Clove Road New City, New York 10956	(845) 638-4999
Pelliccio, Karen M. Pelliccio III, John R.	LD of Southeast Rockland	175 Long Clove Road New City, New York 10956	(845) 638-4999
Cloninger, Aron	LD of Huntington	P.O. Box 479 Oyster Bay, New York 11771	(631) 244-0448
Cloninger, Aron	LD of East Setauket-Coram-Rocky Point	P.O. Box 479 Oyster Bay, New York 11771	(631) 244-0448
Cloninger, Aron	LD of Northport-Greenlawn	P.O. Box 479 Oyster Bay, New York 11771	(631) 244-0448
Cloninger, Aron	LD of Commack-Kings Park	P.O. Box 479 Oyster Bay, New York 11771	(631) 244-0448
Cloninger, Aron	LD of Brookhaven	P.O. Box 479 Oyster Bay, New York 11771	(631) 244-0448
Bernhardt, Adam	LD of Fairport-Webster	P.O. Box 25093 Rochester, New York 14625	(585) 338-1520
Bernhardt, Adam	LD of East Monroe County	P.O. Box 25093 Rochester, New York 14625	(585) 338-1520
Conklin, Ross N. Navan, James E.	LD of The Hamptons	P.O. Box 755 Water Mill, New York 11976	(631) 537-7122
<b>NORTH CAROLINA</b>			
Britt, Victor W.	LD of Pittsboro-Sanford	1457 Kelly Road #265 Apex, North Carolina 27502	(919) 362-1808
Britt, Victor W.	LD of Chapel Hill	1457 Kelly Road #265 Apex, North Carolina 27502	(919) 362-1808
Britt, Victor W.	LD of Cary-Apex	1457 Kelly Road #265 Apex, North Carolina 27502	(919) 362-1808
Britt, Victor W.	LD of West Durham	1457 Kelly Road #265 Apex, North Carolina 27502	(919) 362-1808

Strategic-Partner	Market	Address	Phone
Goheen, Michael A.	LD of North Mecklenburg	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Goheen, Michael A.	LD of Lake Norman	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Goheen, Michael A.	LD of Harrisburg-East Charlotte	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Goheen, Michael A.	LD of Matthews-Weddington- Ballantyne	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Goheen, Michael A.	LD of South Charlotte	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Goheen, Michael A.	LD of Concord-Mt Pleasant	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Goheen, Michael A.	LD of Southwest Charlotte-Clover-York	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Benbow, Richard J.	LD of Clayton-Knightdale	101 Gussett Drive Garner, North Carolina 27529	(919) 977-4379
Benbow, Richard J.	LD of Southern Wake County	101 Gusset Drive Garner, North Carolina 27529	(919) 977-4379
Harkness, John H.	LD of Greensboro West	4047 Ridgeline Drive Kernersville, North Carolina 27284	(336) 497-4845
Harkness, John H.	LD of Kernersville-Walkertown- Summerfield	4047 Ridgeline Drive Kernersville, North Carolina 27284	(336) 497-4845
Harkness, John H.	LD of Greensboro East	4047 Ridgeline Drive Kernersville, North Carolina 27284	(336) 497-4845
Harkness, John H.	LD of Lewisville-Advance-Pfafftown	4047 Ridgeline Drive Kernersville, North Carolina 27284	(336) 497-4845
Harkness, John H.	LD of Winston-Salem West	4047 Ridgeline Drive Kernersville, North Carolina 27284	(336) 497-4845
Harkness, John H.	LD of Hillsborough-Mebane	4047 Ridgeline Drive Kernersville, North Carolina 27284	(336) 497-4845
Harkness, John H.	LD of High Point	4047 Ridgeline Drive Kernersville, North Carolina 27284	(336) 497-4845

Strategic-Partner	Market	Address	Phone
Harris, Heather G. Harris III, Jesse Wilson	LD of North Raleigh	2105 Lovdal Drive Raleigh, North Carolina 27613	(984) 232-8596
Harris, Heather G. Harris III, Jesse Wilson	LD of East Raleigh-Wake Forest-Falls Lake	2105 Lovdal Drive Raleigh, North Carolina 27613	(984) 232-8596
McGee, Susan S.	LD of Wilmington NC	P.O. Box 15072 Wilmington, North Carolina 28408	(910) 452-0090
McGee, Susan S.	LD of Brunswick County	P.O. Box 15072 Wilmington, North Carolina 28408	(910) 452-0090
<b>OHIO</b>			
Faller, Chris Faller, Ginnie A.	LD of NW Cincinnati	24879 Sawdon Ridge Road Guilford, Indiana 47022	(812) 637-0563
Faller, Chris Faller, Ginnie A.	LD of West Cincinnati	24879 Sawdon Ridge Road Guilford, Indiana 47022	(812) 637-0563
Eggleston, Alan D.	LD of Willoughby-Mentor	9665 Bascom Road Chardon, Ohio 44024	(440) 241-9703
Eggleston, Alan D.	LD of Chagrin Falls-Chardon	9665 Bascom Road Chardon, Ohio 44024	(440) 241-9703
Cooper, Scott A. Cooper, Mary N.	LD of Delaware-Lewis Center	1005 Old Henderson Road Columbus, Ohio 43220	(740) 879-3774
Cooper, Mary N. Cooper, Scott A.	LD of Arlington-Hilliard	1005 Old Henderson Road Columbus, Ohio 43220	(614) 771-1589
Cooper, Scott A. Cooper, Mary N.	LD of New Albany-Gahanna	1005 Old Henderson Road Columbus, Ohio 43220	(740) 879-3774
Cooper, Scott A. Cooper, Mary N.	LD of Westerville	1005 Old Henderson Road Columbus, Ohio 43220	(740) 879-3774
Cooper, Scott A. Cooper, Mary N.	LD of Grove City-Galloway	1005 Old Henderson Road Columbus, Ohio 43220	(614) 771-1589
Cooper, Scott A. Cooper, Mary N.	LD of Dublin-Powell-Worthington	1005 Old Henderson Road Columbus, Ohio 43220	(614) 771-1589
Cooper, Mary N. Cooper, Scott A.	LD of Reynoldsburg	1005 Old Henderson Road Columbus, Ohio 43220	(740) 879-3774
Cooper, Mary N. Cooper, Scott A.	LD of South Columbus	1005 Old Henderson Road Columbus, Ohio 43220	(614) 771-1589
Coia, James Foster, Brian	LD of Hudson-Stow-Fairlawn	68 Ravenna Street #1085 Hudson, Ohio 44236	(330) 810-9749
Coia, James Foster, Brian	LD of Independence-Strongsville- Richfield	68 Ravenna Street #1085 Hudson, Ohio 44236	(330) 810-9749
Coia, James Foster, Brian	LD of Medina-Sterling-Brunswick	68 Ravenna Street #1085 Hudson, Ohio 44236	(330) 810-9749
Coia, James Foster, Brian	LD of Akron-Kent-Barberton	68 Ravenna Street #1085 Hudson, Ohio 44236	(330) 810-9749
Coia, James Foster, Brian	LD of Solon-Northfield-Aurora	68 Ravenna Street #1085 Hudson, Ohio 44236	(330) 810-9749

Strategic-Partner	Market	Address	Phone
Coia, James Foster, Brian	LD of Parma-Middleburg Heights	68 Ravenna Street #1085 Hudson, Ohio 44236	(330) 810-9749
Satcher Jr., David G.	LD of Middletown, Ohio	6471 Cedar Hill Drive Liberty Township, Ohio 45011	(513) 422-9563
Satcher Jr., David G.	LD of Centerville-Springboro	6471 Cedar Hill Drive Liberty Township, Ohio 45011	(937) 681-0400
Satcher Jr., David G.	LD of Beavercreek-Bellbrook	6471 Cedar Hill Drive Liberty Township, Ohio 45011	(937) 681-0400
Satcher Jr., David G.	LD of Mason-West Chester	6471 Cedar Hill Drive Liberty Township, Ohio 45011	(513) 896-5296
Satcher Jr., David G.	LD of East Hamilton-North Cincinnati	6471 Cedar Hill Drive Liberty Township, Ohio 45011	(513) 896-5296
Satcher Jr., David G.	LD of Southeast Cincinnati-Anderson	6471 Cedar Hill Drive Liberty Township, Ohio 45011	(513) 896-5296
Klima, Ross J.	LD of Sandusky-Fremont	6410 Royce Drive Marblehead, Ohio 43440	(419) 734-1035
Klima, Ross J.	LD of Elyria-Amherst	6410 Royce Drive Marblehead, Ohio 43440	(419) 734-1035
Amato, Daniel	LD of Pepper Pike-Beachwood	P.O. Box 241007 Mayfield Heights, Ohio 44124	(440) 797-5200
Hall, Kevin D. Gray, Shawn	LD of Findlay-Bowling Green	1563 Township Road 92 McComb, Ohio 45858	(419) 429-2124
Miller, Jacob C.	LD of Westlake-North Olmsted	7864 Root Road, Suite C North Ridgeville, Ohio 44039	(440) 554-3020
Miller, Jacob C.	LD of Avon-North Ridgeville	7864 Root Road, Suite C North Ridgeville, Ohio 44039	(440) 554-3020
<b>OKLAHOMA</b>			
Morrison, David S. Morrison, Rhonda J.	LD of Yukon-Mustang-Bethany	17151 N. Macarthur Blvd. Edmond, Oklahoma 73012	(405) 509-2266
Morrison, David S. Morrison, Rhonda J.	LD of NW Oklahoma City	17151 N. Macarthur Blvd. Edmond, Oklahoma 73012	(405) 509-2266
Morrison, David S. Morrison, Rhonda J.	LD of Edmond-Piedmont	17151 N. Macarthur Blvd. Edmond, Oklahoma 73012	(405) 509-2266
Morrison, David S. Morrison, Rhonda J.	LD of South OKC-Moore-Norman	17151 N. Macarthur Blvd. Edmond, Oklahoma 73012	(405) 509-2266
Morrison, David S. Morrison, Rhonda J.	LD of Midwest City-Choctaw-Harrah	17151 N. Macarthur Blvd. Edmond, Oklahoma 73012	(405) 509-2266
<b>PENNSYLVANIA</b>			

Strategic-Partner	Market	Address	Phone
Wooleyhan, Diane Lynn Wooleyhan, Jesse R.	LD of Aston-Middletown	409 Nichols Avenue Wilmington, Delaware 19803	(610) 459-4477
Wooleyhan, Diane Lynn Wooleyhan, Jesse R.	LD of Marple-Upper Providence	409 Nichols Avenue Wilmington, Delaware 19803	(610) 459-4477
Wooleyhan, Diane Lynn Wooleyhan, Jesse R.	LD of Chester County-Main Line	409 Nichols Avenue Wilmington, Delaware 19803	(610) 459-4477
Wooleyhan, Diane Lynn Wooleyhan, Jesse R.	LD of Chester-Springs- Glenmore-Coatesville	409 Nichols Avenue Wilmington, Delaware 19803	(610) 459-4477
Fransen, Erik C.	LD of West Allentown-Whitehall	51 Willow Street, Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Easton	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Macungie-Emmaus-Coopersburg	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Quakertown-Perkasie	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Western Lehigh County	51 Willow Street Suite D Washington, New Jersey 07882	(908) 835-8700
Fransen, Erik C.	LD of Bethlehem-Hellertown	51 Willow Street, Suite D Washington, New Jersey 07882	(908) 835-8700
Foose, Michael J.	LD of Altoona	1904 N. 4th Avenue Altoona, Pennsylvania 16601	(814) 943-2430
Foose, Michael J.	LD of Johnstown	1904 N. 4th Avenue Altoona, Pennsylvania 16601	(814) 943-2430
Hill, Barbara E.	LD of Greater Boyertown Area	813 Bethel Ave Unit 2 Aston, Pennsylvania 19014	(610) 497-2220
Hill, Barbara E.	LD of Haverford Township	813 Bethel Ave Unit 2 Aston, Pennsylvania 19014	(610) 497-2220
Hill, Barbara E.	LD of Greater Lansdale	813 Bethel Ave Unit 2 Aston, Pennsylvania 19014	(610) 497-2220

Strategic-Partner	Market	Address	Phone
Hill, Barbara E.	LD of Tredyffrin-Easttown- NewtownSquare	813 Bethel Ave Unit 2 Aston, Pennsylvania 19014	(610) 497-2220
Hill, Barbara E. Davidheiser, Aaron E.	LD of Collegeville-Upper Providence- Upper Merion	813 Bethel Ave Unit 2 Aston, Pennsylvania 19014	(610) 497-2220
Hill, Barbara E. Davidheiser, Aaron E.	LD of Plymouth-Whitemarsh-East and West Norriton	813 Bethel Ave Unit 2 Aston, Pennsylvania 19014	(610) 497-2220
Krape, Curt	LD of State College-Bellefonte	132 Shady Farm Lane Bellefonte, Pennsylvania 16823	(814) 383-2218
Dapp, Megan Dapp, Jeffrey	LD of Camp Hill	349 Blacklatch Ln Camp Hill, Pennsylvania 17011	(717) 774-2446
Day, Kathleen M.Day, Robert F.	LD of Doylestown Area	P.O. Box 100 Chalfont, Pennsylvania 18914	(215) 822-0346
Day, Kathleen M.Day, Robert F.	LD of North Wales-Lower Gwynedd- Ambler-Whitpain	P.O. Box 100 Chalfont, Pennsylvania 18914	(215) 822-0346
Day, Kathleen M. Day, Robert F.	LD of Warrington- Warminster	P.O. Box 100 Chalfont, Pennsylvania 18914	(215) 822-0346
Day, Kathleen M. Day, Robert F.	LD of Lower Bucks County	P.O. Box 100 Chalfont, Pennsylvania 18914	(215) 822-0346
Day, Kathleen M. Day, Robert F.	LD of Eastern Montgomery County	P.O. Box 100 Chalfont, Pennsylvania 18914	(215) 822-0346
Grasso, Salvatore A.	LD of Lower Merion	P.O. Box 488 Chester Heights, Pennsylvania 19017	(610) 361-8560
May, Christopher	LD of Luzerne County	136 Saddle Ridge Drive Dallas, Pennsylvania 18612	(570) 654-2575
May, Christopher	LD of East Lackawanna County	136 Saddle Ridge Drive Dallas, Pennsylvania 18612	(570) 654-2575
May, Christopher	LD of Greater Scranton	136 Saddle Ridge Drive Dallas, Pennsylvania 18612	(570) 654-2575
Joseph R. Battillo	LD of Stroudsburg-Bangor	10 Mountain Top Drive Easton, Pennsylvania 18042	(570) 402 5002
Dapp, Megan Dapp, Jeffrey	LD of Mechanicsburg	1243 E. Lisburn Rd Mechanicsburg, Pennsylvania 17055	(717) 774-2446
Carness, Daniel J.	LD of Wexford-McCandless-Sewickley	1773 Clearview Drive Pittsburgh, Pennsylvania 15241	(724) 935-0007



Strategic-Partner	Market	Address	Phone
Carness, Daniel J.	LD of Cranberry Twp-Gibsonia-Mars	1773 Clearview Drive Pittsburgh, Pennsylvania 15241	(724) 935-0007
Cieniewicz, Jody F. Cieniewicz, Dawn M.	LD of Northeast Reading	210 Indiandale Road Reinholds, Pennsylvania 17569	(610) 582-7285
Cieniewicz, Jody F. Cieniewicz, Dawn M.	LD of Southwest Berks	210 Indiandale Road Reinholds, Pennsylvania 17569	(610) 582-7285
Cieniewicz, Jody F. Cieniewicz, Dawn M.	LD of Lebanon-Palmyra	210 Indiandale Road Reinholds, Pennsylvania 17569	(717) 270-0981
French, James L.	LD of Lancaster Northwest	2109 Prospect Road Washington Boro, Pennsylvania 17582	(717) 397-2000
French, James L.	LD of West Lancaster	2109 Prospect Road Washington Boro, Pennsylvania 17582	(717) 397-2000
Seiders, John R. II	LD of NW York-Dover-Spring Grove	2135 Farm Lane York, Pennsylvania 17408	(717) 793-3107
Seiders, John R. II	LD of SE York County	2135 Farm Lane York, Pennsylvania 17408	(717) 793-3107
<b>RHODE ISLAND</b>			
Haworth, George W.	LD of Kingstown-Narragansett- Westerly	P.O. Box 3712 Pawtucket, Rhode Island 02861-0733	(401) 392-1025
Haworth, George W.	LD of Warwick-Greenwich-Coventry	P.O. Box 3712 Pawtucket, Rhode Island 02861-0733	(401) 392-1025
Haworth, George W.	LD of Cranston-Providence-Pawtucket	P.O. Box 3712 Pawtucket, Rhode Island 02861-0733	(401) 392-1025
Haworth, George W.	LD of Cumberland-Lincoln-Smithfield	P.O. Box 3712 Pawtucket, Rhode Island 02861-0733	(401) 392-1025
Haworth, George W.	LD of Newport-Portsmouth-Barrington	P.O. Box 3712 Pawtucket, Rhode Island 02861-0733	(401) 392-1025
<b>SOUTH CAROLINA</b>			
Goheen, Michael A.	LD or Rock Hill-Fort Mill	9628 Lawing School Road Charlotte, North Carolina 28214	(704) 948-7111
Deloach, Mark D.	LD of Beaufort County	P.O. Box 7542 Garden City, Georgia 31418	(843) 837-5296
Franks, Scott W.	LD of Greenville – Easley – Berea	PO Box 26091 Greenville, South Carolina 29616	(864) 918-1030

Strategic-Partner	Market	Address	Phone
Franks, Scott W.	LD of Simpsonville – Mauldin – Fountain Inn	PO Box 26091 Greenville, South Carolina 29616	(864) 918-1030
Bussert, Dave Bussert, Zackary D.	LD of Central Columbia	519 Oak Drive Lexington, South Carolina 29073	(803) 786-1414
Bussert, Dave Bussert, Zackary D.	LD of Florence-Darlington	519 Oak Drive Lexington, South Carolina 29073	(803) 786-1414
Bussert, Dave Bussert, Zackary D.	LD of Columbia SC	519 Oak Drive Lexington, South Carolina 29073	(803) 786-1414
Bussert, Dave Bussert, Zackary D.	LD of Lexington-West Columbia	519 Oak Drive Lexington, South Carolina 29073	(803) 786-1414
Pope, ChristopherG.	LD of Horry County	4473 Farm Lake Drive Mrytle Beach, South Carolina 29579	(843) 436-0189
Hagan, Tyler	LD of Georgetown County	336 Stone Throw Drive Murrells Inlet, South Carolina 29576	(843) 235-2070
Culpepper III, Shelton S.	LD of Summerville	917 South Main Street Summerville, South Carolina 29483	(843) 873-5711
Culpepper III, Shelton S.	LD of South Charleston	917 South Main Street Summerville, South Carolina 29483	(843) 873-5711
Culpepper III, Shelton S.	LD of Goose Creek-North Charleston	917 South Main Street Summerville, South Carolina 29483	(843) 873-5711
Culpepper III, Shelton S.	LD of Mt. Pleasant-Isle of Palms	917 South Main Street Summerville, South Carolina 29483	(843) 849-1029
Culpepper III, Shelton S.	LD of West Ashley	917 South Main Street Summerville, South Carolina 29483	(843) 873-5711
<b>SOUTH DAKOTA</b>			
Nieuwsma, Ryan	LD of Sioux Falls	27527 468th Avenue Lennox, South Dakota 57039	(605) 610-8154
<b>TENNESSEE</b>			
Minor, Jacob S.	LD of Cullman-Jasper-Hartselle	3874 County Road 831 Logan Alabama 35098	(256) 841-7377
Clark, Allen Clark, Renata C.	LD of Hixson-Signal Mountain	4015 Tennessee Avenue Chattanooga, Tennessee 37409	(423) 708-7900

Strategic-Partner	Market	Address	Phone
Clark, Allen Clark, Renata C.	LD of Cleveland-Ooltewah	4015 Tennessee Avenue Chattanooga, Tennessee 37409	(423) 708-7900
Clark, Renata C. Clark, Allen	LD of South Chattanooga	4015 Tennessee Avenue Chattanooga, Tennessee 37409	(423) 708-7900
Berry, Michael Gary Hernandez, Julio C.	LD of Greeneville-Morristown- Rogersville	3390 Stone Dam Road Chuckey, Tennessee 37641-4724	(423) 257-8987
Williams, Mark T. Williams, Marcia M. Williams, Bradley T.	LD of Mt. Juliet-Lebanon	725 Madison Street Clarksville, Tennessee 37040	(931) 648-4459
Williams, Mark T. Williams, Marcia M. Williams, Bradley T.	LD of Antioch-Smyrna	725 Madison Street Clarksville, Tennessee 37040	(615) 962-7225
Williams, Marcia M. Williams, Mark T. Williams, Bradley T.	LD of Clarksville	725 Madison Street Clarksville, Tennessee 37040	(931) 648-4459
Williams, Mark T. Williams, Marcia M. Williams, Bradley T.	LD of East Nashville	725 Madison Street Clarksville, Tennessee 37040	(931) 648-4459
Williams, Marcia M. Williams, Mark T. Williams, Bradley T.	LD of Green Hills-Bellevue	725 Madison Street Clarksville, Tennessee 37040	(615) 665-9777
Williams, Mark T. Williams, Marcia M. Williams, Bradley T.	LD of Murfreesboro	725 Madison Street Clarksville, Tennessee 37040	(615) 962-7225
Williams, Marcia M. Williams, Mark T. Williams, Bradley T.	LD of Hendersonville- Goodlettsville-Gallatin-Madison	725 Madison Street Clarksville, Tennessee 37040	(615) 665-9777
Williams, Marcia M. Williams, Mark T. Williams, Bradley T.	LD of Robertson County	725 Madison Street Clarksville, Tennessee 37040	(615) 665-9777
Williams, Marcia M. Williams, Mark T. Williams, Bradley T.	LD of Franklin-Brentwood	725 Madison Street Clarksville, Tennessee 37040	(615) 665-9777
Tesreau, Kevin Tesreau, Cynthia Lynn	LD of Eastern Shelby County	P.O. Box 383313 Germantown, Tennessee 38183-3313	(901) 385-0808
Tesreau, Kevin Tesreau, Cynthia Lynn	LD of Bartlett-Arlington-Oakland	P.O. Box 383313 Germantown, Tennessee 38183-3313	(901) 385-0808
Mitchell, Steve	LD of West Knoxville	10933 McBride Lane Knoxville, Tennessee 37932	(865) 777-0458

