

THE FRANCHISE RELATIONSHIP			
	Provision	Section in Franchise or Other Agreement	Summary
r.	Non-competition covenants after the franchise is terminated or expires	Sections 10.7 and 15.3	No direct or indirect involvement or interest in a business that offers commercial or residential building restoration services, or any competitive or similar business for two years within 100 miles of your Franchised Area or the Franchised Area of any other Storm Guard® franchisee. You must also comply with post-term non-solicitation covenants for a period of two years after the franchise is terminated or expires.
s.	Modification of the agreement	Sections 21.2 and 21.4	No modifications generally, but we have the right to change the Operations Manual, list of authorized Marks and System.
t.	Integration/merger clause	Section 21.2	Only the terms of the Franchise Agreement are binding (subject to state and federal law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 18.2	Except for certain claims, parties must submit to arbitration where we have our principal place of business (currently, Fort Worth, Texas) before litigation.
v.	Choice of forum	Section 18.1	Litigation must be in any state or federal court of competent jurisdiction where we have our principal place of business (currently Fort Worth, Texas) (subject to federal and state law).
w.	Choice of law	Section 21.8	The laws of the State of Texas, without regard to its choice of law provisions, shall apply. The choice of law provision is subject to state law.

## ITEM 18 PUBLIC FIGURES

We currently 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.

Table A in this Item 19 presents historical information regarding the actual operating results for the franchised Storm Guard® businesses that were open and operating throughout the entire period from January 1, 2024 through December 31, 2024 (the “Reporting Period”). Any franchisees that were terminated or ceased to operate for other reasons at any point during the Reporting Period are not included in this Item 19. Table A includes two sections: (1) an average of the operating results for all reporting franchised Storm Guard® businesses that were operating throughout the entire Reporting Period; and (2) the median of the operating results for all reporting franchised Storm Guard® businesses that were operating throughout the entire Reporting Period.

Table B in this Item 19 presents historical information for the Reporting Period regarding the actual operating results for the franchised Storm Guard® businesses that represent the top 15% and bottom 15% of all reporting franchisees, measured by EBITDA + Owner Compensation (see footnotes 16, 19, and 20 below the tables for more information), that were open and operating throughout the entire Reporting Period.

Table C in this Item 19 presents the average job size for the Reporting Period across all Storm Guard® business that were in operation anytime during the Reporting Period, including those businesses excluded from Tables A and B. The average job size excludes all repair jobs that have a total price of less than \$2,000.

Neither Table A nor Table B includes information for our company-owned Storm Guard® business or the franchised Storm Guard® businesses that were not open and operating throughout the entire Reporting Period. During the Reporting Period, one new franchised location began operations, so that location is not included in this Item 19 due to its limited operating history.

This information is not audited.

As of December 31, 2024 (i.e. the end of the Reporting Period), there were 35 Storm Guard® franchisees in operation, but only 34 franchised Storm Guard® locations were open and in operation throughout the entire Reporting Period as one franchise signed a franchise agreement and began operations during the Reporting Period. Of the 34 franchisees that were in operation for the entire Reporting Period, 30 provided the financial information requested by us and required for inclusion in this Item 19, while four franchisees were not able to provide financial information by the applicable deadline (despite our extension of the deadline and repeated requests for the required financial information). Therefore, we were unable to include those franchisees’ financial information in this Item 19. Table A is comprised of the operating results for 30 of the 34 Storm Guard® franchisees that were in operation throughout the entire Reporting Period.

Information for our one company-owned Storm Guard® business is not included in this Item 19.

We derived all of the figures shown in the table below from information provided by, and in the possession of, our franchisees. This information is unaudited, but we believe it is accurate and reliable.

