

## **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) 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.

### **DEFINITIONS**

- (a) Adjusted Profit – means Direct Gross Profit less Disclosed Expenses. Adjusted Profit is not equal to net profit or income and, except as to Direct Cost of Goods and Services Sold and Disclosed Expenses, does not include the deduction of all other expenses incurred by a Brothers Gutters Business including, but not limited to, other operating expenses, interest, taxes, depreciation, and amortization.
- (b) Average Adjusted Profit – means the average of the Adjusted Profit reported by a select group of reporting Franchise Outlets during a respective Calendar Year.
- (c) Calendar Year – means, as to each respective year, the 12-month period commencing on January 1 and ending on December 31.
- (d) Company Owned Outlet – means an Outlet owned either directly or indirectly by us, our affiliate or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any Outlet that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us, our affiliate or any person identified in Item 2.
- (e) Direct Cost of Goods and Services Sold – means the direct non-managerial and non-administrative cost of goods sold and labor incurred by an Outlet in directly performing and/or installing Approved Services and Products resulting in Gross Sales. Direct Cost of Goods and Services Sold does not include managerial expenses, including field management, administrative expenses, Disclosed Expenses, operating expenses, or general expenses including, but not limited to credit card processing and bank fees.
- (f) Direct Gross Profit – means Gross Sales less Direct Cost of Goods and Services Sold. Direct Gross Profit is not net profit or income and, except as to Direct Cost of Goods and Services Sold, does not include the deduction of all other expenses incurred by a Brothers Gutters Business including, but not limited to, Disclosed Expenses, operating expenses, labor and employment expenses (except for direct labor in performing and/or installing the Approved Services and Products as disclosed in Direct Costs of Goods and Services Sold), interest, taxes, depreciation, and amortization.
- (g) Disclosed Expenses – refers to a limited selection of expenses as disclosed in the tables to this Item 19, comprised of the following select expense categories: rent, utilities, facility maintenance, marketing, office supply expenses, service vehicle expenses, recruiting, and franchisor related charges for Contact Center Fees, Technology Fees, Brand Development Fund Fees, and Royalty Fees.
- (h) Estimate – refers to an estimate outlining proposed pricing and scope of services that is provided by a Brothers Gutters Business to a prospective customer for the performance of Approved Services and Products following an on-site visit.
- (i) Franchise Outlet – refers to a Brothers Gutters Business operated under a Franchise Agreement that is not a Company Owned Outlet.

(j) Gross Sales – means the total revenue derived by each Outlet less sales tax, discounts, allowances and returns.

(k) Lead – refers to a prospective customer of a Brothers Gutters Business that contacts the official call center designated by us for the purpose of inquiring about Approved Services and Products.

(l) Lead to Estimate Conversion – refers to a Lead that requests a formal estimate for the potential sale and performance of Approved Services and Products.

(m) Median – means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.

(n) New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2022, as to the 2022 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet and not as an Operational Franchise Outlet (see definition below). If this Franchise Outlet remained in operation throughout the 2023 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2023 Calendar Year.

(o) Operational Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2022, as to the 2022 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet (see definition above) and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2023 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2023 Calendar Year.

(p) Outlet – refers to either a Company Owned Outlet or Franchise Outlet, as the context requires.

(q) Qualified Single-Family Household – refers to and means a single family household where the estimated annual household income exceeds \$60,000.

(r) Repeat Customer – refers to a customer of a Brothers Gutters Business that engages the Brothers Gutters Business for the performance of Approved Services and Products through two or more Work Orders over a period of time whether within the same calendar year or occurring months or years later.

(s) Work Order – refers to each unique work order requested by a customer and performed by our Company Owned Outlet, an Operational Franchise Outlet, or a New Franchise Outlet for the performance of Approved Services and Products.

(t) YOY Sales Growth – refers to the year over year calculation of the percentage of growth for Gross Sales for each Outlet. YOY Sales Growth is calculated by comparing the Gross Sales of a particular Calendar Year with the Gross Sales for the next Calendar Year.

## **BASES AND ASSUMPTIONS**

The financial information was not prepared on a basis consistent with generally accepted accounting principles during the respective Calendar Years. Data for the Franchise Outlets are based on financial information reported to us by our franchisees. The information in this analysis has not been audited, is based on historical financial data, and is not a forecast or projection of future financial performance.