Strategic-Partner	Market	Address	Phone
Mitchell, Steve	LD of Maryville-Alcoa	10933 McBride Lane Knoxville, Tennessee 37932	(865) 777-0458
Mitchell, Steve	LD of Oak Ridge-Lenoir City-Harriman	10933 McBride Lane Knoxville, Tennessee 37932	(865) 777-0458
Mitchell, Steve	LD of East Knoxville-Sevier County	10933 McBride Lane Knoxville, Tennessee 37932	(865) 777-0458
Hobbs, Jason Lee	LD of Johnson City-Bristol-Blountville	708 Westhills Drive Rogersville, Tennessee 37857	(423) 247-1600
Hobbs, Jason Lee	LD of Kingsport-Jonesborough	708 Westhills Drive Rogersville, Tennessee 37857	(423) 247-1600
<b>TEXAS</b>			
Tarkenton, Scott Tarkenton, Sheryl	LD of Abilene-Breckenridge- Brownwood	1149 Sunset Drive Abilene, Texas 79605	(325) 603-8887
Dombrowski, Gregory	LD of McKinney	P.O. Box 2148 Allen, Texas 75013	(972) 765-7397
Dombrowski, Gregory	LD of Allen	P.O. Box 2148 Allen, Texas 75013	(972) 765-7397
Voss, Todd D.	LD of Greater Waco	130 Creek View Drive Blum, Texas 76627	(254) 563-4101
Voss, Todd D.	LD of Killeen-Temple-Gatesville	130 Creek View Drive Blum, Texas 76627	(254) 563-4101
Voss, Todd D.	LD of Waxahachie-Midlothian-Red Oak	130 Creek View Drive Blum, Texas 76627	(254) 563-4101
Voss, Todd D. Voss, Caron	LD of Southwest Austin	130 Creek View Drive Blum, Texas 76627	(254) 563-4101
Voss, Todd D. Voss, Caron	LD of Bee Cave-Barton Creek-West Lake	130 Creek View Drive Blum, Texas 76627	(254) 563-4101
Jantho, Connor	LD of South Austin-San Marcos	338 Satsuma Drive Buda, Texas 78610	(512) 269-0777
Tharp III, William Kenneth	LD of College Station-Bryan-Brenham	17943 Saddle Creek Dr College Station, Texas 77845	(979) 595-5470
Black, Robert	LD of Sherman-Denison-Gainesville	P.O. Box 1256 Denison, Texas 75020	(903) 271-7070
Ramos, Juan L.	LD of Denton	P.O. Box 51661 Denton, Texas 76206	(940) 268-3666
Toups, Aaron Toups, Lanny Toups, Corey	LD of Bedford-Eules-Colleyville	P.O. Box 380822 Duncanville, Texas 75138	(972) 803-1682
Toups, Aaron Toups, Lanny Toups, Corey	LD of North Arlington	P.O. Box 380822 Duncanville, Texas 75138	(972) 803-1682

Strategic-Partner	Market	Address	Phone
Toups, Aaron Toups, Lanny Toups, Corey	LD of North Richland Hills	P.O. Box 380822 Duncanville, Texas 75138	(972) 803-1682
Toups, Aaron Toups, Lanny Toups, Corey	LD of South Arlington	P.O. Box 380822 Duncanville, Texas 75138	(972) 803-1682
Toups, Aaron Toups, Lanny Toups, Corey	LD of Grand Prairie	P.O. Box 380822 Duncanville, Texas 75138	(972) 803-1682
Harris Jr., William D.	LD of Friendswood-League City	4915 Widerop Lane Friendswood, Texas 77546	(281) 853-4828
Campbell, KimberlyA. Campbell, John T.	LD of Round Rock	P.O. Box 880 Georgetown, Texas 78627	(737) 245-4213
Campbell, KimberlyA. Campbell, John T.	LD of Georgetown-Hutto-Liberty Hill	P.O. Box 880 Georgetown, Texas 78627	(737) 245-4213
Stannell, Richard Stannell, Kerrie	LD of North Austin-Wells Branch- Pflugerville	PO Box 1493 Georgetown, Texas 72627	(737)637-5296
Barnes, Craig R.	LD of Granbury-Burleson	P.O. Box 7153 Granbury, Texas 76049	(817) 243-4948
Barnes, Craig R.	LD of Weatherford-Stephenville	P.O. Box 7153 Granbury, Texas 76049	(817) 243-4948
Barnes, Craig R.	LD of Central Fort Worth	P.O. Box 7153 Granbury, Texas 76049	(817) 243-4948
Barnes, Craig R.	LD of Southwest Fort Worth	P.O. Box 7153 Granbury, Texas 76049	(817) 243-4948
Lix, Patrick	LD of Northwest San Antonio	10937 Irish Glen Trail Haslet, Texas 76052	(817) 577-1405
Lix, Patrick	LD of Northwest Fort Worth	10937 Irish Glen Trail Haslet, Texas 76052	(817) 577-1405
Lix, Patrick	LD of Hollywood Park-Shavano	10937 Irish Glen Trail Haslet, Texas 76052	(817) 577-1405
Lix, Patrick	LD of Keller-Southlake-Haltom City	10937 Irish Glen Trail Haslet, Texas 76052	(817) 577-1405
Lix, Patrick	LD of San Antonio West	10937 Irish Glen Trail Haslet, Texas 76052	(817) 577-1405
Shaw, Rosalyn M.	LD of Copperfield-Windermere Lakes	16107 Speyburn Court Houston, Texas 77095	(713) 866-4019
Shaw, Rosalyn M.	LD of Cypress	16107 Speyburn Court Houston, Texas 77095	(713) 866-4019
Shaw, Rosalyn M.	LD of West Spring	16107 Speyburn Court Houston, Texas 77095	(713) 866-4019
Noordin, Shahul	LD of Southwest Houston	16203 Park Row, Suite 175 Houston, Texas 77084	(832) 831-6181
Noordin, Shahul	LD of South Katy	16203 Park Row, Suite 175 Houston, Texas 77084	(832) 831-6181

Strategic-Partner	Market	Address	Phone
Noordin, Shahul	LD of Missouri City-Stafford	16203 Park Row, Suite 175 Houston, Texas 77084	(832) 831-6181
Noordin, Shahul	LD of Northwest Houston	16203 Park Row, Suite 175 Houston, Texas 77084	(832) 831-6181
Noordin, Shahul	LD of North Katy	16203 Park Row, Suite 175 Houston, Texas 77084	(832) 831-6181
Noordin, Shahul	LD of Sugar Land-Richmond	16203 Park Row, Suite 175 Houston, Texas 77084	(832) 831-6181
Brown, Zane Brown, Amanda	LD of Cedar Park-Leander	3550 Lakeline Blvd., Suite 180 PMB 1014 Leander, Texas 78641	(512) 337-5023
Brown, Zane Brown, Amanda	LD of Avery Ranch-Lake Travis	3550 Lakeline Blvd., Suite 180 PMB 1014 Leander, Texas 78641	(512) 337-5023
Smith, Christopher M. Smith Jr., Raymond L. Smith, Kevin M.	LD of Plano	340 Lake Park Road Lewisville, Texas 75057	(214) 227-9292
Smith, Christopher M. Smith Jr., Raymond L. Smith, Kevin M.	LD of Lewisville	340 Lake Park Road Lewisville, Texas 75057	(214) 227-9292
Smith, Christopher M. Smith Jr., Raymond L. Smith, Kevin M.	LD of Flower Mound-Coppell	340 Lake Park Road Lewisville, Texas 75057	(214) 227-9292
Smith, Christopher M. Smith Jr., Raymond L. Smith, Kevin M.	LD of Frisco-Little Elm	340 Lake Park Road Lewisville, Texas 75057	(214) 227-9292
Clark, Harry	LD of Longview-Kilgore	P.O. Box 3968 Longview, Texas 76606	(903) 720-6264
Anderson, Richard D. Anderson, Patricia W.	LD of New Braunfels-Cibolo	637 Powder Ridge Luling, Texas 78648	(210) 651-1698
Anderson, Richard D. Anderson, Patricia W.	LD of Northeast San Antonio	637 Powder Ridge Luling, Texas 78648	(210) 651-1698
Polmanteer, Kristena A.	LD of Tomball	30618 S. Sulphur Creek Drive Magnolia, Texas 77355	(281) 789-4580
Polmanteer, Kristena A.	LD of Montgomery-Conroe	30618 S. Sulphur Creek Drive Magnolia, Texas 77355	(281) 789-4580
Polmanteer, Kristena A.	LD of The Woodlands-Magnolia	30618 S. Sulphur Creek Drive Magnolia, Texas 77355	(281) 789-4580
Polmanteer, Kristena A.	LD of SE Spring	30618 S. Sulphur Creek Drive Magnolia, Texas 77355	(281) 789-4580
Best, Mark W.	LD of South Fort Worth-Mansfield	P.O. Box 1487 Mansfield, Texas 76063	(817) 734-3215
Walling, Lorie Walling, Jeffrey	LD of Texarkana-Magnolia-Idabel	P.O. Box 81 Nash, Texas 75569	(903) 556-8244

Strategic-Partner	Market	Address	Phone
Barnes, Linda E. Barnes, Gary H. Barnes, Heston B.	LD of Kingwood-Porter	23341 Honey Bee Lane New Caney, Texas 77357	(281) 713-4080
Barnes, Linda E. Barnes, Gary H. Barnes, Heston B.	LD of Humble-Atascocita	23341 Honey Bee Lane New Caney, Texas 77357	(281) 713-4080
Erickson, Jetzemani Brennan, Michael	LD of Rockwall-Heath	1855 Moscatel Lane Rockwall, Texas 77032	(682) 362-8069
Erickson, Jetzemani Brennan, Michael	LD of Sunnyvale-Forney	1855 Moscatel Lane Rockwall, Texas 77032	(682) 362-8069
Hickey, Paul	LD of Tyler-Lindale	919 Peggy Drive Whitehouse, Texas 75791	(903) 805-2071
Roberto, Ronald L. Jr. Roberto, Stacy L.	LD of Mesquite	P.O. Box 1148 Wylie, Texas 75098	(972) 520-5110
Roberto, Ronald L. Jr. Roberto, Stacy L.	LD of Richardson	P.O. Box 1148 Wylie, Texas 75098	(972) 520-5110
Roberto, Ronald L. Jr. Roberto, Stacy L.	LD of Wylie-Sachse	P.O. Box 1148 Wylie, Texas 75098	(972) 520-5110
<b>UTAH</b>			
Merrill, Trevor	LD of Lehi-American Fork- SaratogaSprings	170 E Main Street #131 Lehi, Utah 84043	(801) 997-9002
Norton, Chad	LD of North Davis and Morgan County	P.O. Box 3668 Logan, Utah 84323	(435) 753-5296
Norton, Chad	LD of Bountiful-Kaysville	P.O. Box 3668 Logan, Utah 84323	(435) 753-5296
Norton, Chad	LD of Weber County	PO Box 3668 Logan, Utah 84323	(435) 753-5296
Norton, Chad Summers, Nicholas	LD of Cache Valley	P.O. Box 3668 Logan, Utah 84323	(435) 753-5296
Christensen, Thomas Trenery, Terra	LD of Provo-Spanish Fork-Orem	257 E Cottage Wood Ln Murray, Utah 84107	(385) 463-2430
Webster, Brian	LD of Southern Utah-Las Vegas North	1404 W SunRiver Pkwy #250 Saint George, Utah 84790	(435) 704-9500
Tenney, Derrick	LD of West Salt Lake City-Herriman- Tooele	5219 W Nokasippi Lane South Jordan Utah 84009	(385) 346-9601
Ludwig, Darin	LD of East Salt Lake-Holladay- Cottonwood Heights	PO Box 307 West Jordan, Utah 84084	(801) 819-2801
<b>VIRGINIA</b>			
Hodgson, Joseph	LD of Great Falls-West McLean-Reston	P.O. Box 34004 Bethesda, Maryland 20817	(877) 762-4461
Hodgson, Joseph	LD of McLean-Langley	P.O. Box 34004 Bethesda, Maryland 20817	(877) 762-4461

Strategic-Partner	Market	Address	Phone
Donovan, Lisa Donovan Jr., William	LD of West Henrico	10974 Richardson Road Suite A Ashland, Virginia 23005	(804) 550-3800
Donovan, Lisa Donovan Jr., William	LD of Hanover-Goochland	10974 Richardson Road Suite A Ashland, Virginia 23005	(804) 550-3800
Donovan, Lisa Donovan Jr., William	LD of Chesterfield	10974 Richardson Road Suite A Ashland, Virginia 23005	(804) 550-3800
Donovan, Lisa Donovan Jr., William	LD of Midlothian	10974 Richardson Road Suite A Ashland, Virginia 23005	(804) 550-3800
Stuedemann, AngelaD. Stuedemann Jr., John A.	LD of Great Bridge-Hickory-Deep Creekand Greenbrier	P.O. Box 2892 Chesapeake, Virginia 23327	(757) 436-4265
DeKraft, Jeannette B. Neie, Kimberly	LD of Fairfax North	10818 Fairchester Drive Fairfax, Virginia 22030	(703) 591-5665
Neie, KimberlyDeKraft, Jeannette B.	LD of Fairfax South	10818 Fairchester Drive Fairfax, Virginia 22030	(703) 591-5665
Bradford, Christopher W. Bradford, Erin E.	LD of Spotsylvania-Fredericksburg	P.O. Box 5407 Fredericksburg, Virginia 22403	(540) 286-3074
Bradford, Christopher W. Bradford, Erin E.	LD of Stafford-Culpeper	P.O. Box 5407 Fredericksburg, Virginia 22403	(540) 286-3074
Bradford, Christopher W. Bradford, Erin E.	LD of Gainesville-Bristow-Haymarket-Fauquier	P.O. Box 5407 Fredericksburg, Virginia 22403	(540) 286-3074
Wade, Frank Wade, Patricia Wade, Shawn	LD of Salem-Hollins	P.O. Box 221 Salem, Virginia 24153	(540) 345-0530
Wade, Frank Wade, Patricia Wade, Shawn	LD of Southwest Roanoke	P.O. Box 221 Salem, Virginia 24153	(540) 345-0530
Lawless IV, Andrew	LD of Falls Church-Arlington	25050 Riding Plaza Suite 130 #808 South Riding, Virginia 20152	(703) 378-8000
Lawless IV, Andrew	LD of Fairfax East-Vienna East	25050 Riding Plaza Suite 130 #808 South Riding, Virginia 20152	(703) 378-8000
Lawless IV, Andrew	LD of South Fairfax City-Kings Park West	25050 Riding Plaza Suite 130 #808 South Riding, Virginia 20152	(703) 378-8000
Lawless IV, Andrew Lawless Jr., James Paul Ray	LD of Lee-Mt. Vernon	25050 Riding Plaza Suite 130 #808 South Riding, Virginia 20152	(703) 378-8000



Strategic-Partner	Market	Address	Phone
Lawless IV, Andrew Lawless Jr., James Paul Ray	LD of Alexandria	25050 Riding Plaza Suite 130 #808 South Riding, Virginia 20152	(703) 378-8000
Lawless IV, Andrew	LD of Burke-Springfield	25050 Riding Plaza Suite 130 #808 South Riding, Virginia 20152	(703) 378-8000
Lawless IV, Andrew	LD of East Loudoun	25050 Riding Plaza Suite 130 #808 South Riding, Virginia 20152	(703) 378-8000
Herod, Edward Alan	LD of Kempsville	568 Central Drive #102 Virginia Beach, Virginia 23454	(757) 436-4965
Herod, Edward Alan	LD of Bayside-Great Neck	568 Central Drive #102 Virginia Beach, Virginia 23454	(757) 436-4965
Herod, Edward Alan	LD of Virginia Beach South	568 Central Drive #102 Virginia Beach, Virginia 23454	(757) 436-4965
O'Roke, Eric	LD of Northern Shenandoah Valley	190 Spartan Court Winchester, Virginia 22603	(540) 665-1990
Pierpoint, Gary	LD of Manassas-Dumfries	P.O. Box 2425 Woodbridge, Virginia 22195-0408	(703) 590-7950
Pierpoint, Gary	LD of Woodbridge	P.O. Box 2425 Woodbridge, Virginia 22195-0408	(703) 590-7950
<b>WASHINGTON</b>			
Underhill, Shane	LD of Everett-North Bothell	4816 147th Pl. SE Everett, Washington 98208	(425) 459-8326
Williams, Christopher M.	LD of North Spokane	P.O. Box 141753 Spokane Valley, Washington 99214	(509) 474-1017
Williams, Christopher M.	LD of South Spokane	P.O. Box 141753 Spokane Valley, Washington 99214	(509) 474-1017
Conforto, Michael	LD of Bothell-Redmond-Woodinville	17410 133rd Avenue NE #4 Woodinville, Washington 98072	(425) 375-4004
<b>WEST VIRGINIA</b>			
O'Roke, Eric	LD of Berkeley-Jefferson Counties	190 Spartan Court Winchester, Virginia 22603	(304) 263-1966
Perry, John III	LD of Huntington-Ashland-Ironton	6433 US Rt 60 E, Ste. 100 Barboursville, West Virginia 25504	(304) 955-9282

Strategic-Partner	Market	Address	Phone
Perry, John III	LD of Charleston-Hurricane-Saint Albans	6433 US Rt 60 E, Ste. 100 Barboursville, West Virginia 25504	(304) 955-9282
Byers, Justin Johnson, John	LD of Morgantown-Fairmont-Bridgeport	300 Scott Avenue Morgantown, West Virginia 25608	(304) 306-2552
<b>WISCONSIN</b>			
Shkyria, ChristopherJ.	LD of Kenosha	P.O. Box 918 Antioch, Illinois 60002	(847) 395-0940
Shkyria, ChristopherJ.	LD of East Troy-Waukesha-Mukwonago-Waterford	P.O. Box 918 Antioch, Illinois 60002	(847) 395-0940
Shkyria, ChristopherJ.	LD of Southwest Milwaukee	P.O. Box 918 Antioch, Illinois 60002	(847) 395-0940
Shkyria, ChristopherJ.	LD of New Berlin-Muskego	P.O. Box 918 Antioch, Illinois 60002	(847) 395-0940
Shkyria, ChristopherJ.	LD of Racine-Burlington	P.O. Box 918 Antioch, Illinois 60002	(847) 395-0940
Grutz, Jerry A. Grutz, Cathleen J.	LD of West Madison-Middleton	P.O. Box 1713 Dubuque, Iowa 52004	(608) 270-6210
Grutz, Jerry A. Grutz, Cathleen J.	LD of Verona-Stoughton	P.O. Box 1713 Dubuque, Iowa 52004	(608) 270-6210
Grutz, Jerry A. Grutz, Cathleen J.	LD of East Madison-Waunakee	P.O. Box 1713 Dubuque, Iowa 52004	(608) 270-6210
Grutz, Jerry A. Grutz, Cathleen J.	LD of Sun Prairie-Cottage Grove-De Forest	P.O. Box 1713 Dubuque, Iowa 52004	(608) 270-6210
Snell, Michael	LD of Door County-Manitowoc-Belleveue	4378 Hillside Road Egg Harbor, Wisconsin 54209	(920) 857-7052
Krambeer, Justice	LD of La Crosse	1222 W. 4th Street Winona, Minnesota 55987	(563) 605-0527

**FRANCHISE AGREEMENTS SIGNED – NOT YET OPERATIONAL  
AS OF DECEMBER 31, 2023**

IDAHO

Aaron Dollahite  
LD of Meridian-Nampa-Caldwell  
LD of South Boise-Kuna  
9901 W Lake Hazel  
Boise, Idaho 83709  
(208) 922-6000

MINNESOTA

John Greven  
LD of Lakeville-Burnsville-Farmington  
7908 204 TH ST West  
Lakeville, Minnesota 55044  
(952) 237-9236

UTAH

Antonio Gonzalez  
LD of Gastonia-Hickory-Lincolnton  
8188 McCormick Street  
Terrell, North Carolina 28682  
(828) 569-9211

**EXHIBIT J**

**LIST OF FORMER STRATEGIC-PARTNERS**

## TRANSFERS AND TERMINATIONS AS OF DECEMBER 31, 2023

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

NAME	TERRITORY NAME	ADDRESS	PHONE
<b>FLORIDA</b>			
Cash, Charles F. (T)	LD of Southwest Orlando	17438 Hartwood Marsh Road, Winter Garden, Florida 34787	(407) 347-8888
Cash, Charles F. (T)	LD of Clermont-Winter Garden	17438 Hartwood Marsh Road, Winter Garden, Florida 34787	(407) 347-8888
Cash, Charles F. (T)	LD of Windermere-Apopka	17438 Hartwood Marsh Road, Winter Garden, Florida 34787	(407) 347-8888
Ballard, Glen (T)	LD of South Jacksonville-Saint Johns	7705 Mowry Street Jacksonville, Florida 32256	(904) 217-7983
<b>GEORGIA</b>			
Venard, Alexis	LD of Fayetteville-Hampton-Peachtree City	2060 Liberty Hts Fairburn, Georgia 30213	(470) 830-0565
<b>ILLINOIS</b>			
Blechle, Tina Blechle, Kevin M. (T)	LD of Belleville-Columbia-Waterloo	PO Box 671 Columbia, Illinois 62236	(618) 610-6278
<b>IOWA</b>			
Grutz, Jerry A. Grutz, Cathleen J. (T)	LD of La Crosse	P.O. Box 1713 Dubuque, Iowa 52004	(608) 781-5044
<b>KANSAS</b>			
Hutto, Franklin R.	LD of East Wichita-Bel Aire-Andover	5409 N Legion Street Wichita, Kansas 67204	(316) 773-8415
<b>Maryland</b>			
Singleton, Brian S. (T)	LD of Cecil County	113 Megan Drive Bear, Delaware 19701	(410) 398-7420
<b>MISSISSIPPI</b>			
Davis, Robert Grady, Edward G. (T)	LD of Tupelo-Corinth-Jackson	1804 North Parkway Corinth, Mississippi 38834	(662) 287-5551

NAME	TERRITORY NAME	ADDRESS	PHONE
<b>MICHIGAN</b>			
Lawrence, Robert Lawrence, Julie (T)	LD of East Lansing- Okemos-DeWitt	P.O. Box 73 DeWitt, Michigan 48820	(517) 321-9470
Wolinski, Mark J. (T)	LD of Midland-Bay City	P.O. Box 208 Frankenmuth, Michigan 48734	(989) 652-8750
<b>NEBRASKA</b>			
Vellek, Matthew Vellek, Meegan	LD of Omaha South	1309 S. 204th St, Suite #288 Elkhorn, Nebraska 68022	(402) 210-2058
Vellek, Matthew Vellek, Meegan	LD of Elkhorn-Omaha West	1309 S. 204th St, Suite #288 Elkhorn, Nebraska 68022	(402) 210-2058
Vellek, Matthew Vellek, Meegan	LD of Omaha North	1309 S. 204th St, Suite #288 Elkhorn, Nebraska 68022	(402) 210-2058
<b>NORTH CAROLINA</b>			
Brown, James P. (T)	LD of High Point	169 Boone Square Street Unit 204 Hillsborough, North Carolina 27278	(919) 548-4889
Brown, James P. (T)	LD of Hillsborough- Mebane	169 Boone Square Street Unit 204 Hillsborough, North Carolina 27278	(919) 548-4889
Fisher, Keith N.	LD of Asheville- Waynesville	170 Buckeye Cove Road Canton, North Carolina 28716	(828) 648-3112
Fisher, Keith N.	LD of Henderson County	170 Buckeye Cover Road Canton, North Carolina 28716	(828) 693-5900
Bland Jr., William E.	LD of The Albemarle	112 Deer Trail South Mills, North Carolina 27976	(252) 771-3137
<b>NEW JERSEY</b>			
Weingartner, Bruce A. Weingartner, Donald K. (T)	LD of Pennington-Hopewell	P.O. Box 3087 Princeton, New Jersey 08543	(609) 737-8181

<b>NAME</b>	<b>TERRITORY NAME</b>	<b>ADDRESS</b>	<b>PHONE</b>
Weingartner, Bruce A. Weingartner, Donald K. (T)	LD of Princeton-Montgomery	P.O. Box 3087 Princeton, New Jersey 08543	(609) 737-8181
<b>OHIO</b>			
Deburger, Cathleen (T)	LD of Southeast Cincinnati-Anderson	1320 Nagel Rd #54032 Cincinnati, Ohio 45245	(513) 718-8001
Amato, Daniel (T)	LD of Solon-Northfield-Aurora	P.O. Box 241007 Mayfield Heights, Ohio 44124	(440) 797-5200
Hyland, Gregory A. (T)	LD of Parma-Middleburg Heights	6160 Highland Road Highland Heights, Ohio 44143	(440) 467-0988
<b>PENNSYLVANIA</b>			
Lipe, Jeffrey Mark Lipe, Denise (T)	LD of Stroudsburg-Bangor	P.O. Box 452 Brodheads ville, Pennsylvania 18322	(570) 402-5002
<b>SOUTH CAROLINA</b>			
Fuselier, Gary	LD of Taylors-Greer-Landrum	1361 West Wade Hampton Blvd. Suite F Box #139 Greer, South Carolina 29650	(864) 800-3707
Fuselier, Gary	LD of Mauldin-Simpsonville-Fountain Inn	1361 West Wade Hampton Blvd. Suite F Box #139 Greer, South Carolina 29650	(864) 800-3707
<b>TEXAS</b>			
Johnson, Brad R. (T)	LD of Southwest Austin	5107 Avenue H Austin, Texas 78751	(512) 872-5257
Johnson, Brad R. (T)	LD of Bee Cave-Barton Creek-West Lake	5107 Avenue H Austin, Texas 78751	(512) 872-5257
Krupp, Terri Krupp, Curtis (T)	LD of Sunnyvale-Forney	2931 Ridge Road, Suite 101 #231 Rockwall, Texas 75032	(469) 410-1748
Krupp, Terri Krupp, Curtis (T)	LD of Rockwall-Heath	2931 Ridge Road, Suite 101 #231 Rockwall, Texas 75032	(469) 410-1748

NAME	TERRITORY NAME	ADDRESS	PHONE
<b>VIRGINIA</b>			
Martin, Terrell Blaine Martin, Patricia Craig	LD of Central Virginia	P.O. Box 11153 Lynchburg, Virginia 24506	(434) 528-4200



**EXHIBIT K**  
**FINANCIAL STATEMENTS**



# **LD Parent, Inc.**

## **Consolidated Financial Statements**

**As of and for the Years Ended December 31, 2023  
and 2022**

**LD Parent, Inc.**

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**Consolidated Financial Statements**

As of and for the Years Ended December 31, 2023 and 2022

# LD Parent, Inc.

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Fax: 732-750-1222  
[www.bdo.com](http://www.bdo.com)

90 Woodbridge Center Dr., 4th Floor  
Woodbridge, NJ 07095-1163

## **Independent Auditor's Report**

Board of Directors  
LD Parent, Inc.  
Holmdel, NJ

### ***Opinion***

We have audited the consolidated financial statements of LD Parent, Inc. and its Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations, changes in stockholder's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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

### ***Responsibilities of Management for the Financial Statements***

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

*BDO USA, P.C.*

Woodbridge, NJ

March 15, 2024

## **Consolidated Financial Statements**

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# LD Parent, Inc.