**Some Storm Guard® Businesses have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.**

**Table A<sup>(1)</sup>**  
**AVERAGE INCOME, COSTS OF GOODS SOLD, OPERATING EXPENSES and EBITDA PLUS OWNER COMPENSATION FOR FRANCHISEES OPEN THROUGHOUT THE ENTIRE REPORTING PERIOD**  
**(January 1, 2024 – December 31, 2024)**

	<b>Average<sup>(2)</sup></b>	<b>Median<sup>(2)</sup></b>
<b>Income<sup>(3)</sup></b>	<b>\$2,675,070</b>	<b>\$2,117,495</b>
Materials <sup>(4)</sup>	\$734,634	\$724,255
Labor <sup>(5)</sup>	\$662,556	\$582,118
<b>Cost of Goods Sold<sup>(6)</sup></b>	<b>\$1,397,190</b>	<b>\$1,287,818</b>
<b>Gross Profit<sup>(7)</sup></b>	<b>\$1,277,880</b>	<b>\$917,053</b>
Royalty & Brand Development Fund <sup>(8)</sup>	\$181,189	\$133,113
Sales <sup>(9)</sup>	\$260,002	\$201,179
Production <sup>(10)</sup>	\$89,792	\$64,152
Marketing <sup>(11)</sup>	\$82,453	\$42,875
G&A <sup>(12)</sup>	\$302,191	\$269,679
Occupancy <sup>(13)</sup>	\$48,657	\$34,279
Other <sup>(14)</sup>	\$112,856	\$100,353
<b>Total Expenses<sup>(15)</sup></b>	<b>\$1,077,140</b>	<b>\$921,397</b>
<b>EBITDA Plus Owner Comp. <sup>(16) and (20)</sup></b>	<b>\$375,370</b>	<b>\$209,951</b>
<b>Owner-Occupied Dwellings<sup>(17)</sup></b>	232,548	231,845

**Table B<sup>(18)</sup>**

**AVERAGE INCOME, COSTS OF GOODS SOLD, OPERATING EXPENSES and EBITDA PLUS OWNER COMPENSATION FOR THE TOP 15% OF FRANCHISEES AND BOTTOM 15% OF FRANCHISEES**  
**(January 1, 2024 – December 31, 2024)**

	<b>Top 15%<sup>(18)</sup></b>	<b>Bottom 15%<sup>(18)</sup></b>
<b>Income<sup>(3)</sup></b>	<b>\$5,121,290</b>	<b>\$1,162,308</b>
Materials <sup>(4)</sup>	\$1,326,205	\$371,548
Labor <sup>(5)</sup>	\$1,131,019	\$329,071
<b>Cost of Goods Sold<sup>(6)</sup></b>	<b>\$2,457,224</b>	<b>\$700,619</b>
<b>Gross Profit<sup>(7)</sup></b>	<b>\$2,664,066</b>	<b>\$461,689</b>
Royalty & Brand Development Fund <sup>(8)</sup>	\$342,128	\$83,137
Sales <sup>(9)</sup>	\$502,551	\$190,727
Production <sup>(10)</sup>	\$182,869	\$34,417
Marketing <sup>(11)</sup>	\$92,521	\$58,909
G&A <sup>(12)</sup>	\$579,978	\$142,573
Occupancy <sup>(13)</sup>	\$83,640	\$46,358
Other <sup>(14)</sup>	\$174,280	\$600,177
<b>Total Expenses<sup>(15)</sup></b>	<b>\$1,957,967</b>	<b>\$616,298</b>
<b>EBITDA Plus Owner Comp. <sup>(16)</sup> and (20)</b>	<b>\$1,134,757</b>	<b>(\$74,092)</b>
<b>Owner-Occupied Dwellings<sup>(17)</sup></b>	246,437	215,397

**Table C<sup>(19)</sup>**

**AVERAGE JOB SIZE OF ALL JOBS COMPLETED BY STORM GUARD FRANCHISEES DURING THE REPORTING PERIOD, EXCLUDING REPAIR JOBS OF LESS THAN \$2,000**  
**(January 1, 2024 – December 31, 2024)**

<b>AVERAGE JOB SIZE</b>	<b>\$14,017</b>
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(1) Table A includes two columns of numbers. The first column is based on averages from franchised Storm Guard® businesses that were in business for the entire Reporting Period, and the second column is the median from franchised Storm Guard® businesses that were in business for the entire Reporting Period.