## **COMPANY OWNED OUTLET**

We have one Company Owned Outlet operating from Poughkeepsie, New York. Our Company Owned Outlet has been in operation since 1999 and operates in a market where The Brothers that just do Gutters brand maintains significant awareness among consumers and a significant market presence for over 20 years. The territory in which our Company Owned Outlet operates includes approximately 320,174 Qualified Single-Family Households, with an Operating Territory comprising four Territories that have been supplemented with additional Qualified Single-Family Households. Below we report select financial performance data for our Company Owned Outlet for the 2021, 2022, and 2023 Calendar Years.

Material financial and operational characteristics that are reasonably anticipated to differ from future operational franchise outlets include: (a) managerial skill and efficiency experienced by our Company Owned Outlet as a result of our extensively experienced management team; (b) brand recognition within the local market in which our Company Owned Outlet operates; and (c) no obligation to pay ongoing fees that a franchisee will pay to us, such as Royalty Fees and Brand Development Fund Fees.

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Table 1

<b>Company Owned Outlet: Poughkeepsie, New York</b> 2021-2022 YOY Sales Growth: 8.0%   2022-2023 YOY Sales Growth: -1.5%						
	2021 Calendar Year		2022 Calendar Year		2023 Calendar Year	
	Total	% <sup>1</sup>	Total	% <sup>1</sup>	Total	% <sup>1</sup>
<b>Gross Sales</b>	\$4,247,291	100%	<b>\$4,586,679</b>	100%	<b>\$4,518,709</b>	100%
Less: Direct Cost of Goods and Services Sold						
Direct Labor Gross Wages and Taxes	(\$1,063,460)	25.0%	(\$1,029,293)	22.4%	(\$1,134,830)	25.1%
Direct Labor Workers' Comp/General Liability	(\$124,828)	2.9%	(\$98,123)	2.1%	(\$88,866)	2.0%
Job Materials and Sundries	(\$1,111,699)	26.2%	(\$1,167,849)	25.5%	(\$981,823)	21.7%
Equipment, Small Tools, and Rentals	(\$13,973)	0.3%	(\$16,056)	0.4%	(\$28,437)	0.6%
<b>Total Direct Cost of Goods and Services Sold</b>	<b>(\$2,313,960)</b>	54.5%	<b>(\$2,311,321)</b>	50.4%	<b>(\$2,233,956)</b>	49.4%
<b>Direct Gross Profit</b>	<b>\$1,933,331</b>	45.5%	<b>\$2,275,358</b>	49.6%	<b>\$2,284,753</b>	50.6%
Less: Disclosed Expenses						
Rent, Utility, and Facility Maintenance	(\$54,551)	1.3%	(\$56,672)	1.2%	(\$76,914)	1.7%
Marketing	(\$233,607)	5.5%	(\$276,379)	6.0%	(\$313,197)	6.9%
Office Supply Expenses	(\$37,830)	0.9%	(\$34,076)	0.7%	(\$32,146)	0.7%
Recruiting	(\$7,964)	0.2%	(\$7,277)	0.2%	(\$10,989)	0.2%
Service Vehicle Expenses	(\$234,992)	5.5%	(\$253,430)	5.5%	(\$216,996)	4.8%
Contact Center Fee	(\$127,419)	3.0%	(\$137,600)	3.0%	(\$135,662)	3.0%
Less: Adjustment for Disclosed Expenses not paid by Company Owned Outlet but charged to Franchise Outlets						
R royalty Fee <sup>2</sup>	(\$254,837)	6.0%	(\$275,201)	6.0%	(\$271,123)	6.0%
Technology Fee <sup>3</sup>	(\$2,400)	0.1%	(\$2,400)	0.1%	(\$2,400)	0.1%
Brand Development Fund Fee <sup>4</sup>	(\$84,946)	2.0%	(\$91,734)	2.0%	(\$90,374)	2.0%
<b>Total Disclosed Expenses</b>	<b>(\$1,038,546)</b>	24.5%	<b>(\$1,134,769)</b>	24.7%	<b>(\$1,149,801)</b>	25.45%
<b>Adjusted Profit</b>	<b>\$894,785</b>	21.1%	<b>\$1,140,589</b>	24.9%	<b>\$1,134,952</b>	25.12%

Notes to Table:<sup>1</sup> "%" represents the percentage of total Gross Sales.<sup>2</sup> The Royalty Fee is equal to 6% of Gross Sales.<sup>3</sup> The Technology Fee is \$200 per month but may be increased to up to \$500 per month.<sup>4</sup> The Brand Development Fund Fee is currently 2% of Gross Sales.