## Consolidated Balance Sheets

December 31,	2023	2022
<b>Assets</b>		
<b>Current assets:</b>		
Cash and equivalents	\$ 3,533,468	\$ 6,581,308
Receivables from franchisees, net	2,997,724	2,727,345
Inventories, net	2,716,146	2,432,233
Income tax receivable	—	61,847
Prepaid expenses and other current assets	1,111,853	609,004
<b>Total current assets</b>	<b>10,359,191</b>	<b>12,411,737</b>
<b>Non-current assets:</b>		
Property, plant and equipment, net	2,259,241	2,294,726
Right-of-use assets, net	1,314,373	232,373
Intangible assets, net	40,560,885	42,948,463
Goodwill	38,871,101	38,871,101
Receivables from franchisees, net of current portion	2,391,757	2,805,779
Prepaid commissions	4,212,852	4,721,566
Other assets	55,786	25,714
<b>Total non-current assets</b>	<b>89,665,995</b>	<b>91,899,722</b>
<b>Total assets</b>	<b>\$ 100,025,186</b>	<b>\$ 104,311,459</b>
<b>Liabilities and Stockholder's Equity</b>		
<b>Current liabilities:</b>		
Current portion of long-term debt	\$ —	\$ 307,000
Accounts payable and accrued expenses	3,737,134	4,130,794
Current portion of lease obligations	275,352	187,747
Deferred revenue	1,064,125	1,124,701
Advertising funds	1,277,852	1,655,892
Franchisee deposits	661,115	862,040
Other current liabilities	467,941	207,567
<b>Total current liabilities</b>	<b>7,483,519</b>	<b>8,475,741</b>
<b>Non-current liabilities:</b>		
Long-term debt, net of current portion	29,465,679	29,060,326
Related party notes	18,000,000	18,000,000
Deferred income taxes, net	7,202,482	8,595,495
Deferred revenue, net of current portion	6,446,254	6,998,220
Lease obligations, net of current portion	1,039,021	44,626
Other non-current liabilities	376,760	313,958
<b>Total non-current liabilities</b>	<b>62,530,196</b>	<b>63,012,625</b>
<b>Total liabilities</b>	<b>70,013,715</b>	<b>71,488,366</b>
<b>Commitments and contingencies</b>		
<b>Stockholder's equity:</b>		
Parent Capital	\$ 29,765,383	\$ 32,310,607
<b>Total LD Parent, Inc. stockholder's equity</b>	<b>29,765,383</b>	<b>32,310,607</b>
<b>Non-controlling interest</b>	<b>246,088</b>	<b>512,486</b>
<b>Total stockholder's equity</b>	<b>30,011,471</b>	<b>32,823,093</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 100,025,186</b>	<b>\$ 104,311,459</b>

*See accompanying notes to the consolidated financial statements.*



# LD Parent, Inc.

## Consolidated Statements of Operations

Years Ended December 31,	2023	2022
<b>Revenues:</b>		
Operating revenues	\$ 36,442,144	\$ 32,834,937
Initial franchise fees	3,281,425	4,713,057
Interest, service charges and other income	1,272,652	1,065,179
<b>Net revenues</b>	<b>40,996,221</b>	<b>38,613,173</b>
<b>Costs and expenses:</b>		
Operating and training	3,624,960	3,712,486
Manufacturing	4,448,823	3,766,369
Selling, general and administrative	23,300,589	22,333,261
<b>Total expenses</b>	<b>31,374,372</b>	<b>29,812,116</b>
<b>Income from operations</b>	<b>9,621,849</b>	<b>8,801,057</b>
<b>Other expense:</b>		
Loss on extinguishment of debt	208,183	—
Interest expense, net	5,879,568	5,005,623
<b>Income before income taxes</b>	<b>3,534,098</b>	<b>3,795,434</b>
<b>Income taxes:</b>		
Income tax expense	(1,058,719)	(1,407,929)
<b>Consolidated net income</b>	<b>2,475,379</b>	<b>2,387,505</b>
Less: Net loss attributable to the non-controlling interest	(266,398)	(213,282)
<b>Net income attributable to LD Parent, Inc.</b>	<b>\$ 2,741,777</b>	<b>\$ 2,600,787</b>

*See accompanying notes to the consolidated financial statements.*

## LD Parent, Inc.

### Consolidated Statements of Changes in Stockholder's Equity

	Parent Capital	Non- controlling interest	Total Stockholder's Equity
Balance, December 31, 2021	\$ 35,197,728	\$ (499,732)	\$ 34,697,996
Parent contribution	—	1,225,500	1,225,500
Parent distributions	(5,656,000)	—	(5,656,000)
Stock-based compensation expense	168,092	—	168,092
Net income (loss)	2,600,787	(213,282)	2,387,505
Balance, December 31, 2022	\$ 32,310,607	\$ 512,486	\$ 32,823,093
Parent distributions	(5,250,000)	—	(5,250,000)
Adoption of ASC326, net of tax	(36,500)	—	(36,500)
Loss on foreign currency translation	(501)	—	(501)
Net income (loss)	2,741,777	(266,398)	2,475,379
<b>Balance, December 31, 2023</b>	<b>\$ 29,765,383</b>	<b>\$ 246,088</b>	<b>\$ 30,011,471</b>

*See accompanying notes to the consolidated financial statements.*

# LD Parent, Inc.

## Consolidated Statements of Cash Flows

Years Ended December 31,	2023	2022
<b>Cash flows from operating activities:</b>		
Consolidated net income	\$ 2,475,379	\$ 2,387,505
<b>Adjustments to reconcile consolidated net income to net cash flows provided by operating activities:</b>		
Provision for credit losses	226,965	265,857
Depreciation	265,252	182,520
Amortization	2,387,578	2,334,166
Amortization of right-of-use asset	298,507	269,733
Deferred income taxes	(1,393,013)	(1,007,679)
Stock-based compensation expense	—	168,092
Loss on extinguishment of debt	151,183	—
Amortization of debt issuance costs	58,736	104,383
<b>Changes in operating assets and liabilities:</b>		
Receivables from franchisees	(119,822)	297,945
Inventories	(283,913)	(342,543)
Income tax receivable	61,847	20,679
Prepaid commission	508,714	60,499
Prepaid expenses and other current assets	(502,849)	181,758
Other assets	(30,072)	(11,292)
Accounts payable and accrued expenses	(393,660)	296,815
Deferred revenue	(612,543)	319,873
Advertising funds	(378,040)	461,741
Franchisee deposits	(200,925)	(864,660)
Other current liabilities	260,374	(73,648)
Other liabilities	2,021	37,170
Lease obligations	(298,506)	(269,733)
<b>Net cash flows provided by operating activities</b>	<b>2,483,213</b>	<b>4,819,181</b>
<b>Cash flows from investing activity:</b>		
Acquisition of a subsidiary, net of cash acquired	—	(731,693)
Purchases of property, plant and equipment	(169,487)	(193,080)
Purchase of intangibles	—	(82,808)
<b>Net cash flows used in investing activity</b>	<b>(169,487)</b>	<b>(1,007,581)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from long term debt	29,489,500	—
Repayment for long-term debt	(29,566,250)	(307,000)
Parent distributions	(5,250,000)	(5,656,000)
Payment of debt issuance costs	(34,816)	—
<b>Net cash flows used in financing activities</b>	<b>(5,361,566)</b>	<b>(5,963,000)</b>
Net decrease in cash and equivalents	(3,047,840)	(2,151,400)
Cash and equivalents, beginning of period	6,581,308	8,732,708
<b>Cash and equivalents, end of period</b>	<b>\$ 3,533,468</b>	<b>\$ 6,581,308</b>
<b>Supplemental cash flow information:</b>		
Interest paid	\$ 5,820,225	\$ 4,802,033
Income taxes paid	2,153,631	2,391,377
Cash paid for amounts included in the measurement of operating lease obligations	321,151	269,730
<b>Non-cash investing and financing activities:</b>		
Rollover equity in connection with acquisition of a subsidiary	\$ —	672,000
Contribution from non-controlling interest in connection with acquisition of a subsidiary	—	553,500
Initial recognition of right-of-use asset	1,380,507	470,962

*See accompanying notes to the consolidated financial statements.*

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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### 1. Nature of the Business

LD Parent, Inc. (the “Company” or “LD Parent”) through its wholly-owned subsidiary Lawn Doctor, Inc., grants franchises to conduct lawn care/conditioning, tree/shrub care and pest control businesses throughout the United States, consisting of the sale of services and products authorized by the Company.

On April 20, 2018, the Company acquired a controlling interest in Mosquito Hunters, LLC (“Mosquito Hunters”). The Company has been able to expand their services in the pest industry as a result of this acquisition. As the Company has a controlling interest, the Company consolidates Mosquito Hunters in its consolidated financial statements.

On May 24, 2019, the Company acquired a controlling interest in Ecomaid LLC (“Ecomaid”), a franchisor of residential cleaning services. Ecomaid specializes as an innovator of environmentally responsible, non-toxic residential cleaning services for families throughout the United States. The Company believes this acquisition furthers its strategy of both growing organically and also through the acquisition of additional home service brands. The Company has been able to expand their services in the home cleaning as a result of this acquisition. As the Company has a controlling interest, the Company consolidates Ecomaid in its consolidated financial statements.

On October 7, 2022, the Company acquired a controlling interest in Elite Window Cleaning, Inc. (“Elite”), a Canadian based operator and franchisor offering window cleaning, gutter cleaning and power washing services to residential and commercial customers. Elite uses a unique approach, which virtually eliminates the need for ladders on residential and low-rise commercial jobs. The acquisition of Elite was made through Elite Franchising Corp.; a wholly owned subsidiary of Sparkle Squad LLC (“Sparkle Squad”), both of which were formed by the Company to facilitate the Elite transaction and eventually launch a similar franchise system in the U.S. As the Company has a controlling interest, the Company consolidates Elite in its consolidated financial statements.

### 2. Basis of Presentation and Significant Accounting Policies

#### *Principles of Consolidation*

The consolidated financial statements of LD Parent, Inc. include the accounts of Lawn Doctor, Inc. and its wholly-owned subsidiaries, Mosquito Hunters, LLC, Ecomaid, LLC, Sparkle Squad and Elite (collectively the “Company”). The consolidated financial statements of the Company are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). All significant intercompany transactions and accounts have been eliminated in consolidation.

#### *Non-controlling Interests*

Non-controlling interests in consolidated subsidiaries are required to be classified as a separate component of equity in the Consolidated Balance Sheets and the amounts of net income and comprehensive income attributable to the non-controlling interests are included in consolidated net income on the face of the Consolidated Statements of Operations.

The accounts of Mosquito Hunters, LLC have been included in the Company’s consolidated financial statements and the affiliates’ proportionate share of the net assets have been reflected in the accompanying Consolidated Balance Sheets as non-controlling interest in the amount of \$(202,002) and \$(258,663) at December 31, 2023 and 2022, respectively. Included in the years ended December 31, 2023 and 2022 Consolidated Statements of Operations is \$56,661 and \$39,900, of the non-controlling interest income allocation due to the related partial ownership of Mosquito Hunters.

The accounts of Ecomaid, LLC have been included in the Company’s consolidated financial statements and the affiliates’ proportionate share of the net assets have been reflected in the accompanying consolidated financial statements as non-controlling interest in the amount of \$(474,746) and \$(297,585) at December 31, 2023 and 2022, respectively. Included in the years ended December 31, 2023 and 2022 Consolidated Statements of Operations is \$(177,161) and \$(96,416), of the non-controlling interest loss allocation due to the related partial ownership of Ecomaid.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

The accounts of Sparkle Squad and Elite have been included in the Company's consolidated financial statements and the affiliates' proportionate share of the net assets have been reflected in the accompanying consolidated financial statements as non-controlling interest in the amount of \$922,836 and \$1,068,734 at December 31, 2023 and 2022, respectively. Included in the year ended December 31, 2023 and 2022 Consolidated Statement of Operations is \$(145,898) and \$(156,766) of the non-controlling interest loss allocation due to the related partial ownership of SparkleSquad and Elite.

### Revenue Recognition

The Company recognizes revenue in accordance with ASC 606, which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

The Company has identified the following revenue streams; initial franchise fees, operating revenues which consist of: service/royalty fees from franchises, sales of parts and equipment, revenues from sales type leases, advertising revenue, and interest income related to notes receivable and loans receivables. The Company's initial franchise fees are recognized over the life of the contract. Commissions relating to such contracts are recorded as a prepaid asset and amortized over the life of the contract.

In accordance with ASC 606, the Company disaggregates its revenue from customers with contracts by revenue streams. The Company's revenue streams are presented in the following table:

<b>Years Ended December 31,</b>	<b>2023</b>	<b>2022</b>
Operating Revenues:		
Service/royalty fees	\$ 23,693,686	\$ 22,296,751
Part and equipment sales	4,450,670	3,385,013
Advertising revenue	8,297,789	7,153,173
Initial franchise fees	3,281,425	4,713,057
Interest, service charges, and other	1,272,651	1,065,179
<b>Net Revenues</b>	<b>\$ 40,996,221</b>	<b>\$ 38,613,173</b>

Service/royalty fees derived from franchises ("Service Fees") are recognized as revenue when revenues are earned by the franchisees. The franchisees agree to pay to the Company a weekly royalty and service fee based on a percentage of the net revenues derived by the respective franchisees from the Company's business. Revenue from sales of parts and equipment are recognized, at the point in time which control is transferred, upon shipment. Interest income related to notes receivable and loans receivable is recorded as revenue when earned (and collection is reasonably assured) in accordance with the interest method.

Initial franchise fees are deferred and recognized over the life of the contract. Commissions paid on initial franchise fees are deferred and charged to expense upon recognition of the initial fee.

Advertising funds are presented as a gross up of revenue and related cost. Advertising funds, such as the Company's National Marketing Fund and Regional Marketing fund, promote the Company's brand nationally and in the local markets.

In accordance with ASC 606, the Company records gross revenue related to Advertising funds which includes amounts charged by the Company to franchisees based on established contracts. Revenue related to these amounts is based on a percentage of sales of the franchisee and is recognized as earned. The sales-based royalty exception applies, and amounts are recognized as the underlying sales are done by the respective franchisees. Advertising fund revenue is deferred and is recognized as advertising expense as incurred by the Company.

Interest income mainly represents interest on notes receivable from franchisees and is recognized using the effective interest method. Service charges represent call center income, which is recognized at a point in time which the control is transferred, upon completion of calls.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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### *Contract balances*

The timing of revenue recognition may not align with the right to invoice the customer under franchisee agreements. The Company records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) is recorded. Deferred revenue represents franchisee fees received that have not been earned yet. Included within the Consolidated Balance Sheets is an amount of \$7,510,378 and \$8,122,921 which represent deferred revenues as of the year ended December 31, 2023 and 2022, respectively.

### *Costs to obtain a contract*

Broker commissions paid to brokers, as well as commissions paid to internal sales personnel, that are incremental to the acquisition of franchisee contracts are capitalized as prepaid commissions on the Consolidated Balance Sheet when the period of benefit is determined to be greater than one year. The Company elected to apply the practical expedient to expense broker and sales commissions and associated costs as incurred when the expected amortization period is one year or less. The Company determines the period of benefit for broker and sales commissions paid for the acquisition of the franchisee contract by taking into consideration the term of the franchisee agreement. Amortization is recognized on a straight-line basis over a period of approximately ten years, which commensurate with the pattern of revenue recognition. Included within the Consolidated Balance Sheets is an amount of \$4,212,852 and \$4,721,566 which represent prepaid commissions as of the year ended December 31, 2023 and 2022, respectively.

### *Receivables from Franchisees, net*

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (CECL). The amendments in this update introduce a new accounting model to measure credit losses for financial assets measured at amortized cost. The FASB has also issued additional ASUs to clarify the scope and provide additional guidance for ASU 2016-13. Credit losses for financial assets measured at amortized cost should be determined based on the total current expected credit losses over the life of the financial asset or group of financial assets. In effect, the financial asset or group of financial assets should be presented at the net amount expected to be collected. Credit losses will no longer be recorded under the current incurred loss model for financial assets measured at amortized cost.

The amendments were effective on January 1, 2023 for the Company, and have been applied using a modified retrospective approach with a cumulative-effect adjustment through retained earnings as of the beginning of the fiscal year upon adoption as required. While the standard modifies the measurement of the allowance for credit losses, it does not alter the credit risk of our trade or unbilled receivables.

The impact of applying the CECL methodology upon adoption was a decrease to opening retained earnings of \$50,000, less tax effect of \$13,500, primarily driven by additional reserves allocated to trade receivables aged greater than one year assumption used in the updated methodology.

Under the CECL impairment model, the Company develops and documents its allowance for credit losses service fee (trade) receivables, notes receivables, and sales type equipment leases. The determination of portfolio segments is based primarily on asset type consideration of the credit risks.

Our quantitative allowance for credit loss estimates under CECL was determined using the loss rate method, which is impacted by certain adjustments for the nature of the aged receivables. In addition to our quantitative allowance for credit losses, we also incorporated a qualitative adjustment that may relate to unique risks or other relevant factors to further inform our estimate of the allowance for credit losses.

Additionally, due to the expansion of the time horizon over which we are required to estimate future credit losses, we may experience increased volatility in our future provisions for credit losses. Factors that could contribute to such volatility include, but are not limited to, changes in the composition and credit quality of customer base, economic conditions and forecasts, the allowance for credit loss models that are used, the data that is included in the models, the associated qualitative allowance framework, and our estimation techniques.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

Trade accounts receivable and unbilled receivables are recorded at invoiced amounts, net of allowance for credit losses, if applicable, and are unsecured and do not bear interest. Notes receivables reflect the outstanding balance, principal and interest, net of allowance for credit losses.

The allowance for doubtful accounts is based on the probability of future collection under the current expected credit losses impairment model under. Under the CECL impairment model, the Company determines its allowance by applying a loss-rate method based on an aging schedule using the Company's historical loss rate. The Company also considers reasonable and supportable current information in determining its estimated loss rates, such as external forecasts, macroeconomic trends or other factors including customers' credit risk and historical loss experience. The adequacy of the allowance is evaluated on a regular basis. Account balances are written off after all means of collection are exhausted and the balance is deemed uncollectible. Subsequent recoveries are credited to the allowance. Changes in the allowance are recorded as adjustments to bad debt expense in the period incurred.

Prior to December 31, 2023, trade and unbilled receivables and notes receivables were presented net of allowance for doubtful accounts based on the credit risk of specific clients, past collection history, and management's evaluation of other risks.

The following table sets forth the activity in the Company's allowance for credit losses:

	Trade Receivables	Note Receivable	Sales Type Leases	Total Allowance for Credit Losses
Beginning balances at January 1, 2023	\$ 234,955	\$ 588,276	\$ —	\$ 823,231
Impact of CECL adoption	(3,650)	35,770	4,380	36,500
Current period adjustment to allowance for expected credit losses	157,353	69,612	—	226,965
Write-offs charged against allowance	(43,353)	(36,768)	—	(80,121)
<b>Ending balances as of December 31, 2023</b>	<b>\$ 345,305</b>	<b>\$ 656,890</b>	<b>\$ 4,380</b>	<b>\$ 1,006,575</b>

The Company provides franchisees with an option to finance a portion of the initial franchise fee(s) over a period of up to 96 months with interest at 12% per annum. Additionally, the Company has converted accounts receivable from certain franchisees to notes receivable. These financing arrangements entered into during the years ended December 31, 2023 and 2022 were \$467,550 and \$809,198, respectively. These financing arrangements are recorded as notes receivable and included within receivables from franchisees in the accompanying Consolidated Balance Sheets. As of December 31, 2023 and 2022, \$2,008,382 and \$2,605,437 was outstanding of which \$1,080,621 and \$1,206,828 was classified as a current asset, which represents the principal amounts due on the aggregate notes receivable, respectively.

The Company leases equipment to its franchisees with an option to pay in full upon execution of the lease or finance over 60, 72 or 84 months depending on the type of equipment. Interest is not to exceed 1.5% per month and the Company recognizes the imputed interest over the term of the lease. The Company records these leases as a sales-type lease in accordance with ASC 842 Leases (Note 8). Leased equipment is recorded in receivables from franchisees in the accompanying Consolidated Balance Sheets.

As of December 31, 2023, \$1,898,166 was outstanding of which \$434,170 was classified as a current asset. As of December 31, 2023, the Company recorded \$478,528 as unearned interest of which \$153,466 was classified within other current liabilities.