(2) The “Average” column is comprised of the average operating numbers for all of the franchised Storm Guard® businesses that were in operation throughout the entire Reporting Period, except for (a) one franchisee who owns two franchises located in Ashville, North Carolina and Johnson City, Tennessee, who did not provide financial information to us by the deadline (or extended deadlines) to be included in Table A; (b) one franchisee located in Pittsburgh, Pennsylvania who did not provide financial information to us by the deadline (or extended deadlines) to be included in Table A; and (c) one franchisee located in Sarasota, Florida who did not provide financial information to us by the deadline (or extended deadlines) to be included in Table A. The “Median” column is comprised of the median operating numbers for all franchisees who were included in the Average column.

(3) The term “Income”, as reflected in the first line item of this table, includes all revenue and income received from operations from January 1, 2024 through December 31, 2024. This may include revenue received for jobs completed prior to January 1, 2024, but for which payment was received, in whole or in part, during the Reporting Period.

(4) “Materials” includes all costs of materials that franchisees included within the materials section of their income statements including, but not limited to residential and commercial roofing materials, gutter materials, siding materials, and any other materials used in completing work. From time to time we are able to secure rebates from material suppliers and manufacturers that are paid back to our franchisees. The figures shown in the table above may include rebates for some franchisees. Franchisees are encouraged, but do not always, include rebates in their P&Ls. No rebates are guaranteed, and we are under no obligation to secure such rebates on behalf of our franchisees.

(5) “Labor” includes all costs of labor that franchisees included within the labor section of the income statements including, but not limited to residential and commercial roofing labor, gutter labor, siding, labor, and any other labor (other than W2 labor) used in completing work.

(6) “Cost of Good Sold” is the sum of the Materials and Labor lines and is the total cost of all materials and labor used to complete services provided by Storm Guard.

(7) “Gross Profit” means total Income shown in the first line item of this table minus Costs of Goods Sold for the first column (Average); for the Median column, the Gross Profit is the median Gross Profit for all franchisees included in this table.

(8) “Royalty and Brand Development” means the total of the royalty and brand development fees paid to us during the reporting period.

(9) “Sales” includes expenses incurred by franchisees related to obtaining sales including, but not limited to, salaries and commissions paid to sales managers and sales people, compensation paid to canvassers, and expenses related to sales people such as vehicle and gas expenses.

(10) “Production” includes expenses incurred by franchisees related to producing jobs, other than materials and contract labor included in the Cost of Goods lines. Production includes expenses including, but not limited to, W2 salaries paid to production managers and production assistants, small tools and equipment, expenses related to production people such as vehicle and gas expenses, and warranty expenses related to providing warranty services on completed jobs.

(11) “Marketing” includes expenses related to direct and indirect marketing including, but not limited to, vehicle wraps, search engine optimization fees, paid internet advertising like Meta and Google,

fees paid to lead aggregators like Angie's List, printing fees for yard signs and printed handouts, sponsorships, uniforms, and expenses related to referral programs.

