

Provision	Section in Franchise Agreement	Section in Multi-Territory Addendum	Summary
			be governed by the law of the state where the Franchised Business is located.

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 by, for example, providing information about possible performance at a particular location or under particular circumstances.

Historical Financial Performance Representation

We suggest strongly that you consult with a franchise attorney and your financial advisor or personal accountant concerning this investment and the preparation of any financial projections, which we will not review or comment on, as well as federal, state, and local income taxes and any other applicable taxes that you may incur in operating an Insulation Commandos Franchised Business.

This Item 19 presents certain historical financial performance information about the Reporting Outlet (as defined below) in Southern California during the 2024 calendar year (the "Measurement Period"), as reported to us by the Reporting Outlet. We have not audited this information, nor independently verified this information. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

As of December 31, 2024, only one (1) franchised business (the "Reporting Outlet") was open during the entirety of the Measurement Period; our remaining franchisees have been open for six (6) months or less. Accordingly, we have excluded from this Item 19 the financial performance of our other franchised outlets.

The Reporting Outlet is located in Van Nuys, California and first opened in November 2022 under a different trade name, "Atticlean." In June 2023, the Reporting Outlet began operating under our Principal Mark, and in February 2024, we entered into a franchise agreement with the owners of the Reporting Outlet (the "Reporting Outlet FA"). The Reporting Outlet is owned and operated by a company owned by two of our owners. Because the Reporting Outlet is owned and operated by certain of our owners and commenced operating prior to the date we began offering franchise opportunities, under the terms of the Reporting Outlet FA, we granted the Reporting Outlet the right to operate its Franchised Business in a large Designated Territory that consists of portions of, or all of, Los Angeles County, Ventura County, and Orange County, California, a total service area approximately 30 times larger than a typical Designated Territory (as

disclosed in Item 12) (the “Larger Designated Territory”).

The Reporting Outlet (i) has operated since June 2023 under our Principal Mark “Insulation Commandos”; (ii) offers all Approved Products and Approved Services that our franchisees are authorized to offer at and from a Franchised Business; and (iii) utilizes two (2) wrapped service vehicles, each of which features our Proprietary Mark and is wrapped as required of our System Franchised Businesses. While the Reporting Outlet has the right to operate in the Larger Designated Territory, approximately 80 to 90% of the Reporting Outlet’s Gross Revenue during the Measurement Period was derived from the provision of Approved Products and Approved Services in Los Angeles County, California.

Table 1 of this Item 19 discloses the Reporting Outlet’s (i) Gross Revenue during the Measurement Period; (ii) the total cost of goods sold (“COGS”), and the Gross Revenue Less COGS during the Measurement Period; and (iii) certain other disclosed operating expenses during the Measurement Period, Imputed Fees, as well as Total Gross Revenue Less COGS, Disclosed Expenses and Imputed Fees during the Measurement Period.

Table 2 of this Item 19 discloses certain other data of the Reporting Outlet during the Measurement Period, including (i) the total number of jobs completed, and (ii) the average ticket price per job, as well as the high, low and median ticket price per job and the number and percentage that met or exceed the average.

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Table 1

Reporting Outlet		
1/1/2024 – 12/31/2024 (“Measurement Period”)		
<i>Original Opening Date for the Reporting Outlet: November 2022</i>		
	Totals	% of Gross Revenue
Gross Revenue	\$1,445,861.91	
<i>Cost of Goods Sold (COGS)</i>		
Job Supplies & Materials	\$308,506.32	21.3%
Disposal Fees	\$9,708.92	0.7%
Direct Fuel	\$32,033.96	2.2%
Installer Labor	\$266,510.79	18.4%
Payment Processing Fees	\$9,101.32	0.6%
Adjusted Gross Revenue (Gross Revenue Less COGS)	\$820,000.60	56.7%
<i>Other Disclosed Expenses</i>		
Marketing & Sales	\$235,057.94	16.3%
Insurance	\$96,638.31	6.7%
Occupancy Costs	\$48,450.00	3.4%
<i>Imputed Royalty (4-6%)</i>	<i>\$82,293.10</i>	<i>5.7%</i>
<i>Imputed Brand Development Fund (1%)</i>	<i>\$14,458.62</i>	<i>1%</i>
<i>Imputed Technology Fee</i>	<i>\$3,000</i>	<i>0.2%</i>
Gross Revenue Less COGS, Disclosed Expenses, & Imputed Fees	\$340,102.64	23.5%

Table 2

Reporting Outlet	
Number of Jobs Completed during Measurement Period	334
Average Ticket	\$4,321.00
Highest Ticket	\$49,236.79
Lowest Ticket	\$151.20
Median Ticket	\$3,790.00
# and % of Tickets that Met or Exceeded the Average	112 (33%)
Average Revenue Per Truck (2)	\$722,930.96

NOTES TO THIS ITEM 19:

A. **Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.**

B. The historical financial performance representation included in this Item 19 includes certain performance information reported by the Reporting Outlet for the Measurement Period only. It is not a projection of what you can expect to achieve in connection with the operation of a Franchised Business, or a projection of what the Reporting Outlet will achieve in the future.