As of December 31, 2022, \$1,801,805 was outstanding of which \$394,634 was classified as a current asset. As of December 31, 2022, the Company recorded \$458,813 as unearned interest of which \$144,852 was classified within other current liabilities.

Unearned interest beyond one year is recorded in long-term other liabilities.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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### *Use of Estimates*

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

### *Shipping Costs*

Costs to ship products to franchisees are expensed to manufacturing expenses as incurred. The Company recorded shipping costs of \$141,866 and \$168,209 for the years ended December 31, 2023 and 2022, respectively.

### *Cash*

The Company maintains cash balances in various financial institutions located in the United States of America which, at times, may exceed federally insured limits.

### *Concentration of Credit Risk*

The Company maintains its cash balances in a financial institution that is insured by the Federal Deposit Insurance Corporation up to \$250,000 each. At times, such balances may be in excess of the FDIC insurance limit.

No one franchise or vendor exceeded 10% of the Company's sales or purchases for the years ended December 31, 2023 and 2022.

No one franchise or vendor exceeded 10% of the Company's accounts receivable or payables at December 31, 2023 and 2022.

### *Inventories, net*

Inventories are stated at the lower of cost and net realizable value. Parts and materials, included as inventory, are evaluated annually by management for net realizable value and obsolescence. At December 31, 2023 and 2022, the reserve for inventory was \$109,576 and \$73,824, respectively.

### *Property, Plant and Equipment, net*

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives, which approximate 39 years for building, 5 to 7 years for furniture, fixtures and other equipment and 3 to 5 years for software and transportation equipment. Improvements to leasehold property are amortized on the straight-line method over the shorter of the asset life and remaining lease term.

### *Goodwill*

As required by ASC 350, Goodwill and Other Intangible Assets, the Company tests goodwill for impairment and follows ASU 2017-04 which amended ASC 350 for testing goodwill for impairment. Under ASU 2017-04, a goodwill impairment loss must be measured as the excess of a reporting unit's carrying amount (including goodwill) over its fair value. Impairment losses are limited to the total amount of goodwill allocated to the reporting unit. Goodwill is not amortized, but instead tested for impairment at the reporting unit level at least annually and more frequently upon the occurrence of certain events. The Company has one reporting unit. A qualitative assessment is performed to assess the qualitative factors and to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If the reporting unit does not pass the qualitative assessment, the carrying amount of the reporting unit, including goodwill, is compared to the fair value, and goodwill is considered impaired if the carrying value of the reporting unit exceeds its fair value. The fair value is estimated under a discounted cash flow approach, supplemented with a market multiple valuation approach. Significant estimates used in the discounted cash flow models include assumptions regarding future growth rates, terminal values, and discount rates. Any excess is recognized as an impairment loss. In conjunction with the management's annual review of goodwill and based on the qualitative assessments performed in 2023 and 2022, the Company determined it is not more likely than not that the fair value of the reporting unit is less than the carrying amount.



# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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### ***Indefinite and Finite Lived Intangibles***

In accordance with ASC 350, Intangibles – Goodwill and Other (“ASC 350”), indefinite lived intangible assets are recorded at cost and are reviewed for impairment on an annual basis and whenever events or circumstances indicate that their carrying values may not be recoverable. Impairment is recorded if the carrying amount exceeds fair value. Intangible assets which have finite useful lives are amortized using the straight-line method over their useful lives and consist of franchisee and customer relationships, and a leasehold interest. Finite lived intangible asset amortization expense was \$2,387,578 and \$2,334,166 for the years ended December 31, 2023 and 2022, respectively.

Future adverse changes in market conditions or poor operating results could result in losses or an inability to recover the carrying value of the goodwill and other intangible assets thereby possibly requiring an impairment charge in the future.

### ***Long-lived Assets***

The Company accounts for the impairment of long-lived assets in accordance with ASC 360, *Accounting for the Impairment or Disposal of Long-Lived Assets*. In accordance with ASC 360, the Company evaluates long-lived assets, including intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable based on expected undiscounted cash flows attributable to that asset or group of assets. The amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset. The Company did not have any long-lived assets impairment indicators during the years ended December 31, 2023 and 2022.

### ***Debt Issuance Costs***

Costs related to financing are being capitalized and amortized straight line, which approximates the effective interest method, over the term of the related debt facilities. Debt issuance costs were \$23,821 and \$198,924 as of December 31, 2023 and 2022, respectively, and are presented as a reduction to long-term debt in the Consolidated Balance Sheets. Amortization of deferred financing costs for the years ended December 31, 2023 and 2022 was \$58,736 and \$104,343, respectively, and is recorded in interest expense in the Consolidated Statements of Operations.

### ***Income Taxes***

The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities.

The Company recognizes a tax benefit from an uncertain position only if it is more likely than not the position is sustainable, based solely on its technical merits and consideration of the relevant taxing authority’s widely understood administrative practices and precedents. If this threshold is met, the Company measures the tax benefit as the largest amount of benefit that is greater than fifty percent likely being realized upon ultimate settlement. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the statement of operations. As of December 31, 2023 and 2022, there was no impact to the consolidated financial statements relating to accounting for uncertainty in income taxes.

### ***Fair Value Measurements***

Fair value is a market-based measurement, which is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques for fair value measurements include the market approach (comparable market prices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost), which are each based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company’s market assumptions. The Company utilizes a fair value hierarchy that prioritizes inputs to fair value measurement techniques into three broad levels:

- Level 1: Observable inputs such as quoted prices for identical assets or liabilities in active markets.
- Level 2: Observable inputs other than quoted prices that are directly or indirectly observable for the asset or liability, including quoted prices for similar asset or liabilities in active markets; quoted prices for similar or identical assets or liabilities in markets that are not active; and mode-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3: Unobservable inputs that reflect the reporting entity’s own assumptions.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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The Company's material financial instruments at December 31, 2023 and 2022, for which disclosure of estimated value is required by certain accounting standards, consisted primarily of receivables from franchisees, accounts payable, accrued expenses, and debt. The carrying value of the term loan approximates fair value due to the variable interest rate associated with this financial instrument.

### ***Business Acquisitions***

The Company accounts for business combinations in accordance with ASC 805 Business Combinations. ASC 805 requires business combinations to be accounted for using the purchase method of accounting and includes specific criteria for recording intangible assets separate from goodwill. Results of operations of acquired businesses are included in the financial statements of the acquiring company from the date of acquisition. Assets acquired and liabilities assumed of the acquired company are recorded at their fair value at the date of acquisitions.

### ***Leases***

The company engages in leasing activity as both a lessee and a lessor.

The Company adopted ASC 842, effective January 1, 2022, using the modified retrospective method of adoption. The Company elected the package of practical expedients, which, among other items, permits the Company not to reassess under the new standard its prior conclusions about lease identification and initial direct costs. The Company also elected the short-term lease recognition exemption for all leases that qualify. Under this election, the Company does not recognize right-of-use assets or lease liabilities for leases with a term of 12 months or less. The Company also elected to not separate lease and non-lease components for all leases. The Company did not elect the use-of hindsight practical expedient. As a result of the Company adopting ASC 842, the Company recognized right-of-use assets (ROUs) of \$470,960 and lease obligations of \$264,684 and \$206,276, classified into current and non-current portion of liabilities, respectively.

See Note 9 – Leases for additional information.

### ***Lessee***

The company enters into operating leases and determines whether an arrangement is a lease at inception of the arrangement. The company accounts for a lease when it has the right to control the leased asset for a period of time while obtaining substantially all of the assets' economic benefits. Leases are classified as operating or finance leases at the lease commencement date. A lease is classified as a finance lease if any one of the following criteria are met:

1. The leases transfers ownership of the asset at the end of the lease term.
2. The lease contains an option to purchase the asset that is reasonably certain to be exercised.
3. The lease term is for a major part of the remaining useful life of the asset, or
4. The present value of the lease payments equals or exceeds substantially all of the fair value of the asset.

A lease is classified as an operating lease if it does not meet any one of these criteria. The company currently only has operating leases as a lessee. The operating leases consist primarily of facility space, vehicles, and office equipment.

Lease liabilities are recognized at the lease commencement date based on the estimated present value of future minimum lease payments over the lease term, excluding lease incentives and initial direct costs incurred, if any. Lease liabilities represent the company's obligation to make lease payments arising from the lease and ROU assets represent the Company's right to use an underlying asset for the lease term. The discount rate used to determine the present value of the lease payments is the Company's incremental borrowing rate based on the information available at lease inception, as generally an implicit rate in the lease is not readily determinable. The company's leases do not include residual value guarantees or covenants.

Lease expense for operating leases with original terms of less than 12 months is recognized on a straight-line basis over the lease term.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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When determining the lease term at inception, options to extend or renew leases are included in the measurement and recognition of ROU asset and liability when it is reasonably certain that the Company will exercise the option. The Company considers various economic factors when making the determination, including, but not limited to, the significance of leasehold improvements incurred in the facility space, the difficulty in replacing the lease, underlying contractual obligations, or specific characteristics unique to a particular lease. Subsequent to entering a lease, if it becomes reasonably certain that the company will exercise an option that was not included in the lease term, the Company accounts for the change in circumstances as a lease modification, which results in the remeasurement of the ROU asset and liability as of the modification date. The Company continually evaluates whether facts or circumstances indicate it is reasonably certain that it will exercise an option.

### *Lessor*

The Company classifies leases as sales-type based on the results of the classification tests in accordance with ASC 842 and has elected, as an accounting policy, to present all funds collected from lessees for sales and other similar taxes net of the related sales tax expense for all lessor leases. The Company also excludes executory costs from lease accounting if the lessee's payments of those costs are made to a third party (e.g. taxing authority or insurer).

### *Advertising Expenses*

The Company expenses its advertising costs the first time the advertising takes place. All advertising costs are expensed as incurred. Total advertising expense recorded in selling, general, and administrative expense within the Consolidated Statements of Operations was \$783,196 and \$754,707 for the years ended December 31, 2023 and 2022, respectively.

The Company incurs regional advertising costs, which are repaid weekly by franchisees based upon their cash receipts. The balances are reported as prepaid or accrued expenses at year-end.

## **3. Acquisitions**

### *2022 Acquisition of Elite Window Cleaning, Inc.*

On October 7, 2022, Elite Franchising Corp., and certain members of Company's management, entered into an agreement with Elite and acquired substantially all of the assets of Elite. After the closing of the acquisition and the purchase of common equity in Elite by certain members of the Company's senior management team, LD Parent owns approximately 61.7% of the outstanding equity in Elite.

Total consideration was \$2,368,483, which was comprised of \$1,142,983 (gross of cash acquired) cash paid by the Company, \$553,500 cash paid by Company's management, and Elite management rollover equity of \$672,000. The acquisition was accounted for as a business combination using the acquisition method of accounting in accordance with Accounting Standards Codification ("ASC") 805, Business Combinations. In accordance with ASC 805 Business Combinations, acquisition related costs must be accounted for separately from the business combination and are not part of the consideration transferred. In connection with the Elite Acquisition, the Company incurred \$326,690 in acquisition related costs which is included in the selling, general and administrative expenses in the Consolidated Statements of Operations.

The allocation of the total consideration paid of the Company's net tangible and identifiable intangible assets was based upon the estimated fair value, using available information at acquisition date, of those assets as of October 7, 2022. The Company allocated the excess of purchase price over the identifiable intangible and net tangible assets to goodwill and expected synergies with the Company's existing operations. To the extent the Company has a tax basis in goodwill and intangibles, it is deductible over 15 years.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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The following table presents the breakdown between purchase consideration and the allocation of the total purchase price:

<b>Acquired tangible assets and liabilities:</b>	
Cash and cash equivalents	\$ 90,290
Accounts receivable	223,516
Prepaid expenses	20,925
Property and equipment	81,000
Assumed liabilities	(63,685)
Deferred revenue	(188,350)
Deferred tax liability	(179,140)
<b>Net tangible liabilities</b>	<b>(15,444)</b>
<b>Identifiable intangible assets:</b>	
Trade name	180,000
Customer relationships	650,000
Franchisee relationship	190,000
Goodwill	1,363,927
<b>Total purchase consideration</b>	<b>\$ 2,368,483</b>

The Company estimated the fair value of property and equipment and intangible assets using the income, cost and market approaches to value the related assets. Fair values were determined by management using assistance of third-party valuation specialists. The valuation methods used to determine the fair value of the intangible assets included the income approach – relief from royalty method for trade name, the income approach – excess earnings method for customer relationships and franchise relationships. Identifiable assets are amortized over their estimated useful life.

The fair value of the acquired accounts receivable and prepaid and other assets approximates the carrying value of accounts receivable, prepaid and other assets, due to the short-term nature of the expected timeframe to collect the amounts and economic benefits due to the Company and the contractual cash flows, which are expected to be collected related to these receivables.

The fair value of the assumed liabilities which include accounts payable and accrued expenses and other liabilities, and deferred revenue, approximate the carrying value of accounts payable and accrued expenses, other liabilities, and deferred revenue, due to the nature of the expected timeframe to disburse the amounts and incur economic impacts due to the Company and the contractual cash flows, which are expected to be disbursed related to these assumed liabilities.

The consolidated financial statements include results of operations following the Elite acquisition for the period from October 8, 2022 through December 31, 2023.

The Company follows Account Standards Update (ASU) 2021-08, Business Combinations (Topic 805) – Accounting for Contract Assets and Contract Liabilities from Contracts with Customers. ASU 2021-08 requires that an entity (acquirer) recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606, as if it had originated the contracts.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

### 4. Receivables from Franchisees, net

December 31,	2023	2022
Amounts billed and currently receivable from franchisees	\$ 2,489,508	\$ 1,949,114
Notes receivable from franchisees	1,080,621	1,206,828
Net investment in sales type leases	434,170	394,634
Less: Allowance for credit losses	(1,006,575)	(823,231)
<b>Current portion</b>	<b>2,997,724</b>	<b>2,727,345</b>
Notes receivable from franchisees	927,761	1,398,609
Net investment in sales type leases	1,463,996	1,407,170
<b>Noncurrent portion</b>	<b>2,391,757</b>	<b>2,805,779</b>
<b>Receivables from Franchisees, net</b>	<b>\$ 5,389,481</b>	<b>\$ 5,533,124</b>

The Company wrote off uncollectible accounts totaling \$80,122 and \$265,857 for the years ended December 31, 2023 and 2022, respectively.

### 5. Inventories

December 31,	2023	2022
Raw materials	\$ 183,324	\$ 182,188
Work-in-progress	428,373	436,024
Finished goods	2,104,449	1,814,021
<b>Inventories</b>	<b>\$ 2,716,146</b>	<b>\$ 2,432,233</b>

### 6. Property, Plant and Equipment, net

Property, plant and equipment consist of the following:

December 31,	2023	2022
Land	\$ 440,304	\$ 440,304
Building	1,126,624	1,126,624
Furniture, fixtures and other equipment	1,312,309	1,098,518
Leasehold improvements	549,406	533,430
	<b>3,428,643</b>	<b>3,198,876</b>
Less: accumulated depreciation	(1,169,402)	(904,150)
<b>Property, plant and equipment, net</b>	<b>\$ 2,259,241</b>	<b>\$ 2,294,726</b>

Depreciation expense totaled \$265,252, and \$182,520 for the years ended December 31, 2023 and 2022, respectively.

### 7. Goodwill

The following is a summary of goodwill as of December 31, 2023 and 2022:

Balance as of January 1, 2022	\$ 37,507,174
Addition due to Elite acquisition (Note 3)	1,363,927
Balance as of December 31, 2022	38,871,101
Additions	—
<b>Balance as of December 31, 2023</b>	<b>\$ 38,871,101</b>

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

### 8. Intangibles, net

Intangibles are summarized as follows:

December 31,	2023	2022	Useful Life
Franchisee and customer relationships	\$ 34,940,000	\$ 34,940,000	10-15 years
Trade name	12,357,388	12,357,388	Indefinite
Systems-in-place	6,800,000	6,800,000	Indefinite
Leasehold interest	—	193,000	5.5 years
	<b>54,097,388</b>	54,290,388	
Less: accumulated amortization	<b>(13,536,502)</b>	(11,341,925)	
<b>Intangibles, net</b>	<b>\$ 40,560,886</b>	\$ 42,948,463	

Amortization expense totaled \$2,387,578 and \$2,334,166 for the years ended December 31, 2023 and 2022, respectively, and is included within selling, general and administrative expenses in the Consolidated Statements of Operations.

The weighted average useful life of the Company's finite-lived intangible assets acquired during the year 2023 was 8.9 years as of December 31, 2023.

Estimated future amortization expense of franchise and customer relationships and leasehold interest at December 31, 2023 is as follows:

Years ending December 31,	
2024	\$ 2,366,761
2025	2,366,761
2026	2,366,761
2027	2,366,761
2028	2,366,761
2029 and thereafter	9,569,693
	<b>\$ 21,403,498</b>

### 9. Leases

The Company currently has operating leases for its facility space, vehicles, and postage equipment. These leases are used for the operations of the business and are mostly located in the state of New Jersey. The initial lease term and whether the Company has the option to renew are outlined below:

- Facility space – 10 years with the option to renew
- Vehicles – 2 to 10 years with no option to renew
- Postage equipment – 5 years with no option to renew

The option to renew was not included in the calculation of the liability and ROU asset for the facility space since it was not reasonably certain the Company would exercise this option at the effective date of ASC 842.

The components of lease expense were as follows:

Year ending December 31,	2023	2022
Operating lease cost	298,507	269,733
Short-term lease cost	—	—
<b>Total lease cost</b>	<b>298,507</b>	269,733

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

The weighted-average remaining lease term and discount rate for operating leases, for the year ended December 31, 2023, are as follows:

<b>Operating leases</b>	<b>2023</b>	<b>2022</b>
Weighted-average remaining lease term	<b>4.37 years</b>	1.22 years
Weighted-average discount rate	<b>6.75 %</b>	5.46 %

The following table indicates the financial statement lines where the Company's operating lease liabilities and ROU assets are included in the Consolidated Balance Sheets:

	<b>2023</b>	<b>2022</b>	<b>Balance sheet classifications</b>
<b>Assets:</b>			
Operating lease ROU assets	<b>\$ 1,314,373</b>	\$ 232,373	Right-of-use asset
Total lease assets	<b>\$ 1,314,373</b>	\$ 232,373	
<b>Liabilities:</b>			
Current operating lease liabilities	<b>275,352</b>	187,746	Current portion of lease obligations
Non-current operating lease liabilities	<b>1,039,021</b>	44,627	Lease obligations, net of current portion
Total lease liabilities	<b>\$ 1,314,373</b>	\$ 232,373	

Future minimum lease payments under non-cancelable operating leases as of December 31, 2023, are as follows:

	<b>Operating leases</b>
2024	\$ 350,150
2025	330,739
2026	291,657
2027	288,804
2028	257,749
2029 and thereafter	—
Total minimum lease payments	1,519,099
Less: Amounts representing interest	204,726
Present value of lease payments	<b>\$ 1,314,373</b>

The Company's lessor portfolio consists of sales-type leases. The Company's has over 100 leases consisting of three types of lawn care equipment. Leases to the franchisees have an initial term of five to seven years with the option to renewal. Option periods were not included. The Company leases three types of lawn care equipment to its franchisees, including (i.) Turf Tamer Walk Behind, (ii.) Turf Tamer Stand-on Applicator, and (iii.) Turf Tamer Power Seeder.

Income from sales-type leases is recorded within the equipment revenue line item in the Income Statement. The Company's income from sales-type leases at December 31, 2023 and 2022 were as follows:

	<b>2023</b>	<b>2022</b>
Interest income	<b>\$ 116,687</b>	\$ 129,909
Variable lease income	—	—
Total sales-type income	<b>116,687</b>	129,909

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

The net investment in sales-type leases as of December 31, 2023 and 2022 were as follows:

	2023	2022
Lease receivables	\$ 1,898,166	\$ 1,801,804
Unguaranteed residual assets	—	—
Net investment in sales-type leases	<u>1,898,166</u>	<u>1,801,804</u>

Future minimum payments to be received as lessor under non-cancelable sales-type leases as of December 31, 2023, were as follows:

	<u>Sales-type leases</u>
2024	\$ 415,882
2025	404,585
2026	344,003
2027	279,125
2028	223,972
2029 and thereafter	230,599
Total minimum lease payments	<u>1,898,166</u>
Less: Amounts representing interest	478,528
Present value of lease payments	<u>\$ 1,419,638</u>

## 10. Borrowing Arrangements

### *Credit Agreements*

On February 7, 2018, in conjunction with the acquisition by CNL Strategic Capital, LLC (“CNLSC”), the Company entered into an amendment to their Credit Agreement dated December 12, 2014. The amendment permitted the repayment of all of the outstanding principal amount of Subordinated Debt as of the date of the agreement, issuances up to \$18,000,000 of subordinated second lien indebtedness, increase in the Term Loan by \$6,000,000 and extended the maturity date to February 7, 2023. The amendment also contains revisions to the restrictive covenants inclusive of senior debt to adjusted EBITDA ratio, total debt to adjusted EBITDA ratio, fixed charge ratio, and excess cash flow. The Revolving Loan Commitment remained unchanged. The Revolving Loan Commitment was payable upon maturity on December 11, 2019. This was later amended in March 2019 to extend the maturity date to February 7, 2023 and clarify certain definitions in the prior amendment.

On August 11, 2021, the Company entered into a new amendment to their Credit Agreement dated December 12, 2014. The amendment increased the Term Loan by \$10,700,000 and extended the maturity date for the Term Loan as well as the Revolving Loan Commitment to February 7, 2025. The amendment was treated as a debt modification.

On June 30, 2023 the company entered into a new credit agreement with a LD Strategic DEBTCO, LLC, related party in the amount of \$29,489,500. The proceeds from the loan were used to pay down the existing loan in full. The company wrote off \$208,183 as loss on extinguishment of debt, comprised \$151,183 of unamortized deferred financing costs and \$57,000 in legal costs in connection with the extinguishment of the existing credit agreement at June 30, 2023. The new credit agreement has no required installment payments until the maturity date, which was subsequently extended from February 7, 2025 to August 6, 2029. The outstanding balance is to be due and payable. The Credit Agreement also provides for annual prepayment of principal based on excess cash flow (as defined in the Credit Agreement). During the year ended December 31, 2023, the Company did not make a prepayment based on excess cash flow. The Credit Agreement also provides for the maintenance of certain financial ratios, including leverage and fixed charge ratios. At December 31, 2023, the Company was in compliance with all of its covenant requirements. At December 31, 2023, \$29,489,500 was outstanding on the Term Loan.

The interest rate on the Credit Agreement varies depending if the Term Loan is a Base Rate Loan or a SOFR Loan. At December 31, 2023, the Company elected to treat the Credit Agreement as a SOFR Loan, which carried an effective interest rate of 9.94%.



# LD Parent, Inc.

## Notes to Consolidated Financial Statements

	<b>2023</b>	<b>2022</b>
Long-term debt	\$ 29,489,500	\$ 29,566,250
Less: Current portion	—	(307,000)
Less: Deferred financing costs	(23,821)	(198,924)
<b>Long-term debt, net</b>	<b>\$ 29,465,679</b>	<b>\$ 29,060,326</b>

### *Note Purchase Agreement*

On February 7, 2018, in conjunction with the acquisition, the Company entered into a Note Purchase Agreement for an \$18,000,000 aggregate principal amount of senior secured notes with related parties. The notes are subordinate to the Credit Agreement noted above. The notes contain an annual interest rate of 16% and were payable upon maturity on August 7, 2023, which was subsequently extended to February 7, 2030, based on a sixth amendment to Note Purchase Agreement entered into in February 7, 2018. Payment of the notes is due in full on the maturity date. The Company may prepay the notes at a premium based upon the schedule set forth in the note purchase agreement. The note purchase agreement is collateralized by substantially all assets of Lawn Doctor, Inc. and was guaranteed by the Company. The note purchase agreement also provides for the maintenance of certain financial ratios, including leverage and fixed charge ratios. At December 31, 2023 and 2022, the Company was in compliance with all of its covenant requirements. At December 31, 2023 and 2022, \$18,000,000 was outstanding on the Note Purchase Agreement with related parties.