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## FRANCHISE OUTLETS

During the 2021 Calendar Year we had a total of 11 Operational Franchise Outlets and 28 New Franchise Outlets. During the 2022 Calendar Year we had a total of 33 Operational Franchise Outlets and 60 New Franchise Outlets. We do not include data for three Operational Franchise Outlets that did not maintain accurate and reliable financial records during the 2022 Calendar Year. During the 2023 Calendar Year we had a total of 71 Operational Franchise Outlets and 27 New Franchise Outlets. We do not include any data for the 27 New Franchise Outlets that opened during the 2023 Calendar Year and we do not include data for 11 Operational Franchise Outlets that did not maintain accurate and reliable financial records or failed to provide us with financial records for the during the 2023 Calendar Year. All Operational Franchise Outlets operate within the equivalent of a single Territory supplemented with additional Qualified Single-Family Households or multiple Territories with each Operational Franchise Outlet's aggregate territory size ranging from 75,000 to 900,000 Qualified Single-Family Households.

Table 2

<b>Franchise Outlet Summary</b>		
<b>Franchise Outlet</b>	<b>Territory</b>	<b>Description and Territory Size</b>
Franchise Outlets Commencing Operations Prior to 2021 Calendar Year		
Franchise Outlet 1	Lynchburg, VA	This Outlet commenced operations in February 2010. This Outlet operates in an Operating Territory comprising three Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 2	Monmouth, NJ	This Outlet commenced operations in February 2010. This Outlet operates in an Operating Territory comprising four Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 3	Virginia Beach, VA	This Outlet commenced operations in April 2015. This Outlet operates in an Operating Territory comprising three Territories that have been supplemented with additional Qualified Single-Family Households. This Outlet transferred all of its Territories to another Outlet in October 2021 and due to an interruption in operations until February 2022, it did not qualify as an Operational Franchise Outlet for the 2021 and 2022 Calendar Years, and this Outlet was closed for a portion of 2023 and therefore it did not qualify as an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 4	Lehigh Valley, PA	This Outlet commenced operations in May 2015. During the 2021 and 2022 Calendar Years this Outlet operated in an Operating Territory comprising four Territories that have been supplemented with additional Qualified Single-Family Households. In October 2023, this Outlet acquired two Territories from another Outlet, increasing the Operating Territory to six Territories. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 5	Richmond, VA	This Outlet commenced operations in June 2015. This Outlet operates in an Operating Territory comprising four Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 6	Jacksonville, FL	This Outlet commenced operations in April 2018. This Outlet operates in an Operating Territory comprising two Territories that have been supplemented

		with additional Qualified Single-Family Households. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 7	New Milford, CT	This Outlet commenced operations in October 2018. This Outlet operates in an Operating Territory comprising four Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021 and 2022 Calendar Years. We have excluded the financial performance data for this Franchise Outlet for the 2022 Calendar Year because the Franchise Outlet did not maintain accurate and reliable financial records, and this Franchise Outlet was terminated in 2023 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 8	San Antonio, TX	This Outlet commenced operations in January 2019. During the 2021 Calendar Year, this Outlet expanded its territory and operated in an Operating Territory comprising six Territories that have been supplemented with additional Qualified Single-Family Households. In May 2022, this Outlet acquired one Territory from another Outlet, increasing the Operating Territory to eight Territories. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 9	Charlotte, NC	This Outlet commenced operations in February 2019. During the 2021 and 2022 Calendar Year this Outlet operated in an Operating Territory comprising three Territories that have been supplemented with additional Qualified Single-Family Households. In May 2023, this Outlet acquired two Territories from another Outlet, increasing the Operating Territory to five Territories. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 10	Columbus, GA	This Outlet commenced operations in May 2019. This Outlet operates in an Operating Territory comprising three Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as an Operational Franchise Outlet for the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 11	NE Atlanta, GA	This Outlet commenced operations in June 2020. This Outlet operates in an Operating Territory comprising five Territories. This Franchise Outlet qualifies as an Operational Franchise Outlet during the 2021, 2022, and 2023 Calendar Years.
Franchise Outlet 12	NW Atlanta, GA	This Outlet commenced operations in October 2020. During the 2021 Calendar Year, this Outlet expanded its territory and in September 2021, this Outlet acquired one Territory from another Outlet, increasing the Operating Territory to five Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as an Operational Franchise Outlet during the 2021, 2022, and 2023 Calendar Years.