- (12) "G&A" are general and administrative expenses that are related to the day to day operations of the business and include expenses like the franchisee's salary, administrative assistant salaries, payroll expenses and taxes (but some franchisees split payroll expenses between the all categories that include W2 salaries), and expenses like meals and entertainment, learning and development, and vehicle expenses related to the franchisee.
- (13) "Occupancy" includes expenses related directly to the business office including, but not limited to, rent, utilities, triple net fees, and property repairs.
- (14) "Other" includes all expenses that a franchisee may incur that are not included in any of the other categories and commonly include general liability insurance, legal fees, office supplies, postage, bank service charges, dues and subscription fees, license fees, accounting fees, depreciation, amortization, interest, and taxes.
- (15) "Total Expenses" means the sum of (a) Royalty and Brand Development Fees, (b) Sales, (c) Production, (d) Marketing, (e) G&A, (f) Occupancy, and (g) Other for the first column (Average); for the Median column, the Total Expenses is the median Total Expenses for all franchisees included in this table.
- (16) The term "EBITDA", as used in this table, means earnings before interest, taxes, depreciation and amortization. For purposes of this Item 19, two types of compensation paid to owners was added back for the "EBITDA Plus Owner Compensation" line: (a) compensation paid to owners who categorized themselves as general managers; and (b) compensation paid to owners' spouses in excess of \$50,000. For both a and b, compensation includes the actual compensation paid to such owners plus directly related expenses such as payroll processing fees and taxes, as well as the cost of medical and other benefits that were paid on behalf of the franchise owners working as general managers. In addition, during calendar year 2024, one franchisee included in the table above incurred an expense of \$130,748 to write off several years of bad debt; while franchisees do typically write off some amount of bad debt each year, this is atypical, so \$100,000 of the bad debt was not included in calculating the franchisee's expenses.
- (17) The average and median number of owner-occupied households is based on the data provided by the third-party mapping service that is used to create territories for sale. The average and median number of owner-occupied households includes data from the same franchisees used to calculate the average and median financial numbers.
- (18) Table B is comprised of the average operating numbers for the top 15% and bottom 15% of franchisees based on EBITDA + Owner Income. The top 15% and bottom 15% both include the average operating numbers for 4 franchisees.
- (19) The average job size reflected in Table C was taken from our CRM, in which franchisees are required to input and report all sales.
- (20) Number of Storm Guard® businesses that Attained or Surpassed Stated Averages. 13 of the 30 (43%) Storm Guard® businesses included in Table A attained or surpassed the stated total Income average shown in the "Average" column in Table A. The highest total Income attained by a franchisee during the Reporting Period was \$7,903,717. The lowest total Income attained by a franchisee during the Reporting Period was \$404,164. 10 of the 30 (33%) Storm Guard® businesses

included in Table A attained or surpassed the stated EBITDA Plus Owner Compensation average shown in the “Average” column in Table A. The highest EBITDA Plus Owner Compensation attained by a franchisee during the Reporting Period was \$1,268,156, and the lowest EBITDA Plus Owner Compensation attained by a franchisee during the Reporting Period was \$(219,478).

Written substantiation for the financial performance representations will be made available to prospective franchisees upon reasonable request.

Other than included in this Item 19, we do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any 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 Shane Lynch at 5000 Overton Plaza, Suite 200, Fort Worth, Texas 76109 or (817) 377-6360, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE No. 1**  
**Systemwide Business Summary**  
**For Years 2022 to 2024<sup>(1)</sup>**

<b>Business Type</b>	<b>Year</b>	<b>Businesses at the Start of the Year</b>	<b>Businesses at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	2022	35	38	+3
	2023	38	34	-4
	2024	34	35	+1
<b>Company-Owned</b>	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
<b>TOTAL</b>	<b>2022</b>	<b>36</b>	<b>39</b>	<b>+3</b>
	<b>2023</b>	<b>39</b>	<b>35</b>	<b>-4</b>
	<b>2024</b>	<b>35</b>	<b>36</b>	<b>+1</b>

**Note 1:** Our fiscal year end is December 31<sup>st</sup>.

**TABLE No. 2**  
**Transfers of Businesses From Franchisees to New Owners**  
**For Years 2022 to 2024**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>North Carolina</b>	2022	1
	2023	1
	2024	1
<b>TOTAL</b>	<b>2022</b>	<b>1</b>
	<b>2023</b>	<b>1</b>
	<b>2024</b>	<b>1</b>