Repayment of borrowing arrangements is as follows:

<b>Years ending December 31,</b>		
2029		\$ 29,489,500
2030		18,000,000
		<b>\$ 47,489,500</b>

## **11. Accounts Payable and Accrued Expenses**

	<b>2023</b>	<b>2022</b>
Accounts payable	\$ 317,174	\$ 458,920
Accrued expenses	2,158,136	2,131,855
Deferred franchise package costs	1,261,824	1,523,304
Other	—	16,715
<b>Accounts payable and accrued expense, net</b>	<b>\$ 3,737,134</b>	<b>\$ 4,130,794</b>

## **12. Commitments and Contingencies**

### *Employment Agreement*

The Company has an employment agreement with a key executive which provides for an annual base salary plus an incentive bonus which is payable upon the achievement of certain defined financial benchmarks. The agreement was amended in 2018 to renew automatically for an additional one-year term unless the agreement is earlier terminated by either party. The agreement also includes a non-compete clause should the employee be terminated under specific terms of the agreement.

### *Employee Benefit Plan*

The Company has a 401(k) savings retirement plan for all eligible employees. The plan allows for employee contributions to be matched by the Company on a pro rata basis. Contributions made to the plan by the Company, including fees, were \$139,500 and \$161,822 for the years ended December 31, 2023 and 2022, respectively.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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### *Litigation*

The Company is party to various legal proceedings that arise in the normal course of business. In the present opinion of management, none of these proceedings, individually or in the aggregate, are likely to have a material adverse effect on the consolidated financial position or consolidated results of operations or cash flows of the Company. However, management cannot provide assurance that any adverse outcome would not be material to the Company's consolidated financial position or consolidated results of operations or cash flows.

### **13. Related Party Balances and Transactions**

See Note 10 for credit agreement and note purchase agreement with the stockholders of LD Parent. The Company made parent distributions of \$5,250,000 and \$5,656,000 during the year ended December 31, 2023 and 2022, respectively.

### **14. Income Taxes**

Deferred income taxes result from timing differences in the recognition of income and expenses for income tax and financial reporting purposes.

Net deferred tax assets and liabilities are summarized as follows:

<b>December 31,</b>	<b>2023</b>	<b>2022</b>
Employee compensation	\$ 450,312	\$ 427,654
Accounts receivable	171,677	136,772
Inventory	27,988	18,857
Partnership interest	971,781	944,834
Deferred revenue	892,631	767,732
Interest Limitation	719,102	233,624
Foreign net operating loss	90,322	27,336
Valuation allowance	(327,391)	(108,928)
<b>Deferred tax assets</b>	<b>2,996,422</b>	<b>2,447,881</b>
Property and equipment	(331,465)	(345,473)
Intangible assets	(9,856,241)	(10,689,426)
Other	(11,198)	(8,477)
<b>Deferred tax liabilities</b>	<b>(10,198,904)</b>	<b>(11,043,376)</b>
<b>Net deferred income tax liabilities</b>	<b>\$ (7,202,482)</b>	<b>\$ (8,595,495)</b>

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment. Based on this analysis, the Company has determined that a valuation allowance on certain deferred tax assets related to Sparkle Squad, LLC were appropriate due to lack of predictable income. As of December 31, 2023 and December 31, 2022, the Company maintained a valuation allowance in the amount of \$327,094 and \$108,928 respectively.

A summary of current and deferred income taxes included in the Consolidated Statements of Operations is as follows:

Year Ended December 31,	2023	2022
<b>Current:</b>		
Federal	\$ 1,815,919	\$ 1,779,447
State	635,213	636,161
<b>Current tax expense</b>	<b>2,451,132</b>	<b>2,415,608</b>
<b>Deferred:</b>		
Federal	(1,079,171)	(1,015,512)
State	(233,434)	35,169
Foreign	(79,808)	(27,336)
<b>Deferred benefit</b>	<b>(1,392,413)</b>	<b>(1,007,679)</b>
<b>Total tax expense (benefit)</b>	<b>\$ 1,058,719</b>	<b>\$ 1,407,929</b>

The Company's effective income tax rate reconciles with the federal statutory rate as follows:

Years Ended December 31,	2023	2022
Federal statutory rate	21.0 %	21.0 %
State income taxes, net of federal tax benefit	5.1	5.1
Foreign taxes	(2.2)	(0.7)
Non-deductible expenses	0.1	—
Non-controlling interest	0.7	0.3
Return to provision adjustment	2.1	2.1
State Rate Changes	—	6.7
Change in valuation allowance	2.0	2.9
Other	1.1	(0.5)
<b>Effective income tax rate on income before taxes</b>	<b>29.9 %</b>	<b>36.9 %</b>

As of December 31, 2023, The Company has not identified any uncertain tax positions. The Company does not anticipate that the total amount of the unrecognized tax benefits will change significantly within the next twelve months. The Company has analyzed its filing positions in all of the jurisdictions where it is required to file income tax returns, as well as all open years in these jurisdictions. Generally, tax years open for examination include the year 2019 and forward.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

### 15. Stock-Based Compensation

#### Share Options

Stock Options are issued by LD Parent pursuant to its 2018 Stock Incentive Plan (“the Plan”). The related stock-based compensation is pushed down to its subsidiary and recorded by the Company. The Company follows ASC 718, *Share-Based Payment*, for recording stock-based compensation. The fair value of each time-based and performance-based option award is estimated on the date of grant using a Black-Scholes option pricing model. These options, along with performance-based options, will be expensed when such events are deemed probable. Expected volatility is based on historical volatility of an appropriate industry sector index and other factors. The expected term of options with fixed exercise prices is derived by using the midpoint between vesting and expiration as the expected term of the option grant which is permitted under the guidance. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. No stock options were granted during the years ended December 31, 2023 and 2022.

A summary of assumptions is presented below in connection with 2018 grants:

Expected volatility	23 %
Expected term (years)	5
Expected dividend yield	—
Risk-free interest rate	1.81 %

	Stock Options			Non-Exercisable	Exercisable
	Number of stock option shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)		
<b>Outstanding at December 31, 2021</b>	891	\$ 3,931	6.30	177	714
Granted	—	—	—	—	—
Exercised	—	—	—	—	—
Forfeited or expired	—	—	—	—	—
<b>Outstanding at December 31, 2022</b>	891	\$ 3,931	5.30	—	891
Granted	—	—	—	—	—
Exercised	—	—	—	—	—
Forfeited or expired	—	—	—	—	—
<b>Outstanding at December 31, 2023</b>	<b>891</b>	<b>\$ 3,931</b>	<b>4.30</b>	<b>—</b>	<b>891</b>

The Company has time-based share-based compensation arrangements under the Plan, which vest over 5 years. In addition to time-based awards, the Company has performance-based awards which vest upon meeting certain financial metrics.

For the years ended December 31, 2023 and 2022, the Company recorded expense of \$0 and \$168,092, respectively, in selling, general, and administrative expenses for stock-based compensation. Unamortized stock-based compensation at December 31, 2023 and 2022 was \$0.

### 16. Subsequent Events

Management has reviewed and evaluated all events and transactions as of March 15, 2024, the date that the consolidated financial statements were available for issuance.



# **LD Parent, Inc.**

## **Consolidated Financial Statements As of and for the Years Ended December 31, 2022 and 2021**

The report accompanying these financial statements was issued by

BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.



**LD Parent, Inc.**

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**Consolidated Financial Statements**

As of and for the Years Ended December 31, 2022 and 2021

# LD Parent, Inc.

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## Independent Auditor's Report

Board of Directors  
LD Parent, Inc.  
Holmdel, NJ

### *Opinion*

We have audited the consolidated financial statements of LD Parent, Inc. and its Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of operations, changes in stockholder's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

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

### *Responsibilities of Management for the Financial Statements*

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

BDO USA, LLP

Woodbridge, NJ  
March 24, 2023

## **Consolidated Financial Statements**

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# LD Parent, Inc.

## Consolidated Balance Sheets

December 31,	2022	2021
<b>Assets</b>		
<b>Current assets:</b>		
Cash and equivalents	\$ 6,581,308	\$ 8,732,708
Receivables from franchisees, net	2,727,345	2,372,353
Inventories, net	2,432,233	2,089,690
Income tax receivable	61,847	82,526
Prepaid expenses and other current assets	609,004	648,577
<b>Total current assets</b>	<b>12,411,737</b>	<b>13,925,854</b>
<b>Non-current assets:</b>		
Property, plant and equipment, net	2,294,726	2,203,168
Right-of-use assets, net	232,373	—
Intangible assets, net	42,948,463	44,179,821
Goodwill	38,871,101	37,507,174
Receivables from franchisees, net of current portion	2,805,779	3,501,057
Prepaid commissions	4,721,566	4,903,326
Other assets	25,714	14,422
<b>Total non-current assets</b>	<b>91,899,722</b>	<b>92,308,968</b>
<b>Total assets</b>	<b>\$ 104,311,459</b>	<b>\$ 106,234,822</b>
<b>Liabilities and Stockholder's Equity</b>		
<b>Current liabilities:</b>		
Current portion of long-term debt	\$ 307,000	\$ 307,000
Accounts payable and accrued expenses	4,130,794	3,449,294
Current portion of lease obligations	187,747	—
Deferred revenue	1,124,701	1,002,536
Advertising funds	1,655,892	1,194,151
Franchisee deposits	862,040	1,726,700
Other current liabilities	207,567	281,215
<b>Total current liabilities</b>	<b>8,475,741</b>	<b>7,960,896</b>
<b>Non-current liabilities:</b>		
Long-term debt, net of current portion	29,060,326	29,262,943
Related party notes	18,000,000	18,000,000
Deferred income taxes, net	8,595,495	9,424,034
Deferred revenue, net of current portion	6,998,220	6,612,161
Lease obligations, net of current portion	44,626	—
Other non-current liabilities	313,958	276,792
<b>Total non-current liabilities</b>	<b>63,012,625</b>	<b>63,575,930</b>
<b>Total liabilities</b>	<b>71,488,366</b>	<b>71,536,826</b>
<b>Commitments and contingencies</b>		
<b>Stockholder's equity:</b>		
Parent Capital	\$ 32,310,607	\$ 35,197,728
<b>Total LD Parent, Inc. stockholder's equity</b>	<b>32,310,607</b>	<b>35,197,728</b>
<b>Non-controlling interest</b>	<b>512,486</b>	<b>(499,732)</b>
<b>Total stockholder's equity</b>	<b>32,823,093</b>	<b>34,697,996</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 104,311,459</b>	<b>\$ 106,234,822</b>

*See accompanying notes to the consolidated financial statements.*

# LD Parent, Inc.

## Consolidated Statements of Operations

Years Ended December 31,	2022	2021
<b>Revenues:</b>		
Operating revenues	\$ 32,834,937	\$ 29,472,426
Initial franchise fees	4,713,057	4,558,458
Interest, service charges and other income	1,065,179	987,206
<b>Net revenues</b>	<b>38,613,173</b>	<b>35,018,090</b>
<b>Costs and expenses:</b>		
Operating and training	3,712,486	2,542,400
Manufacturing	3,766,369	3,027,378
Selling, general and administrative	22,333,261	21,469,099
<b>Total expenses</b>	<b>29,812,116</b>	<b>27,038,877</b>
<b>Income from operations</b>	<b>8,801,057</b>	<b>7,979,213</b>
<b>Other expense:</b>		
Interest expense, net	5,005,623	4,710,194
<b>Income before income taxes</b>	<b>3,795,434</b>	<b>3,269,019</b>
<b>Income taxes:</b>		
Income tax expense	(1,407,929)	(831,897)
<b>Consolidated net income</b>	<b>2,387,505</b>	<b>2,437,122</b>
Less: Net loss attributable to the non-controlling interest	(213,282)	(106,941)
<b>Net income attributable to LD Parent, Inc.</b>	<b>\$ 2,600,787</b>	<b>\$ 2,544,063</b>

*See accompanying notes to the consolidated financial statements.*

# LD Parent, Inc.

## Consolidated Statements of Changes in Stockholder's Equity

	Parent Capital	Non- controlling interest	Total Stockholder's Equity
Balance, December 31, 2020	\$ 42,323,979	\$ (392,791)	\$ 41,931,188
Parent contribution	750,823	—	750,823
Parent distributions	(10,770,250)	—	(10,770,250)
Stock-based compensation expense	349,113	—	349,113
Net income (loss)	2,544,063	(106,941)	2,437,122
Balance, December 31, 2021	\$ 35,197,728	\$ (499,732)	\$ 34,697,996
Investment in non-controlling interest	—	1,225,500	1,225,500
Parent distributions	(5,656,000)	—	(5,656,000)
Stock-based compensation expense	168,092	—	168,092
Net income (loss)	2,600,787	(213,282)	2,387,505
<b>Balance, December 31, 2022</b>	<b>\$ 32,310,607</b>	<b>\$ 512,486</b>	<b>\$ 32,823,093</b>

*See accompanying notes to the consolidated financial statements.*

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

Years Ended December 31,	2022	2021
<b>Cash flows from operating activities:</b>		
Consolidated net income	\$ 2,387,505	\$ 2,437,122
<b>Adjustments to reconcile consolidated net income to net cash flows provided by operating activities:</b>		
Bad debt expense	265,857	196,115
Depreciation	182,520	198,944
Amortization	2,334,166	2,308,416
Amortization of right-of-use asset	269,733	—
Deferred income taxes	(1,007,679)	(1,319,205)
Stock-based compensation expense	168,092	349,113
Amortization of debt issuance costs	104,383	75,568
<b>Changes in operating assets and liabilities:</b>		
Receivables from franchisees	297,945	896,397
Inventories	(342,543)	(709,375)
Income tax receivable	20,679	45,204
Prepaid commission	60,499	(154,823)
Prepaid expenses and other current assets	181,758	(1,196,098)
Other assets	(11,292)	—
Accounts payable and accrued expenses	296,815	(24,268)
Deferred revenue	319,873	1,627,526
Advertising funds	461,741	(176,450)
Franchisee deposits	(864,660)	167,381
Other current liabilities	(73,648)	(47,970)
Other liabilities	37,170	(27,614)
Lease obligations	(269,733)	—
<b>Net cash flows provided by operating activities</b>	<b>4,819,181</b>	<b>4,645,983</b>
<b>Cash flows from investing activity:</b>		
Acquisition of a subsidiary, net of cash acquired	(731,693)	—
Purchases of property, plant and equipment	(193,080)	(210,500)
Purchase of intangibles	(82,808)	—
<b>Net cash flows used in investing activity</b>	<b>(1,007,581)</b>	<b>(210,500)</b>
<b>Cash flows from financing activities:</b>		
Parent contribution	—	750,823
Proceeds from long-term debt	—	10,700,000
Repayment for long-term debt	(307,000)	(226,750)
Parent distributions	(5,656,000)	(10,770,250)
Payment of debt issuance costs	—	(267,000)
<b>Net cash flows provided by (used in) financing activities</b>	<b>(5,963,000)</b>	<b>186,823</b>
Net (decrease) increase in cash and equivalents	(2,151,400)	4,622,306
Cash and equivalents, beginning of period	8,732,708	4,110,042
<b>Cash and equivalents, end of period</b>	<b>\$ 6,581,308</b>	<b>\$ 8,732,708</b>
<b>Supplemental cash flow information:</b>		
Interest paid	\$ 4,802,033	\$ 4,493,143
Income taxes paid	2,391,377	2,105,858
Cash paid for amounts included in the measurement of operating lease obligations	269,730	—
<b>Non-cash investing and financing activities:</b>		
Rollover equity in connection with acquisition of a subsidiary	\$ 672,000	—
Contribution from non-controlling interest in connection with acquisition of a subsidiary	553,500	—
Initial recognition of right-of-use asset	470,962	—

*See accompanying notes to the consolidated financial statements.*

### 1. Nature of the Business

LD Parent, Inc. (the “Company” or “LD Parent”) through its wholly-owned subsidiary Lawn Doctor, Inc., grants franchises to conduct lawn care/conditioning, tree/shrub care and pest control businesses throughout the United States, consisting of the sale of services and products authorized by the Company.

On April 20, 2018, the Company acquired a controlling interest in Mosquito Hunters, LLC (“Mosquito Hunters”). The Company has been able to expand their services in the pest industry as a result of this acquisition. As the Company has a controlling interest, the Company consolidates Mosquito Hunters in its consolidated financial statements.

On May 24, 2019, the Company acquired a controlling interest in Ecomaid LLC (“Ecomaid”), a franchisor of residential cleaning services. Ecomaid specializes as an innovator of environmentally responsible, non-toxic residential cleaning services for families throughout the United States. The Company believes this acquisition furthers its strategy of both growing organically and also through the acquisition of additional home service brands. The Company has been able to expand their services in the home cleaning as a result of this acquisition. As the Company has a controlling interest, the Company consolidates Ecomaid in its consolidated financial statements.

On October 7, 2022, the Company acquired a controlling interest in Elite Window Cleaning, Inc. (“Elite”), a Canadian based operator and franchisor offering window cleaning, gutter cleaning and power washing services to residential and commercial customers. Elite uses a unique approach, which virtually eliminates the need for ladders on residential and lo-rise commercial jobs. The acquisition of Elite was made through Elite Franchising Corp.; a wholly owned subsidiary of Sparkle Squad LLC (“Sparkle Squad”), both of which were formed by the Company to facilitate the Elite transaction and eventually launch a similar franchise system in the U.S. As the Company has a controlling interest, the Company consolidates Elite in its consolidated financial statements.

### 2. Acquisitions

#### *2022 Acquisition of Elite Window Cleaning, Inc.*

On October 7, 2022, Elite Franchising Corp., and certain members of Company’s management , entered into an agreement with Elite and acquired substantially all of the assets of Elite. After the closing of the acquisition and the purchase of common equity in Elite by certain members of the Company’s senior management team, LD Parent owns approximately 61.7% of the outstanding equity in Elite.

Total consideration was \$2,368,483, which was comprised of \$821,983 (gross of cash acquired) cash paid by the Company, \$553,500 paid from non-controlling interest contributions, \$672,000 Elite management rollover equity and \$321,000 held in an escrow liability by the Company. The acquisition was accounted for as a business combination using the acquisition method of accounting in accordance with Accounting Standards Codification (“ASC”) 805, Business Combinations. In accordance with ASC 805 Business Combinations, acquisition related costs must be accounted for separately from the business combination and are not part of the consideration transferred. In connection with the Elite Acquisition, the Company incurred \$326,690 in acquisition related costs which is included in the selling, general and administrative expenses in the Consolidated Statements of Operations.

The allocation of the total consideration paid of the Company’s net tangible and identifiable intangible assets was based upon the estimated fair value, using available information at acquisition date, of those assets as of October 7, 2022. The Company allocated the excess of purchase price over the identifiable intangible and net tangible assets to goodwill and expected synergies with the Company’s existing operations. To the extent the Company has a tax basis in goodwill and intangibles, it is deductible over 15 years.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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The following table presents the breakdown between purchase consideration and the allocation of the total purchase price:

<b>Acquired tangible assets and liabilities:</b>	
Cash and cash equivalents	\$ 90,290
Accounts receivable	223,516
Prepaid expenses	20,925
Property and equipment	81,000
Assumed liabilities	(63,685)
Deferred revenue	(188,350)
Deferred tax liability	(179,140)
<b>Net tangible liabilities</b>	<b>(15,444)</b>
<b>Identifiable intangible assets:</b>	
Trade name	180,000
Customer relationships	650,000
Franchisee relationship	190,000
Goodwill	1,363,927
<b>Total purchase consideration</b>	<b>\$ 2,368,483</b>

The Company estimated the fair value of property and equipment and intangible assets using the income, cost and market approaches to value the related assets. Fair values were determined by management using assistance of third-party valuation specialists. The valuation methods used to determine the fair value of the intangible assets included the income approach – relief from royalty method for trade name, the income approach – excess earnings method for customer relationships and franchise relationships. Identifiable assets are amortized over their estimated useful life.

The fair value of the acquired accounts receivable and prepaid and other assets approximates the carrying value of accounts receivable, prepaid and other assets, due to the short-term nature of the expected timeframe to collect the amounts and economic benefits due to the Company and the contractual cash flows, which are expected to be collected related to these receivables.

The fair value of the assumed liabilities which include accounts payable and accrued expenses and other liabilities, and deferred revenue, approximate the carrying value of accounts payable and accrued expenses, other liabilities, and deferred revenue, due to the nature of the expected timeframe to disburse the amounts and incur economic impacts due to the Company and the contractual cash flows, which are expected to be disbursed related to these assumed liabilities.

The consolidated financial statements include results of operations following the Elite acquisition for the period from October 8, 2022 through December 31, 2022

### ***Recently Issued Accounting Standards Updates***

The Company has adopted the following accounting pronouncement for the year ended December 31, 2021:

In October 2021, the FASB issued Account Standards Update (ASU) 2021-08, Business Combinations (Topic 805) – Accounting for Contract Assets and Contract Liabilities from Contracts with Customers. ASU 2021-08 requires that an entity (acquirer) recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606, as if it had originated the contracts. The Company elected to early adopt ASU 2021-08.



### 3. Basis of Presentation and Significant Accounting Policies

#### ***Principles of Consolidation***

The consolidated financial statements of LD Parent, Inc. include the accounts of Lawn Doctor, Inc. and its wholly-owned subsidiaries, Mosquito Hunters, LLC, Ecomaid, LLC, Sparkle Squad and Elite (collectively the "Company"). The consolidated financial statements of the Company are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). All significant intercompany transactions and accounts have been eliminated in consolidation.

#### ***Non-controlling Interests***

Non-controlling interests in consolidated subsidiaries are required to be classified as a separate component of equity in the Consolidated Balance Sheets and the amounts of net income and comprehensive income attributable to the non-controlling interests are included in consolidated net income on the face of the Consolidated Statements of Operations.

The accounts of Mosquito Hunters, LLC have been included in the Company's consolidated financial statements and the affiliates' proportionate share of the net assets have been reflected in the accompanying Consolidated Balance Sheets as non-controlling interest in the amount of \$(258,663) and \$(298,563) at December 31, 2022 and 2021, respectively. Included in the years ended December 31, 2022 and 2021 Consolidated Statements of Operations is \$39,900 and \$(15,557), of the non-controlling interest income/(loss) allocation due to the related partial ownership of Mosquito Hunters.

The accounts of Ecomaid, LLC have been included in the Company's consolidated financial statements and the affiliates' proportionate share of the net assets have been reflected in the accompanying consolidated financial statements as non-controlling interest in the amount of \$(297,585) and \$(201,169) at December 31, 2022 and 2021, respectively. Included in the years ended December 31, 2022 and 2021 Consolidated Statements of Operations is \$(96,416) and \$(91,384), of the non-controlling interest loss allocation due to the related partial ownership of Ecomaid.