#### Franchise Outlets Commencing Operations During 2021 Calendar Year

Franchise Outlet 13	Marietta, GA	This Outlet commenced operations in February 2021. This Outlet operates in an Operating Territory comprising one Territory. This Franchise Outlet transferred its Territory to another Outlet in 2021 and, accordingly, was not an Operational Franchise Outlet for the 2021 Calendar Year.
Franchise Outlet 14	Rhode Island	This Outlet commenced operations in February 2021. This Outlet operates in an Operating Territory comprising three Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 15	Tyler, TX	This Outlet commenced operations in February 2021. This Outlet operates in an Operating Territory comprising one Territory that has been

		supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 16	Charleston, SC	This Outlet commenced operations in May 2021. This Outlet operates in an Operating Territory comprising two Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 17	East Birmingham, AL	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising one Territory that has been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 18	Fort Myers, FL	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising three Territories that have been supplemented with additional Qualified Single-Family Households. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 19	SW Kansas City, KS	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising one Territory. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and this Franchise Outlet was terminated in 2022 and, accordingly, was not an Operational Franchise Outlet for the 2022 and 2023 Calendar Years.
Franchise Outlet 20	North Philadelphia, PA	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 21	Nashville, TN	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising four Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 22	Clermont, FL	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 23	Little Elm, TX	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 24	West Orlando, FL	This Outlet commenced operations in June 2021. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 25	Austin, TX	This Outlet commenced operations in July 2021. In March 2022, this Outlet acquired three Territories from another Outlet and in May 2022, this Outlet acquired one Territory from another Outlet, increasing the territory to seven Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 26	Augusta, GA	This Outlet commenced operations in July 2021. This Outlet operates in an Operating Territory comprising one Territory. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 27	Hartford, CT	This Outlet commenced operations in July 2021. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet

		qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 28	North Austin/Round Rock, TX	This Outlet commenced operations in July 2021. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and this Franchise Outlet transferred all of its Territories to another Outlet in 2022 and, accordingly, was not an Operational Franchise Outlet for the 2022 and 2023 Calendar Years.
Franchise Outlet 29	St. Louis, MO	This Outlet commenced operations in October 2021. During the 2021 and 2022 Calendar Year this Outlet operated in an Operating Territory comprising four Territories. In February 2023, this Outlet acquired two Territories from another Outlet, increasing the Operating Territory to six Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 30	Tri Cities, TN	This Outlet commenced operations in November 2021. This Outlet operates in an Operating Territory comprising one Territory. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 31	Douglas County, CO	This Outlet commenced operations in November 2021. During the 2022 Calendar Year, this Outlet merged with a Franchise Outlet that had not yet opened and in July 2022, this Outlet acquired two Territories from another Outlet, increasing the Operating Territory to eight Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 32	Bradenton/Sarasota, FL	This Outlet commenced operations in November 2021. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 33	Northwest Denver, CO	This Outlet commenced operations in November 2021. This Outlet operates in an Operating Territory comprising four Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year, an Operational Franchise Outlet during the 2022 Calendar Year, and this Franchise Outlet transferred all of its Territories to another Outlet in 2023 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year. We have excluded the financial performance data for this Franchise Outlet for the 2022 Calendar Year because the Franchise Outlet did not maintain accurate and reliable financial records.
Franchise Outlet 34	The Miami Valley, OH	This Outlet commenced operations in November 2021. During the 2021 and 2022 Calendar Years, this Outlet operated in an Operating Territory comprising three Territories and in November 2023, this Outlet transferred one Territory to another Outlet and terminated the remaining two Territories and, accordingly, was a New Franchise Outlet for the 2021 Calendar Year, was an Operational Franchise Outlet for the 2022 Calendar Year, and was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 35	Oklahoma City Metro, OK	This Outlet commenced operations in November 2021. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 36	Capital District, NY	This Outlet commenced operations in November 2021. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years. We have excluded the financial performance data for this Franchise Outlet for the 2022 and 2023 Calendar Years because the Franchise Outlet did not maintain accurate and reliable financial records.

