

PROVISION	SECTION IN AGREEMENT	SUMMARY
r. Non-competition after the franchise is terminated or expires	8.10, 12.1	Subject to state law, you may not engage in any competing business for 2 years within the former territory or within 25 miles of territory of any other BUDGET BLINDS® territory. You must totally de-identify when your franchise rights have ended.
s. Modification of the agreement	14.3	No modifications generally, but Manual, Handbook and specifications are subject to change.
t. Integration/merger clause	14.2	Only the terms of this franchise disclosure document, the franchise agreement and Manual are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	11.3 – 11.4	Except for certain claims, and subject to state law, all disputes must be arbitrated or mediated in Orange County, California.
v. Choice of forum	11.6	Subject to applicable state law, claims for equitable or injunctive relief must be conducted in California.
w. Choice of law	14.1	Federal law applies to arbitration and trademark issues. The law of your state applies to amendment of your franchise agreement, the maximum rate of interest that can be charged, and post-termination non-competition issues. Except as required by applicable law, California law applies to all other issues.

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

The following is historical financial information concerning the unaudited reported annual sales of a subset of our existing outlets, namely those franchisees who reported gross sales and who were open for business for all of calendar year 2025 (282 single territory franchisees, 202 two territory franchisees representing 404 territories, and 128 three or more territory franchisees, representing an aggregate total of 506 territories).

A. Annual Sales Levels

The following table shows unaudited annual gross sales reported by franchisees with a single territory, with two territories, and with three or more territories, that were in business throughout calendar year 2025 and who reported sales for the full year. These franchisees represent 82% of the franchisees who were open for all of calendar 2025. Figures for franchisees that had two or more territories are total sales for all territories – not average per territory – and if a franchisee’s additional territory opened during 2025, the total sales do not represent a full year of sales for the additional territory. All gross sales figures are presented without regard to the size of the territory. Although we currently grant territories that are at least 36,000 households for a Tier 1 Territory, not all territories are that size. These variations in size arise both because we formerly sold territories of differing sizes and because territories can experience either growth or contraction after a franchise is sold.

During 2025 there were 282 reporting franchisees who operated a single territory throughout the year, 202 franchisees reporting franchisees who operated two territories throughout the year, and 128 reporting franchisees who operated three or more territories throughout the year. The average number of territories owned by two and three or more territories was 2 and 4, respectively.

These sales results are based upon sales reported to us by the franchisees.

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MEASURE	2025	2024	EXPLANATION
Average Sales – One Territory	\$774,915	\$853,650	Equals total sales by all franchisees owning one, two, or three or more territories, divided by the number of franchisees with that number of territories. ¹
Average Sales – Two Territories	\$1,201,857	\$1,252,032	
Average Sales – Three or More Territories	\$2,594,079	\$2,508,917	
Median Sales – One Territory	\$522,826	\$556,955	Shows mid-point of annual sales by franchisees with indicated number of territories. ²
Median Sales – Two Territories	\$967,557	\$968,124	
Median Sales – Three or More Territories	\$1,823,078	\$1,917,040	
75 th Percentile – One Territory	\$921,140	\$966,358	Reported sales by the 75 th percentile franchisee; only 25% of franchisees reported sales higher than this level.
75 th Percentile – Two Territories	\$1,442,552	\$1,482,296	
75 th Percentile – Three or More Territories	\$3,178,585	\$3,113,771	
Average Sales of Middle 50% - One Territory	\$565,256	\$600,183	Equals the mean (average) annual gross sales of those franchisees whose reported sales levels fell between the top 25% and the bottom 25%. ³
Average Sales of Middle 50% - Two Territories	\$995,854	\$987,666	
Average Sales of Middle 50% - Three or More Territories	\$2,024,073	\$2,046,775	

MEASURE	2025	2024	EXPLANATION
25 th Percentile – One Territory	\$340,525	\$407,517	Reported sales by the 25 th percentile of franchisees; only 25% of franchisees reported sales lower than this level.
25 th Percentile – Two Territories	\$658,841	\$630,660	
25 th Percentile – Three or More Territories	\$1,195,398	\$1,315,351	

1. Of our franchisees reporting and in operation for all of 2025, 88 or 31% of the franchisees with a single territory, 78 or 39% of the franchisees with two territories, and 45 or 35% of the franchisees with three or more territories had total annual sales that equaled or exceeded the mean sales figure stated. The lowest amount reported for a single territory franchisee was \$53,370 and the highest was \$9,336,975. The lowest amount reported for franchisees with two territories was \$76,111 and the highest was \$9,044,089. The lowest amount reported for franchisees with three or more territories was \$412,200 and the highest was \$18,753,237.
2. One-half of all franchisees in each category had greater sales than the median figure, and the other half had lower sales.
3. The calculation of this average disregards the franchisees that had sales lower than the 25th percentile or higher than the 75th percentile.

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

Written substantiation for this financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with 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 Heather Nykolaychuk at 19000 MacArthur Boulevard, Suite 100, Irvine, California 92612, telephone (949) 404-1100, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION
ITEM 20. TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY FOR YEARS
ENDING DECEMBER 31, 2023, 2024 AND 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	1298	1362	+64
	2024	1362	1366	+4
	2025	1366	1355	-11
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	1298	1362	+64
	2024	1362	1366	+4
	2025	1366	1355	-11

ITEM 20. TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW
OWNERS OTHER THAN BUDGET BLINDS FOR YEARS ENDING
DECEMBER 31, 2023, 2024 AND 2025

State	Year	Number of Transfers
Alabama	2023	0
	2024	0
	2025	0
Arizona	2023	4
	2024	5
	2025	5
Arkansas	2023	0
	2024	0
	2025	0
California	2023	3
	2024	9