The accounts of Elite have been included in the Company's consolidated financial statements and the affiliates' proportionate share of the net assets have been reflected in the accompanying consolidated financial statements as non-controlling interest in the amount of \$1,068,734 at December 31, 2022. Included in the year ended December 31, 2022 Consolidated Statement of Operations is \$(156,766) of the non-controlling interest loss allocation due to the related partial ownership of Elite.

#### ***Revenue Recognition***

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers (Accounting Standards Codification (ASC) 606)*. The core principle of the new guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new guidance requires disclosure of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company adopted ASC 606 at inception. The Company also adopted the related guidance in ASC 340-40, *Contracts with Customers (ASC 340-40)* on January 1, 2019 with respect to costs to obtain and costs to fulfill a contract.

#### Revenue recognition policy

The Company recognizes revenue in accordance with ASC 606, which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

On January 1, 2019, the Company adopted the new accounting standard for all contracts not completed as of the adoption date using the modified retrospective method. The Company identified and implemented appropriate changes to the business policies, processes, and controls to support the adoption, recognition and disclosures under the new standard. The Company has identified the following revenue streams; initial franchise fees, operating revenues which consist of: service/royalty fees from franchises, sales of parts and equipment, revenues from sales type leases, advertising revenue, and interest income related to notes receivable and loans receivables. The Company's initial franchise fees are recognized over the life of the contract. Commissions relating to such contracts are recorded as a prepaid asset and amortized over the life of the contract.

In accordance with ASC 606, the Company disaggregates its revenue from customers with contracts by revenue streams. The Company's revenue streams are presented in the following table:

<b>Years Ended December 31,</b>	<b>2022</b>	<b>2021</b>
Operating Revenues:		
Service/royalty fees	\$ 22,296,751	\$ 19,789,537
Part and equipment sales	3,385,013	2,788,043
Advertising revenue	7,153,173	6,894,846
Initial franchise fees	4,713,057	4,558,458
Interest, service charges, and other	1,065,179	987,206
<b>Net Revenues</b>	<b>\$ 38,613,173</b>	<b>\$ 35,018,090</b>

Service/royalty fees derived from franchises ("Service Fees") are recognized as revenue when revenues are earned by the franchisees. The franchisees agree to pay to the Company a weekly royalty and service fee based on a percentage of the net revenues derived by the respective franchisees from the Company's business. Revenue from sales of parts and equipment are recognized, at the point in time which control is transferred, upon shipment. Interest income related to notes receivable and loans receivable is recorded as revenue when earned (and collection is reasonably assured) in accordance with the interest method.

Initial franchise fees are deferred and recognized over the life of the contract. Commissions paid on initial franchise fees are deferred and charged to expense upon recognition of the initial fee.

Advertising funds are presented as a gross up of revenue and related cost. Advertising funds, such as the Company's National Marketing Fund and Regional Marketing fund, promote the Company's brand nationally and in the local markets. In accordance with ASC 606, the Company records gross revenue related to Advertising funds. Which includes amounts charged by the Company to franchisees based on established contracts. Revenue related to these amounts is based on a percentage of sales of the franchisee and is recognized as earned. The sales-based royalty exception applies, and amounts are recognized as the underlying sales are done by the respective franchisees. Advertising fund revenue is deferred and is recognized as advertising expense is incurred by the Company.

Interest income mainly represents interest on notes receivable from franchisees and is recognized using the effective interest method. Service charges represent call center income, which is recognized at a point in time which the control is transferred, upon completion of calls.

### **Contract balances**

The timing of revenue recognition may not align with the right to invoice the customer under franchisee agreements. The Company records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) is recorded. Deferred revenue represents franchisee fees received that have not been earned yet. Included within the Consolidated Balance Sheets is an amount of \$8,122,921 and \$7,614,697 which represent deferred revenues as of the year ended December 31, 2022 and 2021, respectively.

Notes to Consolidated Financial Statements

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***Costs to obtain a contract***

Broker commissions paid to brokers, as well as commissions paid to internal sales personnel, that are incremental to the acquisition of franchisee contracts are capitalized as prepaid commissions on the Consolidated Balance Sheet when the period of benefit is determined to be greater than one year. The Company elected to apply the practical expedient to expense broker and sales commissions and associated costs as incurred when the expected amortization period is one year or less. The Company determines the period of benefit for broker and sales commissions paid for the acquisition of the franchisee contract by taking into consideration the term of the franchisee agreement. Amortization is recognized on a straight-line basis over a period of approximately ten years, which commensurate with the pattern of revenue recognition. Included within the Consolidated Balance Sheets is an amount of \$4,721,566 and \$4,903,326 which represent prepaid commissions as of the year ended December 31, 2022 and 2021, respectively.

***Receivables from Franchisees, net***

Receivables from franchises are recorded at net realizable value. The Company provides an allowance for doubtful accounts for franchisees based on the aging of each franchisee's total receivables, unless, in the opinion of management, estimated net realizable value requires a further allowance. The Company monitors the business operations of new and existing franchises to ascertain that its policies continue to provide an appropriate allowance for receivables and financed franchise fees.

The Company provides franchisees with an option to finance initial franchise fees over a period of up to 96 months with interest at 12% per annum. Additionally, the Company has converted accounts receivable from certain franchisees to notes receivable. These financing arrangements entered into during the years ended December 31, 2022 and 2021 were \$809,198 and \$1,347,400, respectively. These financing arrangements are recorded as notes receivable in receivables from franchisees in the accompanying Consolidated Balance Sheets. As of December 31, 2022 and 2021, \$2,605,437 and \$3,159,942 was outstanding of which \$1,206,828 and \$906,133 was classified as a current asset, which represents the principal amounts due on the aggregate notes receivable, respectively.

The Company provides an estimated allowance for doubtful receivables on any notes and related interest with delinquent installments of more than six months. The Company ceases accrual of interest when the Company can no longer assert that the likelihood of collection is probable.

The Company leases equipment to its franchisees with an option to pay in full upon execution of the lease or finance over 60, 72 or 84 months depending on the type of equipment. Interest is not to exceed 1.5% per month and the Company recognizes the imputed interest over the term of the lease. The Company records these leases as a sales-type lease in accordance with ASC 842 Leases (Note 8). Leased equipment is recorded in receivables from franchisees in the accompanying Consolidated Balance Sheets.

As of December 31, 2022, \$1,801,804 was outstanding of which \$394,634 was classified as a current asset. As of December 31, 2022, the Company recorded \$458,813 as unearned interest of which \$144,852 was classified within other current liabilities.

As of December 31, 2021, \$1,605,023 was outstanding of which \$357,777 was classified as a current asset. As of December 31, 2021, the Company recorded \$406,475 as unearned interest of which \$129,680 was classified within other current liabilities.

Unearned interest beyond one year is recorded in long-term other liabilities.

***Use of Estimates***

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

***Shipping Costs***

Costs to ship products to franchisees are expensed to manufacturing expenses as incurred. The Company recorded shipping costs of \$168,209 and \$211,803 for the years ended December 31, 2022 and 2021, respectively.

**Cash**

The Company maintains cash balances in various financial institutions located in the United States of America which, at times, may exceed federally insured limits.

**Concentration of Credit Risk**

The Company maintains its cash balances in a financial institution that is insured by the Federal Deposit Insurance Corporation up to \$250,000 each. At times, such balances may be in excess of the FDIC insurance limit.

No one franchise or vendor exceeded 10% of the Company's sales or purchases for the years ended December 31, 2022 and 2021.

No one franchise or vendor exceeded 10% of the Company's accounts receivable or payables at December 31, 2022 and 2021.

**Inventories, net**

Inventories are stated at the lower of cost and net realizable value. Parts and materials, included as inventory, are evaluated annually by management for net realizable value and obsolescence. At December 31, 2022 and 2021, the reserve for inventory was \$73,824 and \$64,970, respectively.

**Property, Plant and Equipment, net**

Property and equipment acquired in connection with the acquisition are stated at fair value. The previous carrying value approximates to the fair value. Other property, plant and equipment are stated at cost less accumulated depreciation. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives, which approximate 39 years for building, 5 to 7 years for furniture, fixtures and other equipment and 3 to 5 years for software and transportation equipment. Improvements to leasehold property are amortized on the straight-line method over the shorter of the asset life and remaining lease term.

**Goodwill and Intangible Assets**

As required by ASC 350, Goodwill and Other Intangible Assets, the Company tests goodwill for impairment. Goodwill is not amortized, but instead tested for impairment at the reporting unit level at least annually and more frequently upon the occurrence of certain events. The Company has one reporting unit. The annual goodwill impairment test is a two-step process. First, the Company determines if the carrying value of its related reporting unit exceeds fair value, which would indicate that goodwill may be impaired. If the Company then determines that goodwill may be impaired, it compares the implied fair value of the goodwill to its carrying amount to determine if there is an impairment loss. In September 2011, the FASB issued ASU 2011-08 which amends ASC 350 for testing goodwill for impairment. The guidance provides an entity the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not (more than 50%) that the estimated fair value of a reporting unit is less than its carrying amount. If an entity elects to perform a qualitative assessment and determines that an impairment is more likely than not, the entity is then required to perform the existing two-step quantitative impairment test, otherwise no further analysis is required. An entity also may elect not to perform the qualitative assessment and, instead, proceed directly to the two-step quantitative impairment test. The ultimate outcome of the goodwill impairment review for a reporting unit should be the same whether an entity chooses to perform the qualitative assessment or proceeds directly to the two-step quantitative impairment test. In conjunction with management's annual review of goodwill, the Company adopted the new guidance and concluded it is more likely than not that the fair value of the reporting unit exceeds its carrying amount. There were no impairment indicators for the years ended December 31, 2022 and 2021.

Notes to Consolidated Financial Statements

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***Indefinite and Finite Lived Intangibles***

In accordance with ASC 350, Intangibles – Goodwill and Other (“ASC 350”), indefinite lived intangible assets are recorded at cost and are reviewed for impairment on an annual basis and whenever events or circumstances indicate that their carrying values may not be recoverable. Impairment is recorded if the carrying amount exceeds fair value. Intangible assets which have finite useful lives are amortized using the straight-line method over their useful lives and consist of franchisee and customer relationships, and a leasehold interest. Finite lived intangible asset amortization expense was \$2,334,166 and \$2,308,416 for the years ended December 31, 2022 and 2021, respectively.

Future adverse changes in market conditions or poor operating results could result in losses or an inability to recover the carrying value of the goodwill and other intangible assets thereby possibly requiring an impairment charge in the future.

***Long-lived Assets***

The Company accounts for the impairment of long-lived assets in accordance with ASC 360, *Accounting for the Impairment or Disposal of Long-Lived Assets*. In accordance with ASC 360, the Company evaluates long-lived assets, including intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable based on expected undiscounted cash flows attributable to that asset or group of assets. The amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset. The Company did not have any long-lived assets impairment indicators during the years ended December 31, 2022 and 2021.

***Debt Issuance Costs***

Costs related to financing are being capitalized and amortized straight line, which approximates the effective interest method, over the term of the related debt facilities. Debt issuance costs were \$198,924 and \$303,307 as of December 31, 2022 and 2021, respectively, and are presented as a reduction to long-term debt in the Consolidated Balance Sheets. Amortization of deferred financing costs for the years ended December 31, 2022 and 2021 was \$104,343 and \$75,568, respectively, and is recorded in interest expense in the Consolidated Statements of Operations.

***Income Taxes***

The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities.

The Company recognizes a tax benefit from an uncertain position only if it is more likely than not the position is sustainable, based solely on its technical merits and consideration of the relevant taxing authority’s widely understood administrative practices and precedents. If this threshold is met, the Company measures the tax benefit as the largest amount of benefit that is greater than fifty percent likely being realized upon ultimate settlement. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the statement of operations. As of December 31, 2022 and 2021, there was no impact to the consolidated financial statements relating to accounting for uncertainty in income taxes.

On March 27, 2020, the CARES Act was enacted into law. Included in the CARES Act (the “Act”) were changes in the tax law with respect to net operating loss carrybacks, bonus depreciation applicability to qualified investment property, changes to IRC Section 163j interest expense limits, AMT credit carryforward refundability, impairment of assets due to COVID-19, and other non-income tax considerations. As a result of the Act, the Company was able to defer certain payroll taxes. However, the Act had no material impact to the consolidated financial statements.

### ***Fair Value Measurements***

Fair value is a market-based measurement, which is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques for fair value measurements include the market approach (comparable market prices), the income approach (present value of future income or cash flow) and the cost approach (cost to replace the service capacity of an asset or replacement cost), which are each based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. The Company utilizes a fair value hierarchy that prioritizes inputs to fair value measurement techniques into three broad levels:

- Level 1: Observable inputs such as quoted prices for identical assets or liabilities in active markets.
- Level 2: Observable inputs other than quoted prices that are directly or indirectly observable for the asset or liability, including quoted prices for similar asset or liabilities in active markets; quoted prices for similar or identical assets or liabilities in markets that are not active; and mode-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

The Company's material financial instruments at December 31, 2022 and 2021, for which disclosure of estimated value is required by certain accounting standards, consisted primarily of receivables from franchisees, accounts payable, accrued expenses, and debt. The carrying value of the term loan approximates fair value due to the variable interest rate associated with this financial instrument.

### ***Business Acquisitions***

The Company accounts for business combinations in accordance with ASC 805 Business Combinations. ASC 805 requires business combinations to be accounted for using the purchase method of accounting and includes specific criteria for recording intangible assets separate from goodwill. Results of operations of acquired businesses are included in the financial statements of the acquiring company from the date of acquisition. Assets acquired and liabilities assumed of the acquired company are recorded at their fair value at the date of acquisitions.

### ***Leases***

The company engages in leasing activity as both a lessee and a lessor.

The Company adopted ASC 842, effective January 1, 2022, using the modified retrospective method of adoption. The Company elected the package of practical expedients, which, among other items, permits the Company not to reassess under the new standard its prior conclusions about lease identification and initial direct costs. The Company also elected the short-term lease recognition exemption for all leases that qualify. Under this election, the Company does not recognize right-of-use assets or lease liabilities for leases with a term of 12 months or less. The Company also elected to not separate lease and non-lease components for all leases. The Company did not elect the use-of hindsight practical expedient. As a result of the Company adopting ASC 842, the Company recognized right-of-use assets (ROUs) of \$470,960 and lease obligations of \$264,684 and \$206,276, classified into current and non-current portion of liabilities, respectively.

See Note 10 – Leases for additional information.

Notes to Consolidated Financial Statements

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**Lessee**

The company enters into operating leases and determines whether an arrangement is a lease at inception of the arrangement. The company accounts for a lease when it has the right to control the leased asset for a period of time while obtaining substantially all of the assets' economic benefits. Leases are classified as operating or finance leases at the lease commencement date. A lease is classified as a finance lease if any one of the following criteria are met:

1. The leases transfers ownership of the asset at the end of the lease term.
2. The lease contains an option to purchase the asset that is reasonably certain to be exercised.
3. The lease term is for a major part of the remaining useful life of the asset, or
4. The present value of the lease payments equals or exceeds substantially all of the fair value of the asset.

A lease is classified as an operating lease if it does not meet any one of these criteria. The company currently only has operating leases as a lessee. The operating leases consist primarily of facility space, vehicles, and office equipment.

Lease liabilities are recognized at the lease commencement date based on the estimated present value of future minimum lease payments over the lease term, excluding lease incentives and initial direct costs incurred, if any. Lease liabilities represent the company's obligation to make lease payments arising from the lease and ROU assets represent the Company's right to use an underlying asset for the lease term. The discount rate used to determine the present value of the lease payments is the Company's incremental borrowing rate based on the information available at lease inception, as generally an implicit rate in the lease is not readily determinable. The company's leases do not include residual value guarantees or covenants.

Lease expense for operating leases with original terms of less than 12 months is recognized on a straight-line basis over the lease term.

When determining the lease term at inception, options to extend or renew leases are included in the measurement and recognition of ROU asset and liability when it is reasonably certain that the Company will exercise the option. The Company considers various economic factors when making the determination, including, but not limited to, the significance of leasehold improvements incurred in the facility space, the difficulty in replacing the lease, underlying contractual obligations, or specific characteristics unique to a particular lease. Subsequent to entering a lease, if it becomes reasonably certain that the company will exercise an option that was not included in the lease term, the Company accounts for the change in circumstances as a lease modification, which results in the remeasurement of the ROU asset and liability as of the modification date. The Company continually evaluates whether facts or circumstances indicate it is reasonably certain that it will exercise an option.

**Lessor**

The Company classifies leases as sales-type based on the results of the classification tests in accordance with ASC 842 and has elected, as an accounting policy, to present all funds collected from lessees for sales and other similar taxes net of the related sales tax expense for all lessor leases. The Company also excludes executory costs from lease accounting if the lessee's payments of those costs are made to a third party (e.g. taxing authority or insurer).

**Advertising Expenses**

The Company expenses its advertising costs the first time the advertising takes place. All advertising costs are expensed as incurred. Total advertising expense recorded in selling, general, and administrative expense within the Consolidated Statements of Operations was \$754,707 and \$826,125 for the years ended December 31, 2022 and 2021, respectively.

The Company incurs regional advertising costs, which are repaid weekly by franchisees based upon their cash receipts. The balances are reported as prepaid or accrued expenses at year-end.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

### 4. Receivables from Franchisees, net

December 31,	2022	2021
Amounts billed and currently receivable from franchisees	\$ 1,949,114	\$ 1,752,855
Notes receivable from franchisees	1,206,828	906,133
Net investment in sales type leases	394,634	357,777
Less: Allowance for doubtful accounts	(823,231)	(644,412)
<b>Current portion</b>	<b>2,727,345</b>	<b>2,372,353</b>
Notes receivable from franchisees	1,398,609	2,253,811
Net investment in sales type leases	1,407,170	1,247,246
<b>Noncurrent portion</b>	<b>2,805,779</b>	<b>3,501,057</b>
<b>Receivables from Franchisees, net</b>	<b>\$ 5,533,124</b>	<b>\$ 5,873,410</b>

The Company wrote off uncollectible accounts totaling \$265,857 and \$196,115 for the years ended December 31, 2022 and 2021, respectively.

### 5. Inventories

December 31,	2022	2021
Raw materials	\$ 182,188	\$ 157,373
Work-in-progress	436,024	296,429
Finished goods	1,814,021	1,635,888
<b>Inventories</b>	<b>\$ 2,432,233</b>	<b>\$ 2,089,690</b>

### 6. Property, Plant and Equipment, net

Property, plant and equipment consist of the following:

December 31,	2022	2021
Land	\$ 440,304	\$ 440,304
Building	1,126,624	1,126,624
Furniture, fixtures and other equipment	1,098,518	873,850
Leasehold improvements	533,430	484,020
	<b>3,198,876</b>	<b>2,924,798</b>
Less: accumulated depreciation	(904,150)	(721,630)
<b>Property, plant and equipment, net</b>	<b>\$ 2,294,726</b>	<b>\$ 2,203,168</b>

Depreciation expense totaled \$182,520 and \$198,444 for the years ended December 31, 2022 and 2021, respectively.

### 7. Other Assets

Other assets are summarized as follows:

December 31,	2022	2021
Security Deposits	\$ 25,714	\$ 14,422



# LD Parent, Inc.

## Notes to Consolidated Financial Statements

### 8. Goodwill

The following is a summary of goodwill as of December 31, 2022 and 2021:

Balance as of January 1, 2021	\$	37,507,174
Additions		—
Balance as of December 31, 2021		37,507,174
Addition due to Elite acquisition (Note 2)		1,363,927
<b>Balance as of December 31, 2022</b>	<b>\$</b>	<b>38,871,101</b>

### 9. Intangibles, net

Intangibles are summarized as follows:

December 31,	2022	2021	Useful Life
Franchisee and customer relationships	\$ 34,940,000	\$ 34,100,000	10-15 years
Trade name	12,357,388	12,094,580	Indefinite
Systems-in-place	6,800,000	6,800,000	Indefinite
Leasehold interest	193,000	193,000	5.5 years
	<b>54,290,388</b>	53,187,580	
Less: accumulated amortization	(11,341,925)	(9,007,759)	
<b>Intangibles, net</b>	<b>\$ 42,948,463</b>	<b>\$ 44,179,821</b>	

Amortization expense totaled \$2,334,166 and \$2,308,146 for the years ended December 31, 2022 and 2021, respectively, and is included within selling, general and administrative expenses in the Consolidated Statements of Operations.

The weighted average useful life of the Company's finite-lived intangible assets acquired during the year 2022 was 8.9 years as of December 31, 2022.

Estimated future amortization expense of franchise and customer relationships and leasehold interest at December 31, 2022 is as follows:

Years ending December 31,	
2023	\$ 2,397,532
2024	2,376,333
2025	2,376,333
2026	2,376,333
2027	2,366,833
2028 and thereafter	11,897,711
	<b>\$ 23,791,075</b>

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

### 10. Leases

The Company currently has operating leases for its facility space, vehicles, and postage equipment. These leases are used for the operations of the business and are mostly located in the state of New Jersey. The initial lease term and whether the Company has the option to renew are outlined below:

- Facility space – 10 years with the option to renew
- Vehicles – 2 to 10 years with no option to renew
- Postage equipment – 5 years with no option to renew

The option to renew was not included in the calculation of the liability and ROU asset for the facility space since it was not reasonably certain the Company would exercise this option at the effective date of ASC 842.

The components of lease expense were as follows:

	Year ending December 31, 2022
Operating lease cost	\$ 269,733
Short-term lease cost	—
Total lease cost	\$ 269,733

The weighted-average remaining lease term and discount rate for operating leases, for the year ended December 31, 2022, are as follows:

<b>Operating leases</b>	
Weighted-average remaining lease term	1.22 years
Weighted-average discount rate	5.46 %

The following table indicates the financial statement lines where the Company's operating lease liabilities and ROU assets are included in the Consolidated Balance Sheets:

	Amount	Balance sheet classifications
Assets:		
Operating lease ROU assets	\$ 232,373	Right-of-use asset
Total lease assets	\$ 232,373	
Liabilities:		
Current operating lease liabilities	187,746	Current portion of lease obligations
Non-current operating lease liabilities	44,627	Lease obligations, net of current portion
Total lease liabilities	\$ 232,373	

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

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Future minimum lease payments under non-cancelable operating leases as of December 31, 2022, are as follows:

	<b>Operating leases</b>
2023	\$ 193,544
2024	31,680
2025	12,270
2026	2,853
2027	—
2028 and thereafter	—
Total minimum lease payments	<u>240,347</u>
Less: Amounts representing interest	<u>7,974</u>
Present value of lease payments	<u><u>\$ 232,373</u></u>

Prior to the Company's adoption of ASC 842, lease expense was \$244,996, for the year ended December 31, 2021. Lease expense is recorded in general and administrative expenses in the Consolidated Statements of Operations.

The Company's lessor portfolio consists of sales-type leases. The Company's has over 100 leases consisting of three types of lawn care equipment. Leases to the franchisees have an initial term of five to seven years with the option to renewal. Option periods were not included. The Company leases three types of lawn care equipment to its franchisees, including (i.) Turf Tamer Walk Behind, (ii.) Turf Tamer Stand-on Applicator, and (iii.) Turf Tamer Power Seeder.

For the year ended December 31, 2022, the Company did not record material gain or loss at the commencement date for any sales-type leases with its franchisees.