Franchise Outlet 37	North Dallas, TX	This Outlet commenced operations in November 2021. This Outlet operates in an Operating Territory comprising four Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 38	Chattanooga, TN	This Outlet commenced operations in December 2021. This Outlet operates in an Operating Territory comprising one Territory. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years.
Franchise Outlet 39	San Antonio NE, TX	This Outlet commenced operations in December 2021. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and this Franchise Outlet transferred all of its Territories to another Outlet in 2022 and, accordingly, was not an Operational Franchise Outlet for the 2022 and 2023 Calendar Years.
Franchise Outlet 40	North Jacksonville, FL	This Outlet commenced operations in December 2021. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2021 Calendar Year and an Operational Franchise Outlet during the 2022 and 2023 Calendar Years. We have excluded the financial performance data for this Franchise Outlet for the 2023 Calendar Year because the Franchise Outlet did not maintain accurate and reliable financial records.

#### Franchise Outlets Commencing Operations During 2022 Calendar Year

Franchise Outlet 41	Tampa, FL	This Outlet commenced operations in January 2022. This Outlet operates in an Operating Territory comprising five Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and this Franchise Outlet was terminated in 2022 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 42	Buckhead W Atlanta, GA	This Outlet commenced operations in January 2022. This Outlet operates in an Operating Territory comprising four Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.
Franchise Outlet 43	McKinney/East Dallas, TX	This Outlet commenced operations in January 2022. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.
Franchise Outlet 44	Tulsa, OK	This Outlet commenced operations in January 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and this Franchise Outlet was terminated in 2022 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 45	Raleigh/Winston Salem, NC	This Outlet commenced operations in January 2022. This Outlet operates in an Operating Territory comprising eight Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.
Franchise Outlet 46	North Houston, TX	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising four Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.
Franchise Outlet 47	Northwest Houston, TX	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year. We have excluded the financial performance data for this Franchise Outlet for the 2023 Calendar Year because the Franchise Outlet did not maintain accurate and reliable financial records.

Franchise Outlet 48	Greenville, NC	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and this Franchise Outlet closed in 2023 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 49	Miami, FL	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year. We have excluded the financial performance data for this Franchise Outlet for the 2023 Calendar Year because the Franchise Outlet failed to provide us with financial records.
Franchise Outlet 50	Jackson, MS	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and this Franchise Outlet closed in 2023 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 51	Baton Rouge/Northshore, LA	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.
Franchise Outlet 52	St. Paul, MN	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and this Franchise Outlet transferred all of its Territories to another Outlet in 2023 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 53	Cleveland West, OH	This Outlet commenced operations in February 2022. This Outlet operates in an Operating Territory comprising four Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.
Franchise Outlet 54	Treasure Valley, ID	This Outlet commenced operations in March 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and this Franchise Outlet closed in 2023 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 55	Akron/Canton, OH	This Outlet commenced operations in March 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year. We have excluded the financial performance data for this Franchise Outlet for the 2023 Calendar Year because the Franchise Outlet failed to provide us with financial records.
Franchise Outlet 56	South Cleveland, OH	This Outlet commenced operations in March 2022. This Outlet operates in an Operating Territory comprising two Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and this Franchise Outlet transferred all of its Territories to another Outlet in 2023 and, accordingly, was not an Operational Franchise Outlet for the 2023 Calendar Year.
Franchise Outlet 57	West Houston, TX	This Outlet commenced operations in March 2022. This Outlet operates in an Operating Territory comprising three Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.
Franchise Outlet 58	Indianapolis, IN	This Outlet commenced operations in March 2022. This Outlet operates in an Operating Territory comprising five Territories. This Franchise Outlet qualifies as a New Franchise Outlet during the 2022 Calendar Year and an Operational Franchise Outlet during the 2023 Calendar Year.