C. **Defined Terms:**

- i. “Gross Revenue” means the total reported revenues and receipts from the sale of all products and services sold through the Reporting Outlet, as reported to us by the Reporting Outlet. Gross Revenue does not include sales tax, nor does it include the value of any discounts, gift cards or other credits or rebates.
- ii. “Cost of Good Sold (COGS)” includes those categories of expenses disclosed in Table 1, specifically, Job Supplies & Materials, Disposal Fees, Direct Fuel, Installer Labor and Payment Processing Fees.
- iii. “Job Supplies & Materials” means the reported cost of job supplies and materials used in connection with the operation of the Reporting Outlet during the Measurement Period, as reported to us by the Reporting Outlet.
- iv. “Disposal Fees” means the reported cost paid to third-party waste disposal sites for the disposal of waste in connection with the operation of the Reporting Outlet during the Measurement Period, as reported to us by the Reporting Outlet.
- v. “Direct Fuel” means the reported cost of (a) vehicle fuel and (b) fuel used to power certain equipment in the provision of Approved Services in connection with the operation of the Reporting Outlet during the Measurement Period, as reported to us by the Reporting Outlet.
- vi. “Installer Labor” means all wages paid to installer personnel for their performance of the Approved Services as reported to us by the Reporting Outlet. Installer Labor does not include other business employee wages, payroll taxes, nor any commission payments made to the Reporting Outlet’s sales personnel.
- vii. “Payment Processing Fees” means the costs associated with merchant service providers incurred by the Reporting Outlet during the Measurement Period to pay payment processing fees and/or transaction fees, as reported to us by the Reporting Outlet.
- viii. “Marketing & Sales” means the costs associated with marketing and promotion that were expended by the Reporting Outlet during the Measurement Period, as reported to us by the Reporting Outlet.
- ix. “Insurance” means the costs expended for the Reporting Outlet’s general liability, workers’ comp, automobile insurance, and life insurance policies during the Measurement Period, as reported to us by the Reporting Outlet.

x. “Occupancy Costs” means the reported costs associated with office and warehouse space, the Reporting Outlet’s security system, and certain repairs and maintenance conducted by the Reporting Outlet during the Measurement Period, as reported to us by the Reporting Outlet.

D. The Reporting Outlet did not pay the “Imputed Fees” to us during the Measurement Period. The Imputed Fees are defined as the Imputed Royalty (4-6% of Gross Revenue during the Measurement Period), Imputed Brand Development Fund (1% of Gross Revenue during the Measurement Period), and Imputed Technology Fee (\$250 per month during the Measurement Period). The Imputed Royalty listed in the above takes into account a reduced Royalty on Gross Revenue in excess of \$1 million, because as of the issuance date of this disclosure document, we offer franchisees that meet certain Gross Sales thresholds a reduced Royalty rate on the portion of Gross Sales that exceed such thresholds, as follows: (i) for Gross Sales in excess of \$1 million: 5%, and (ii) for Gross Sales in excess of \$2 million: 4%. You will be required to pay the Imputed Fees, as well as all other fees due to us under the Franchise Agreement.

E. The Reporting Outlet operates similarly to our System franchisees, in that the Reporting Outlet (i) operates under our Principal Marks (since June 2023); (ii) offers and provides Approved Products and Approved Services in connection with the operation of the Franchised Business; and (iii) utilizes our Principal Marks on its service trucks and in all advertising and promotional materials (since June 2023). However, as stated above in this Item 19, under the Reporting Outlet FA, the Reporting Outlet is authorized to operate in the Larger Designated Territory (which is a service area that is approximately thirty (30) times larger than that of a typical Designated Territory as disclosed in Item 12).

F. You are strongly encouraged to develop your own business plan for your franchise, including capital budgets, financial statements, projections, pro forma financial statements, and other elements appropriate to your circumstances before you invest in this franchise opportunity. We encourage you to consult with your own accounting, business, and legal advisors to assist you in preparing your business plan.

G. The information presented in this Item 19 only discloses the specific expenses included in COGS and Other Disclosed Expenses. It does not include or reflect all operating expenses, including but not limited to lease- or rent-related expenses, office supplies and equipment costs, telephone expenses, computer system expenses, certain required insurance policy premium costs, accounting fees, payroll taxes, bank charges, repairs and maintenance, meals and entertainment, and other costs and expenses that you will incur in operating a Franchised Business. Franchisees or former franchisees listed in Exhibit H to this Disclosure Document may be one source of this information. You are encouraged to do your own due diligence before investing in this franchise opportunity.

H. The information presented in this Item 19 excludes tax liabilities. You will be responsible for all taxes incurred in connection with the operation of your Franchised Business. You are strongly advised to consult with a tax professional before investing in this franchise opportunity.

Other than the preceding financial performance representation, we do not make any financial performance representation. 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 our management by contacting our Chief Executive Officer, Dustin Ingle, c/o Insulation Commandos Franchising, LLC, 219 Industrial Drive, Suite B, Clarksville, Tennessee 37040, Telephone (615) 549-0727, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet* Summary for Years 2022 through 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	1	+1
	2024	1	32	+31
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	1	+1
Total Outlets	2022	0	0	0
	2023	0	1	+1
	2024	1	33	+32

**Each of the outlets listed in this Item 20 represents a Territory in which a System franchisee is authorized to operate its Franchised Business.*

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022 through 2024

State	Year	Number of Transfers
Total	2022	0
	2023	0
	2024	0