Income from sales-type leases is recorded within the equipment revenue line item in the Income Statement. The Company's income from sales-type leases at December 31, 2022 were as follows:

	<b>December 31, 2022</b>
Interest income	\$ 129,909
Variable lease income	<u>—</u>
Total sales-type income	129,909

The net investment in sales-type leases as of December 31, 2022 were as follows:

	<b>December 31, 2022</b>
Lease receivables	\$ 1,801,804
Unguaranteed residual assets	<u>—</u>
Net investment in sales-type leases	1,801,804

Notes to Consolidated Financial Statements

Future minimum payments to be received as lessor under non-cancelable sales-type leases as of December 31, 2022, were as follows:

	<b>Sales-type leases</b>
2023	\$ 368,193
2024	372,945
2025	345,366
2026	279,016
2027	204,404
2028 and thereafter	<u>231,880</u>
Total minimum lease payments	1,801,804
Less: Amounts representing interest	<u>357,040</u>
Present value of lease payments	<u>\$ 1,444,764</u>

## 11. Borrowing Arrangements

### *Credit Agreements*

On February 7, 2018, in conjunction with the acquisition by CNL Strategic Capital, LLC (“CNLSC”), the Company entered into an amendment to their Credit Agreement dated December 12, 2014. The amendment permitted the repayment of all of the outstanding principal amount of Subordinated Debt as of the date of the agreement, issuances up to \$18,000,000 of subordinated second lien indebtedness, increase in the Term Loan by \$6,000,000 and extended the maturity date to February 7, 2023. The amendment also contains revisions to the restrictive covenants inclusive of senior debt to adjusted EBITDA ratio, total debt to adjusted EBITDA ratio, fixed charge ratio, and excess cash flow. The Revolving Loan Commitment remained unchanged. The Revolving Loan Commitment was payable upon maturity on December 11, 2019. This was later amended in March 2019 to extend the maturity date to February 7, 2023 and clarify certain definitions in the prior amendment.

On August 11, 2021, the Company entered into a new amendment to their Credit Agreement dated December 12, 2014. The amendment increased the Term Loan by \$10,700,000 and extended the maturity date for the Term Loan as well as the Revolving Loan Commitment to February 7, 2025. The amendment was treated as a debt modification. The amendment also contained revisions to the restrictive covenants inclusive of senior debt to adjusted EBITDA ratio, total debt to adjusted EBITDA ratio, fixed charge coverage ratio and excess cash flow. The Revolving Loan Commitment remained unchanged. There were no outstanding borrowings under the revolving loan commitment at December 31, 2022 or 2021. The Revolving Loan Commitment bears interest of 0.50% of the unfunded portion.

As a result of the amendment to the Credit Agreement in 2021, the quarterly principal installment increased to \$76,750 from \$50,000, commencing on December 31, 2021 until the maturity date on February 7, 2025, at which time the outstanding is to be due and payable. The Credit Agreement also provides for an annual mandatory prepayment of principal based on excess cash flow (as defined in the Credit Agreement). During the year ended December 31, 2022 and 2021, the Company did not make a prepayment based on excess cash flow. The Credit Agreement also provides for the maintenance of certain financial ratios, including leverage and fixed charge ratios. At December 31, 2022 and 2021, the Company was in compliance with all of its covenant requirements. At December 31, 2022 and 2021, \$29,566,250 and \$29,873,250 was outstanding on the Term Loan.

The interest rate on the Credit Agreement varies depending if the Term Loan is a Base Rate Loan or a LIBOR Loan. At December 31, 2022, the Company elected to treat the Credit Agreement as a LIBOR Loan, which carried an effective interest rate of 9.23%.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

Repayment of the Credit Agreement is as follows:

<b>Years ending December 31,</b>	
2023	\$ 307,000
2024	307,000
2025	28,952,250
2026	18,000,000
	<b>\$ 47,566,250</b>

	<b>2022</b>	<b>2021</b>
Long-term debt	\$ 29,566,250	\$ 29,873,250
Less: Current portion	(307,000)	(307,000)
Less: Deferred financing costs	(198,924)	(303,307)
<b>Long-term debt, net</b>	<b>\$ 29,060,326</b>	<b>\$ 29,262,943</b>

### **Note Purchase Agreement**

On February 7, 2018, in conjunction with the acquisition, the Company entered into a Note Purchase Agreement for an \$18,000,000 aggregate principal amount of senior secured notes with related parties. The notes are subordinate to the Credit Agreement noted above. The notes contain an annual interest rate of 16% and were payable upon maturity on August 7, 2023, which was subsequently extended July 7, 2026, based on a third amendment to Note Purchase Agreement entered into in August 2021. Payment of the notes is due in full on the maturity date. The Company may prepay the notes at a premium based upon the schedule set forth in the note purchase agreement. The note purchase agreement is collateralized by substantially all assets of Lawn Doctor, Inc. and was guaranteed by the Company. The note purchase agreement contains certain restrictive covenants inclusive of senior debt to adjusted EBITDA ratio, total debt to adjusted EBITDA ratio, fixed charge ratio, and excess cash flow. At December 31, 2022 and 2021, the Company was in compliance with all of its covenant requirements. At December 31, 2022 and 2021, \$18,000,000 was outstanding on the Note Purchase Agreement with related parties.

### **12. Accounts Payable and Accrued Expenses**

	<b>2022</b>	<b>2021</b>
Accounts payable	\$ 458,920	\$ 226,942
Accrued expenses	2,131,855	1,487,606
Deferred franchise package costs	1,523,304	1,702,627
Other	16,715	22,119
<b>Long-term debt, net</b>	<b>\$ 4,130,794</b>	<b>\$ 3,439,294</b>

### **13. Commitments and Contingencies**

#### **Employment Agreement**

The Company has an employment agreement with a key executive which provides for an annual base salary plus an incentive bonus which is payable upon the achievement of certain defined financial benchmarks. The agreement expired in December 2018 and was automatically renewed for an additional one-year term. The agreement will continue to renew automatically for an additional one-year term unless the agreement is earlier terminated by either party. The agreement also includes a non-compete clause should the employee be terminated under specific terms of the agreement.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

### **Employee Benefit Plan**

The Company has a 401(k) savings retirement plan for all eligible employees. The plan allows for employee contributions to be matched by the Company on a pro rata basis. Contributions made to the plan by the Company, including fees, were \$161,822 and \$148,094 for the years ended December 31, 2022 and 2021, respectively.

### **Litigation**

The Company is party to various legal proceedings that arise in the normal course of business. In the present opinion of management, none of these proceedings, individually or in the aggregate, are likely to have a material adverse effect on the consolidated financial position or consolidated results of operations or cash flows of the Company. However, management cannot provide assurance that any adverse outcome would not be material to the Company's consolidated financial position or consolidated results of operations or cash flows.

### **14. Related Party Balances and Transactions**

See Note 11 for note purchase agreement with the stockholders of LD Parent. The Company made parent distributions of \$5,656,000 and \$10,770,250 during the year ended December 31, 2022 and 2021, respectively.

### **15. Income Taxes**

Deferred income taxes result from timing differences in the recognition of income and expenses for income tax and financial reporting purposes.

Net deferred tax assets and liabilities are summarized as follows:

<b>December 31,</b>	<b>2022</b>	<b>2021</b>
Employee compensation	\$ 427,654	\$ 348,096
Accounts receivable	136,772	126,675
Inventory	18,857	16,158
Partnership interest	944,834	666,907
Deferred revenue	767,732	682,942
Interest Limitation	233,624	—
Foreign net operating loss	27,336	—
Valuation allowance	(108,928)	—
<b>Deferred tax assets</b>	<b>2,447,881</b>	<b>1,840,778</b>
Property and equipment	(345,473)	(327,611)
Intangible assets	(10,689,426)	(10,910,230)
Other	(8,477)	(26,971)
<b>Deferred tax liabilities</b>	<b>(11,043,376)</b>	<b>(11,264,812)</b>
<b>Net deferred income tax liabilities</b>	<b>\$ (8,595,495)</b>	<b>\$ (9,424,034)</b>

In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment. Based on this analysis, the Company has determined that a valuation allowance on certain deferred tax assets related to Sparkle Squad, LLC were appropriate due to lack of predictable income. As of December 31, 2022 and December 31, 2021, the Company maintained a valuation allowance in the amount of \$108,928 and \$0 respectively.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

A summary of current and deferred income taxes included in the Consolidated Statements of Operations is as follows:

Year Ended December 31,	2022	2021
<b>Current:</b>		
Federal	\$ 1,779,447	\$ 1,640,600
State	636,161	510,502
<b>Current tax expense</b>	<b>2,415,608</b>	<b>2,151,102</b>
<b>Deferred:</b>		
Federal	(1,015,512)	(1,113,880)
State	35,169	(205,325)
Foreign	(27,336)	—
<b>Deferred benefit</b>	<b>(1,007,679)</b>	<b>(1,319,205)</b>
<b>Total tax expense (benefit)</b>	<b>\$ 1,407,929</b>	<b>\$ 831,897</b>

The Company's effective income tax rate reconciles with the federal statutory rate as follows:

Years Ended December 31,	2022	2021
Federal statutory rate	21.0 %	21.0 %
State income taxes, net of federal tax benefit	5.1	3.3
Foreign taxes	(0.7)	
Non-deductible expenses	—	0.1
Non-controlling interest	0.3	0.7
Return to provision adjustment	2.1	2.9
State Rate Changes	6.7	—
Change in valuation allowance	2.9	—
Other	(0.5)	(2.4)
<b>Effective income tax rate on income before taxes</b>	<b>36.9 %</b>	<b>25.6 %</b>

As of December 31, 2022, The Company has not identified any uncertain tax positions. The Company does not anticipate that the total amount of the unrecognized tax benefits will change significantly within the next twelve months. The Company has analyzed its filing positions in all of the jurisdictions where it is required to file income tax returns, as well as all open years in these jurisdictions. Generally, tax years open for examination include the year 2019 and forward.

## 16. Stock-Based Compensation

### *Share Options*

Stock Options are issued by LD Parent pursuant to its 2018 Stock Incentive Plan ("the Plan"). The related stock-based compensation is pushed down to its subsidiary and recorded by the Company. The Company follows ASC 718, *Share-Based Payment*, for recording stock-based compensation. The fair value of each time-based and performance-based option award is estimated on the date of grant using a Black-Scholes option pricing model. These options, along with performance-based options, will be expensed when such events are deemed probable. Expected volatility is based on historical volatility of an appropriate industry sector index and other factors. The expected term of options with fixed exercise prices is derived by using the midpoint between vesting and expiration as the expected term of the option grant which is permitted under the guidance. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. No stock options were granted during the years ended December 31, 2022 and 2021.

# LD Parent, Inc.

## Notes to Consolidated Financial Statements

A summary of assumptions is presented below in connection with 2018 grants:

Expected volatility	23 %
Expected term (years)	5
Expected dividend yield	—
Risk-free interest rate	1.81 %

	Stock Options		Weighted Average Remaining Contractual	Non- Exercisable	Exercisable
	Number of stock option	Weighted Average Exercise Price			
<b>Outstanding at December 31, 2020</b>	1,082	\$ 3,931	7.30	547	535
Granted	—	—	—	—	—
Exercised	(191)	—	—	—	—
Forfeited or expired	—	—	—	—	—
<b>Outstanding at December 31, 2021</b>	891	\$ 3,931	6.30	177	714
Granted	—	—	—	—	—
Exercised	—	—	—	—	—
Forfeited or expired	—	—	—	—	—
<b>Outstanding at December 31, 2022</b>	891	\$ 3,931	5.30	—	891

The Company has time-based share-based compensation arrangements under the Plan, which vest over 5 years. In addition to time-based awards, the Company has performance-based awards which vest upon meeting certain financial metrics.

For the years ended December 31, 2022 and 2021, the Company recorded expense of \$168,092 and \$349,113, respectively, in selling, general, and administrative expenses for stock-based compensation. Unamortized stock-based compensation at December 31, 2022 and 2021 was \$0 and \$168,092, respectively.

### 17. Subsequent Events

Management has reviewed and evaluated all events and transactions as of March 24, 2023, the date that the consolidated financial statements were available for issuance.

During the first quarter of 2023, the Company made an additional equity investment in Elite in an amount equal to \$450,000 that will be used by Elite to fund future growth initiatives.



## **GUARANTEE OF PERFORMANCE**

**GUARANTEE OF PERFORMANCE**

For value received, **LD PARENT, INC.**, a Delaware corporation located at 142 State Route 34, Holmdel, New Jersey 07733 (the "Guarantor"), absolutely and unconditionally guarantees to assume the duties and obligations of **LAWN DOCTOR, INC.**, a New Jersey corporation located at 142 State Route 34, Holmdel, New Jersey 07733 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2024 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Holmdel, New Jersey on the 29 day of April, 2024.

Guarantor:

**LD PARENT, INC.**

By: 

Scott D. Frith

Title: President

## **EXHIBIT L**

### **STATE ADDENDA AND AGREEMENT RIDERS**

#### **NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES**

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

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDITIONAL DISCLOSURES FOR THE  
MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT OF  
LAWN DOCTOR, INC.**

The following are additional disclosures for the Franchise Disclosure Document of LAWN DOCTOR, INC. required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

**CALIFORNIA**

Item 21 of the Disclosure Document is amended to add Lawn Doctor, Inc.'s unaudited balance sheet as of December 31, 2023, its most recent fiscal year end, as follows:

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**Lawn Doctor, Inc.**  
**COMPARATIVE BALANCE SHEET**  
**December 31, 2023**

<b>ASSETS</b>	<b><u>12/31/2023</u></b>	<b><u>12/31/2022</u></b>
<b>CURRENT ASSETS:</b>		
Cash	\$ 2,838,512.54	\$ 4,008,728.31
Receivables from franchisees, net	2,650,006.52	2,430,636.04
Inventories	2,639,442.76	2,405,724.75
Prepaid income taxes	-	61,247.58
Prepaid expenses and other current assets	<u>852,319.44</u>	<u>655,564.57</u>
Total Current Assets	<u>8,980,281.26</u>	<u>9,561,901.25</u>
PROPERTY, PLANT, AND EQUIPMENT	<u>2,068,897.28</u>	<u>2,207,294.51</u>
<b>OTHER ASSETS:</b>		
Intangible assets	39,426,861.67	41,721,404.67
Goodwill	37,507,174.00	37,507,174.00
Receivables from franchisees	2,078,459.86	2,314,026.98
Due From Affiliates	4,856,260.74	5,188,182.08
Other Non-Current Assets	2,101,216.87	907,514.16
Total Other Assets	<u>85,969,973.14</u>	<u>87,638,301.89</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 97,019,151.68</u></b>	<b><u>\$ 99,407,497.65</u></b>
 <b>CURRENT LIABILITIES:</b>		
Term Loan, current portion	-	\$ 307,000.00
Accounts payable and accrued expenses	2,368,570.53	2,708,042.35
Other Current Liabilities	<u>2,894,980.75</u>	<u>2,810,911.43</u>
Total Current Liabilities	<u>5,263,551.28</u>	<u>5,825,953.78</u>
 <b>OTHER LIABILITIES:</b>		
Term Loan, less current portion	29,465,678.87	29,060,325.88
Subordinated senior debt	18,000,000.00	18,000,000.00
Deferred income taxes	7,131,086.80	8,443,690.80
Deferred revenue, less current portion	3,152,248.00	3,026,525.00
Other Non-Current Liabilities	<u>1,364,082.29</u>	<u>358,588.86</u>
Total Other Liabilities	<u>59,113,095.96</u>	<u>58,889,130.54</u>
 <b>STOCKHOLDERS' EQUITY:</b>		
Parent Contribution	<u>32,642,504.44</u>	<u>34,692,413.33</u>
Total Stockholders' Equity	<u>32,642,504.44</u>	<u>34,692,413.33</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b><u>97,019,151.68</u></b>	<b><u>\$ 99,407,497.65</u></b>

UNAUDITED - FOR INTERNAL USE ONLY

THESE FINANCIAL STATEMENTS WERE PREPARED WITHOUT AN AUDIT. INVESTORS IN OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OPINION WITH REGARD TO THEIR CONTENTS OR FORM.

## **MARYLAND**

1. The following language is added as a new last paragraph in Item 5 and to the end of footnote 1 in Item 7:

Despite the payment provisions above, LDI will defer your payment of the initial franchise fee due under the Franchise Agreement until it has fulfilled all of its initial obligations to you under the Franchise Agreement and you have commenced operating your LAWN DOCTOR Business. You must pay LDI the initial franchise fee on the day you begin operating your LAWN DOCTOR Business.

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

Any release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law. (The form of general release that LDI currently intends to use in connection with franchise transfers and renewals is included in the Assignment and Assumption Agreement appearing at Exhibit C of this Disclosure Document.)

3. The following language is added to the end of the “Summary” section of Item 17(h), entitled **“Cause” defined – non-curable defaults**:

Termination upon insolvency might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.), but LDI will enforce it to the extent enforceable.

4. The “Summary” section of Item 17(v), entitled **Choice of forum**, is amended to read as follows:

Arbitration of most disputes within 10 miles of LDI’s then-current principal office (currently in New Jersey), except that, subject to your arbitration obligation, and to the extent required by the Maryland Franchise Registration and Disclosure Law, you may bring an action in Maryland.

5. The “Summary” section of Item 17(w), entitled **Choice of forum**, is amended to read as follows:

New Jersey law generally governs, except for Federal Arbitration Act, other federal law, and claims arising under the Maryland Franchise Registration and Disclosure Law.

6. The following paragraphs are added to the end of Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

## **MINNESOTA**

1. The following paragraph is added to the end of Item 13:

LDI will indemnify you against and reimburse you for all damages for which you are held liable in any proceeding arising out of your use of any Mark pursuant to and in compliance with the Agreement, and for all costs you reasonably incur in defending any such claim brought against you or in any such proceeding in which you are named as a party, provided that you have timely notified LDI of such claim or proceeding and have otherwise complied with the Agreement.

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

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. The following paragraphs are added to the end of Item 17:

For franchises governed by the Minnesota Franchises Law, LDI will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement.

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit LDI from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. However, LDI and you will enforce these provisions in the Agreement to the extent the law allows.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

## **NORTH DAKOTA**

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

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The following is added to the end of the “Summary” section of Item 17(r), entitled **Non-competition covenants after the franchise is terminated or expires**:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. However, LDI will seek to enforce them to the extent enforceable.

3. The following is added to the end of the “Summary” section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**:

However, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration will be at a site to which LDI and you mutually agree.

4. The “Summary” section of Item 17(v), entitled **Choice of forum**, is deleted and replaced with the following:

New Jersey, except that subject to your arbitration obligation, and to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota.

5. The “Summary” section of Item 17(w), entitled **Choice of law**, is deleted and replaced with the following:

New Jersey, except to the extent otherwise required by the North Dakota Franchise Investment Law, North Dakota law applies.



6. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**THE FOLLOWING PAGES ARE  
STATE-SPECIFIC RIDERS TO THE  
FRANCHISE AGREEMENT**

**RIDER TO  
LAWN DOCTOR, INC.  
FRANCHISE AGREEMENT  
REQUIRED BY THE STATE OF MARYLAND  
BETWEEN LAWN DOCTOR, INC.  
AND \_\_\_\_\_  
DATED \_\_\_\_\_**

**THIS RIDER** is made and entered into by and between LAWN DOCTOR, INC., a New Jersey corporation, with its principal office at 142 State Route 34, Holmdel, New Jersey 07733 (the "COMPANY"), and \_\_\_\_\_, d/b/a Lawn Doctor of \_\_\_\_\_, whose principal address is \_\_\_\_\_ ("STRATEGIC-PARTNER"), as of the date signed by the COMPANY and set forth opposite the COMPANY's signature on this Rider (the "Rider Date").

1. **BACKGROUND.** The COMPANY and STRATEGIC-PARTNER are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) STRATEGIC-PARTNER is a resident of Maryland, or (b) the LAWN DOCTOR Business that STRATEGIC-PARTNER will operate under the Franchise Agreement will be located in Maryland.

2. **PREAMBLES.** The following language is added to the end of Section 1.B of the Franchise Agreement:

Such representations 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.

3. **ACKNOWLEDGMENTS.** Sections 1.B(4) through 1.B(6) of the Franchise Agreement are hereby deleted.

4. **FEES.** The following language is added to the end of Section 6.A. of the Franchise Agreement:

Despite the payment provisions above, the COMPANY will defer STRATEGIC-PARTNER's payment of the Initial Franchise Fee due under this Agreement until the COMPANY has fulfilled all of its initial obligations to STRATEGIC-PARTNER under this Agreement and STRATEGIC-PARTNER has commenced operating his LAWN DOCTOR Business. STRATEGIC-PARTNER must pay the COMPANY the full Initial Franchise Fee on the day he begins operating his LAWN DOCTOR Business.

5. **RELEASES**. The following language is added to the end of both Section 11.C.(7) and the first sentence of Section 12.C of the Franchise Agreement:

; provided, however, that such general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

6. **GOVERNING LAW**. The following language is added to the end of Section 15.G of the Franchise Agreement:

However, to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

7. **JURISDICTION**. The following language is added to the end of Section 15.H of the Franchise Agreement:

Notwithstanding the foregoing, STRATEGIC-PARTNER may, subject to its arbitration obligations, bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

8. **LIMITATIONS OF CLAIMS**. The following language is added to the end of Section 15.M of the Franchise Agreement:

, except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

**IN WITNESS WHEREOF**, the parties have executed this Rider on the Rider Date.

**LAWN DOCTOR, INC.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
STRATEGIC-PARTNER

Date: \_\_\_\_\_

\_\_\_\_\_  
STRATEGIC-PARTNER

Date: \_\_\_\_\_

**RIDER TO  
LAWN DOCTOR, INC.  
FRANCHISE AGREEMENT  
REQUIRED BY THE STATE OF MINNESOTA  
BETWEEN LAWN DOCTOR, INC.  
AND \_\_\_\_\_  
DATED \_\_\_\_\_**

**THIS RIDER** is made and entered into by and between LAWN DOCTOR, INC., a New Jersey corporation, with its principal office at 142 State Route 34, Holmdel, New Jersey 07733 (the "COMPANY"), and \_\_\_\_\_, d/b/a Lawn Doctor of \_\_\_\_\_, whose principal address is \_\_\_\_\_ ("STRATEGIC-PARTNER"), as of the date signed by the COMPANY and set forth opposite the COMPANY's signature on this Rider (the "Rider Date").

1. **BACKGROUND.** The COMPANY and STRATEGIC-PARTNER are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the LAWN DOCTOR business that STRATEGIC-PARTNER will operate under the Franchise Agreement will be located in Minnesota, and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **MARKS.** The following language is added as a new Section 3.C of the Franchise Agreement:

C. **INDEMNIFICATION OF STRATEGIC-PARTNER.**

The COMPANY agrees to indemnify STRATEGIC-PARTNER against and to reimburse STRATEGIC-PARTNER for all damages for which it is held liable in any proceeding arising out of its authorized use of any Mark pursuant to and in compliance with this Agreement, and for all costs reasonably incurred by STRATEGIC-PARTNER in the defense of any such claim brought against him or in any such proceeding in which he is named as a party, provided that STRATEGIC-PARTNER has timely notified the COMPANY of such claim or proceeding and has otherwise complied with this Agreement.

3. **RELEASES.** The following language is added to the end of Section 11.C(7) and to the end of the first sentence of Section 12.C of the Franchise Agreement:

; provided, however, that such general release shall not apply to the extent prohibited by the Minnesota Franchises Law.

4. **RENEWAL AND TERMINATION.** The following language is added to the end of Section 12.B and to the end of Section 13 of the Franchise Agreement:

Minnesota law provides STRATEGIC-PARTNER with certain termination and non-renewal rights. Minn. Stat. Section 80C.14, subd. 3, 4 and 5 require, except in certain specified cases, that STRATEGIC-PARTNER be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice for non-renewal of this Agreement.

5. **INJUNCTIVE RELIEF.** Section 15.C of the Franchise Agreement is deleted in its entirety and is replaced with the following:

C. **INJUNCTIVE RELIEF.**

Notwithstanding anything to the contrary contained in Subsection F of this Section, either party may seek in a court of competent jurisdiction an action or actions for temporary or preliminary injunctive relief; provided, however, that such party shall contemporaneously submit the dispute for arbitration on the merits in accordance with Subsection F of this Section. STRATEGIC-PARTNER agrees that the COMPANY may seek such temporary or preliminary injunctive relief, but upon due notice, and STRATEGIC-PARTNER's sole remedy in the event of the entry of such injunctive relief shall be the dissolution of such injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby).

6. **GOVERNING LAW/JURISDICTION.** The following language is added to the end of Sections 15.G and 15.H of the Franchise Agreement:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the COMPANY from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring STRATEGIC-PARTNER to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce any of STRATEGIC-PARTNER's rights as provided for in Minnesota Statutes, Chapter 80C or STRATEGIC-PARTNER's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

7. **WAIVER OF PUNITIVE DAMAGES/WAIVER OF JURY TRIAL.** The following language is added to the beginning of Section 15.I and to the beginning of Section 15.J of the Franchise Agreement:

Except as otherwise required by the Minnesota Franchises Law,

8. **LIMITATIONS OF CLAIMS.** The following language is added to the end of Section 15.M of the Franchise Agreement:

Minnesota law provides that no action may be commenced pursuant to Minn. Stat. Section 80C.17 more than three (3) years after STRATEGIC-PARTNER pays the initial franchise fee due upon execution of this Agreement. Minn. Stat. Section 80C.17, subd. 5.

**IN WITNESS WHEREOF**, the parties have executed this Rider on the Rider Date.

**LAWN DOCTOR, INC.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
STRATEGIC-PARTNER

Date: \_\_\_\_\_

\_\_\_\_\_  
STRATEGIC-PARTNER

Date: \_\_\_\_\_

**RIDER TO  
LAWN DOCTOR, INC.  
FRANCHISE AGREEMENT  
REQUIRED BY THE STATE OF NORTH DAKOTA  
BETWEEN LAWN DOCTOR, INC.  
AND \_\_\_\_\_  
DATED \_\_\_\_\_**

**THIS RIDER** is made and entered into by and between LAWN DOCTOR, INC., a New Jersey corporation, with its principal office at 142 State Route 34, Holmdel, New Jersey 07733 (the “COMPANY”), and \_\_\_\_\_, d/b/a Lawn Doctor of \_\_\_\_\_, whose principal address is \_\_\_\_\_ (“STRATEGIC-PARTNER”), as of the date signed by the COMPANY and set forth opposite the COMPANY’s signature on this Rider (the “Rider Date”).

1. **BACKGROUND.** The COMPANY and STRATEGIC-PARTNER are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) STRATEGIC-PARTNER is a resident of North Dakota and the LAWN DOCTOR business that STRATEGIC-PARTNER will operate under the Franchise Agreement will be located in North Dakota, and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in North Dakota.

2. **RELEASES.** The following language is added to the end of Section 11.C(7) and to the end of the first sentence of Section 12.C of the Franchise Agreement:

; however, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. **COVENANT NOT TO COMPETE.** The following language is added to the end of Section 14.D of the Franchise Agreement:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. However, STRATEGIC-PARTNER acknowledges and agrees that the COMPANY intends to seek enforcement of such provisions to the extent enforceable under the law.

4. **ARBITRATION.** The second paragraph of Section 15.F of the Franchise Agreement is deleted in its entirety and is replaced with the following:

Arbitration shall take place at a location specified by the arbitrator within ten (10) miles of the COMPANY’s then-current principal place of business; however, to the extent required by the North Dakota Franchise Investment Law



(unless preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which the COMPANY and STRATEGIC-PARTNER agree. The arbitrator shall have no authority to select a hearing locale other than as described in the prior sentence. The award of the arbitrator shall be final and judgment upon the award may be entered in any court of competent jurisdiction. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding shall be barred.

5. **GOVERNING LAW.** Section 15.G of the Franchise Agreement is deleted in its entirety and replaced with the following:

All matters relating to arbitration shall be governed by the Federal Arbitration Act. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, and except to the extent required by the North Dakota Franchise Investment Law in which case North Dakota law will apply to this Agreement, this Agreement, the Franchise and relationship of the parties shall be governed by the laws of the State of New Jersey, without regard for its conflicts of laws principles, except that any New Jersey law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Subsection G.

6. **JURISDICTION.** The following language is added to the end of Section 15.H of the Franchise Agreement:

However, the North Dakota Commissioner of Securities has required that the COMPANY include herein the fact that the Commissioner has held that requiring strategic-partners to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

7. **WAIVER OF PUNITIVE DAMAGES.** Section 15.I of the Franchise Agreement is deleted in its entirety to the extent required by the North Dakota Franchise Investment Law.

8. **WAIVER OF JURY TRIAL.** Section 15.J of the Franchise Agreement is deleted in its entirety to the extent required by the North Dakota Franchise Investment Law.

9. **LIMITATIONS OF CLAIMS.** The following language is added to the end of Section 15.M of the Franchise Agreement:

The time limitations set forth in this Subsection might be modified by the North Dakota Franchise Investment Law.

**IN WITNESS WHEREOF**, the parties have executed this Rider on the Rider Date.

**LAWN DOCTOR, INC.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
STRATEGIC-PARTNER

Date: \_\_\_\_\_

\_\_\_\_\_  
STRATEGIC-PARTNER

Date: \_\_\_\_\_

**EXHIBIT M**

**FRANCHISE AGREEMENT AMENDMENT FOR  
HOLIDAY LIGHTING HEROES SERVICE LINE**

## LAWN DOCTOR, INC.

### **FRANCHISE AGREEMENT AMENDMENT FOR HOLIDAY LIGHTING HEROES SERVICE LINE**

This Franchise Agreement Amendment (the “Amendment”) is made and entered into by and between Lawn Doctor, Inc., a New Jersey corporation with its principal office at 142 State Route 34, Holmdel, New Jersey 07733 (the “COMPANY”), and \_\_\_\_\_ d/b/a Lawn Doctor of \_\_\_\_\_ (“STRATEGIC-PARTNER”). This Amendment is effective as of the Effective Date identified next to the COMPANY’s signature.

#### **Background**

A. Simultaneously with signing this Amendment, the COMPANY and STRATEGIC-PARTNER also are signing one or more LAWN DOCTOR Business Franchise Agreements (each, a “Franchise Agreement” and, collectively, the “Franchise Agreements”), granting STRATEGIC-PARTNER the right and obligation to operate a LAWN DOCTOR Business within the Territory or Territories identified in the Franchise Agreement(s).

B. The COMPANY and its affiliates have developed a method for designing, installing, maintaining, removing, and storing holiday lighting and décor, the COMPANY is willing to allow STRATEGIC-PARTNER to add holiday lighting and décor services to its LAWN DOCTOR Business(es) as an authorized service line, and STRATEGIC-PARTNER desires to add holiday lighting and décor services to each and all of its LAWN DOCTOR Businesses (each, the “Covered Franchise” and, collectively, the “Covered Franchises”).

C. The COMPANY and STRATEGIC-PARTNER desire to amend the Franchise Agreement for each Covered Franchise as provided in this Amendment to reflect the addition of holiday lighting and décor services to each Covered Franchise as an authorized service line and the parties’ respective rights and obligations.

D. Except as provided in this Amendment, the Franchise Agreement for each Covered Franchise remains in full force and effect as originally written. If there is any inconsistency between the Franchise Agreement for a Covered Franchise and this Amendment, this Amendment’s terms will govern. All terms used but not defined in this Amendment have the meanings ascribed to them in the Franchise Agreement. (For the avoidance of doubt, this single Amendment is intended by the COMPANY and STRATEGIC-PARTNER to amend each Franchise Agreement for each Covered Franchise for as long as such Franchise Agreement remains in effect.)

#### **Agreement**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the COMPANY and STRATEGIC-PARTNER agree as follows:

1. **Competitive Business.** The definition of “Competitive Business” in Section 1.A of the Franchise Agreement for each Covered Franchise is hereby amended to read as follows:

**“Competitive Business”** shall mean any business which operates, or grants franchises or licenses to others to operate, a business for (1) the establishment, care, irrigation, and conditioning of lawns or other vegetation, including, but not limited to, trees, shrubbery, and other plant life, (2) the design, installation, and maintenance of holiday lighting and décor, or (3) any related or ancillary services provided by STRATEGIC-PARTNER as part of its LAWN DOCTOR Business.

2. **Market Share.** The definition of “Market Share” in Section 1.A of the Franchise Agreement for each Covered Franchise is hereby amended to read as follows:

**“Market Share”** means the percentage of single family residences in the Territory under contract to STRATEGIC-PARTNER’s LAWN DOCTOR Business out of the total single family residences in the Territory (as determined by demographic or market data from third-party sources reasonably selected by the COMPANY), provided, however, that such Market Share shall apply only to single family residences in the Territory under contract to STRATEGIC-PARTNER for the establishment, care, irrigation, and conditioning of lawns or other vegetation, including, but not limited to, trees, shrubbery, and other plant life.

3. **Preambles.** The first full paragraph of Section 1.B of the Franchise Agreement for each Covered Franchise is hereby amended to read as follows:

The COMPANY has designed and developed methods for (1) the establishment, care and conditioning of lawns and other vegetation, including, but not limited to, trees, shrubbery and other plant life, and the provision of other services, including mosquito control, and (2) designing, installing, maintaining, removing, and storing holiday lighting and décor (the “LAWN DOCTOR Business”). The LAWN DOCTOR Business utilizes certain specifications, standards, operating procedures and specialized equipment to protect the quality of the COMPANY’s products and services, all of which may be improved, further developed or otherwise modified from time to time. The COMPANY owns all rights to, interest in and goodwill of, and uses, promotes and licenses, certain trade names, trademarks and service marks and other commercial symbols in connection with LAWN DOCTOR Businesses, including the trade and service mark “LAWN DOCTOR,” the green thumb design logo, the words “HOLIDAY LIGHTING HEROES,” the combination “Holiday Lighting Heroes” word/design, and other trademarks and service marks (the “Marks”). The COMPANY has designed and developed, and owns all rights to, certain specialized equipment, including the “Turf Tamer Stand-On Applicator” and “Turf Tamer Power Seeder,” for use in the LAWN DOCTOR Business.

4. **Grant of Franchise.** (a) The third paragraph of Section 1.C of the Franchise Agreement for each Covered Franchise is hereby amended to read as follows:

If, at any time after the fourth (4th) anniversary of the Agreement Date, STRATEGIC-PARTNER's "Market Share" falls below the level required in the next sentence, the COMPANY shall have the right to reduce the size of STRATEGIC-PARTNER's Territory by redrawing its boundaries in the COMPANY's sole discretion. STRATEGIC-PARTNER's Market Share in the Territory shall be no less than seventy percent (70%) of the average market share of all LAWN DOCTOR Businesses which have been in operation for four (4) or more years. In order for STRATEGIC-PARTNER to acquire additional Territories, STRATEGIC-PARTNER must have a Market Share of at least two percent (2%) in all of the Territories STRATEGIC-PARTNER is operating in at the time of notifying the COMPANY of STRATEGIC-PARTNER's interest in acquiring an additional Territory. However, despite the language above, this Market Share concept shall apply only with respect to the portion of STRATEGIC-PARTNER's LAWN DOCTOR Business for the establishment, care and conditioning of lawns and other vegetation, including, but not limited to, trees, shrubbery and other plant life, and the provision of other services, including mosquito control, unrelated to holiday lighting and décor.

(b) The following language is added as a new numbered clause following the last numbered clause now appearing in the fourth paragraph of Section 1.C of the Franchise Agreement for each Covered Franchise:

(\_) the right to establish and operate, and grant to others the right to establish and operate, businesses designing, installing, maintaining, and removing holiday lighting and décor—and identified by trademarks or service marks other than the Marks (including, without limitation, by the HUMBUG HOLIDAY LIGHTING trademark/service mark, the SPARKLE SQUAD trademark/service mark, and any other trademarks or service marks)—through similar and dissimilar distribution channels, both inside and outside STRATEGIC-PARTNER's Territory and on any terms and conditions the COMPANY deems appropriate;

5. **Training.** STRATEGIC-PARTNER agrees to attend and to complete to the COMPANY's satisfaction the required training program for the HOLIDAY LIGHTING HEROES holiday lighting and décor service line. The COMPANY expects the training program to last for a total of approximately two to three days. While the COMPANY does not charge STRATEGIC-PARTNER a separate fee for this training, STRATEGIC-PARTNER must pay all travel and living expenses incurred by its training attendees. The COMPANY has the right to terminate this Amendment with respect to all Covered Franchises, effective upon delivery of notice of termination to STRATEGIC-PARTNER, if STRATEGIC-PARTNER fails to complete training to the COMPANY's satisfaction. Upon such termination, STRATEGIC-PARTNER will not have the right to add the HOLIDAY LIGHTING HEROES holiday lighting and décor service line as an authorized service to be offered and sold by any of its Covered Franchises. The Service Line Fee (see Section 6 below) is not refundable under those circumstances.

6. **Service Line Fee.** STRATEGIC-PARTNER agrees to pay the COMPANY a Service Line Fee in order to add the HOLIDAY LIGHTING HEROES holiday lighting and

décor service line as an authorized service for its Covered Franchises and to have the right to design, install, and maintain holiday lighting and décor for customers located in the Territory specified in the Franchise Agreement for each Covered Franchise. The Service Line Fee is Ten Thousand Dollars (\$10,000), payable in full when STRATEGIC-PARTNER signs this Amendment. Only one Service Line Fee is due regardless of the number of Covered Franchises. This payment is not refundable under any circumstances.

7. **Condition and Appearance of Service Vehicles and Equipment.** The first sentence of Section 7.B of the Franchise Agreement for each Covered Franchise is hereby amended to read as follows:

STRATEGIC-PARTNER agrees to lease one or more Service Vehicles suitable for the purpose of transporting various lawn equipment, holiday lighting and décor materials, and related supplies and materials needed to operate a LAWN DOCTOR Business and which otherwise meet the COMPANY's specifications.

8. **Authorized Products and Services.** The first sentence of Section 7.C of the Franchise Agreement for each Covered Franchise is hereby amended to read as follows:

The reputation and goodwill of the COMPANY is based upon, and can be maintained and enhanced only by, the furnishing of high quality lawn and vegetation care and conditioning products and services and other related products and services, including, without limitation: application of lawn fertilizers, insecticides, pesticides, herbicides, fungicides, lime, sulfur and other materials; lawn seeding, thatching and aerating; tree and shrub feeding and spraying (fertilizers, insecticides, pesticides, fungicides and oils); other lawn and vegetation care and conditioning products and services; and holiday lighting and décor design, installation, and maintenance services.

9. **Computer and Phone Systems.** The first sentence of Section 7.I of the Franchise Agreement for each Covered Franchise is hereby amended to read as follows:

STRATEGIC-PARTNER acknowledges that STRATEGIC-PARTNER must have available or purchase or license a customized computer software program and related technology suited for use by both lawn care businesses and holiday lighting and décor design, installation, and maintenance businesses (the "Software Program") from the suppliers the COMPANY designates at the then current price and/or fees being charged by the designated supplier.

10. **Advertising/Marketing.** The following language is added as new Section 8.D of the Franchise Agreement for each Covered Franchise:

**D. HOLIDAY LIGHTING HEROES ADVERTISING/MARKETING.**

In addition to the advertising and marketing obligations described in Sections 8.A through 8.C of this Agreement, STRATEGIC-PARTNER agrees to

spend each calendar year during this Agreement's term—specifically to market and promote the HOLIDAY LIGHTING HEROES holiday lighting and décor services offered by its LAWN DOCTOR Business—the greater of Six Thousand Dollars (\$6,000) or five percent (5%) of the immediately-preceding calendar year's Net Revenues attributable to the offer, sale, and provision of HOLIDAY LIGHTING HEROES holiday lighting and décor services by STRATEGIC-PARTNER's LAWN DOCTOR Business. STRATEGIC-PARTNER must pay the COMPANY the applicable amount in two installments: (1) fifty percent (50%) of the amount must be paid to the COMPANY by the second Friday of each November; and (2) the remaining fifty percent (50%) of the amount must be paid to the COMPANY by the second Friday of each December. The COMPANY will use the monies it receives to drive media-based leads specific to the offer, sale, and provision of HOLIDAY LIGHTING HEROES holiday lighting and décor services in STRATEGIC-PARTNER's Territory. (For the avoidance of doubt, this additional advertising and marketing obligation is calculated on an aggregate basis across all Covered Franchises, i.e., the minimum required Six Thousand Dollar (\$6,000) spend is for all Covered Franchises, whether STRATEGIC-PARTNER has one or more than one Covered Franchises.)

11. **Transfer.** STRATEGIC-PARTNER has no right to transfer this Amendment or its related rights separate and apart from the Franchise Agreement and franchise for a Covered Franchise that it amends. If STRATEGIC-PARTNER transfers the franchise rights for a Covered Franchise in compliance with the terms of the Franchise Agreement for the Covered Franchise (which is amended by this Amendment), the right to offer, sell, and provide HOLIDAY LIGHTING HEROES holiday lighting and décor services within the Territory covered by that Franchise Agreement will be concurrently transferred to the transferee with the franchise rights. This means that this Amendment no longer will apply to that former Covered Franchise, and STRATEGIC-PARTNER no longer will have the right to offer, sell, and provide HOLIDAY LIGHTING HEROES holiday lighting and décor services within the Territory covered by the Franchise Agreement for that former Covered Franchise.

12. **Term.** Unless earlier terminated by the COMPANY or STRATEGIC-PARTNER in accordance with Section 13 below, this Amendment will expire (without further notice required) upon expiration of the Franchise Agreement for the last operating Covered Franchise to which this Amendment relates. (For the avoidance of doubt, expiration—without the grant of a successor franchise—of a Franchise Agreement for a Covered Franchise will not cause the expiration of this Amendment with respect to the Franchise Agreements for other Covered Franchises that remain in effect. However, expiration or termination of a Franchise Agreement for a Covered Franchise means that this Amendment no longer will apply to that Covered Franchise, and STRATEGIC-PARTNER no longer will have the right to offer, sell, and provide HOLIDAY LIGHTING HEROES holiday lighting and décor services within the Territory covered by the expired or terminated Franchise Agreement for that Covered Franchise.)

STRATEGIC-PARTNER has the right, upon expiration of this Amendment with respect to a particular Covered Franchise, to continue offering, selling, and providing HOLIDAY LIGHTING HEROES holiday lighting and décor services within the Territory of that Covered



Franchise if STRATEGIC-PARTNER acquires a successor franchise for the Territory of that Covered Franchise in accordance with the terms of the Franchise Agreement for that Covered Franchise.

13. **Termination.**

(a) STRATEGIC-PARTNER has the right to terminate this Amendment with respect to the Franchise Agreements for all of its Covered Franchises at any time and for any reason, effective sixty (60) days after delivery of prior written notice of termination to the COMPANY. STRATEGIC-PARTNER does not have the right to terminate this Amendment with respect to less than all of its Covered Franchises.

(b) In addition to its rights under Section 5 of this Amendment, the COMPANY has the right to terminate this Amendment with respect to the Franchise Agreements for all (or, at the COMPANY's option, less than all) Covered Franchises, effective immediately upon delivery of prior written notice of termination to STRATEGIC-PARTNER, if STRATEGIC-PARTNER breaches any provision of a Franchise Agreement for any Covered Franchise (whether or not the breach relates to the provision of holiday lighting and décor services) and fails to cure such breach (if such breach is curable) within the timeframe provided by the Franchise Agreement for the Covered Franchise (whether or not the COMPANY actually terminates the Franchise Agreement due to the breach). In addition, termination of the Franchise Agreement for a Covered Franchise, no matter the reason, will result in the automatic and concurrent termination of this Amendment with respect to such Covered Franchise.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, the parties have executed and delivered this Amendment, to be effective as of the Effective Date.

**COMPANY:**

**LAWN DOCTOR, INC.**, a New Jersey corporation

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Date \_\_\_\_\_ \*\*

\*\*Effective Date of this Agreement

**STRATEGIC PARTNER (if entity):**

*[Insert Name]*

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

**STRATEGIC PARTNER (if individual):**

*[Insert Name]*

\_\_\_\_\_ Individually

STRATEGIC-PARTNER

Date: \_\_\_\_\_

### **State Effective Dates**

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

<b>State</b>	<b>Effective Date</b>
California	April 29, 2024 (Exempt)
Illinois	April 29, 2024 (Exempt)
Indiana	April 30, 2024
Maryland	Pending (Exempt)
Michigan	April 29, 2024
Minnesota	Pending
New York	April 29, 2024 (Exempt)
North Dakota	Pending (Exempt)
Rhode Island	Pending (Exempt)
South Dakota	April 30, 2024
Virginia	Pending (Exempt)
Washington	Pending (Exempt)
Wisconsin	April 30, 2024

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

## RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Lawn Doctor, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that Lawn Doctor, Inc. 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.

If Lawn Doctor, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit G.

The Franchisor is Lawn Doctor, Inc. located at 142 State Route 34, Holmdel, New Jersey 07733-2092. Its telephone number is (732) 946-4300.

The franchise sellers for this offering are Eric Martin and \_\_\_\_\_, at Lawn Doctor, Inc., 142 State Route 34, Holmdel, New Jersey 07733-2092, (732) 946-4300.

Issuance Date: April 29, 2024

Lawn Doctor, Inc. authorizes the respective state agents identified on Exhibit G to receive service of process for it in the particular states. I received a Disclosure Document from Lawn Doctor, Inc. dated as of April 29, 2024, that included the following Exhibits:

- Exhibit A - Franchise Agreement
- Exhibit B - Electronic Funds Transfer Authorization
- Exhibit C - Assignment and Assumption Agreement
- Exhibit D - Turf Tamer Stand-On Applicator Equipment Lease Agreement
- Exhibit E - Turf Tamer Power Seeder Equipment Lease Agreement
- Exhibit F - Extranet Agreement
- Exhibit G - List of State Agencies/Agents for Service of Process
- Exhibit H - Operating Manual Table of Contents
- Exhibit I - List of Current Strategic-Partners
- Exhibit J - List of Former Strategic-Partners
- Exhibit K - Financial Statements
- Exhibit L - State Addenda and Agreement Riders
- Exhibit M - Franchise Agreement Amendment for Holiday Lighting Heroes Service Line

\_\_\_\_\_  
Date

(Date, Sign, and Return to Lawn Doctor, Inc.)

\_\_\_\_\_  
Strategic-Partner Candidate [Print Name]

\_\_\_\_\_  
Strategic-Partner Candidate [Signature]

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\_\_\_\_\_  
Date

\_\_\_\_\_  
Strategic-Partner Candidate [Print Name]

(Date, Sign, and Keep for Your Own Records)

\_\_\_\_\_  
Strategic-Partner Candidate [Signature]