

## FRANCHISE DISCLOSURE DOCUMENT



Nationwide Lifts, Inc.  
A New York corporation  
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As a Nationwide Lifts franchisee, you will operate a business that sells, services and installs home elevators and associated products. You will operate a mobile business. The total investment necessary to begin operation of a Nationwide Lifts franchise is between \$49,200 to a high of \$74,500, which includes from \$30,000 paid to Nationwide Lifts or its affiliates.

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 Jason Booher at 4063 Brady St, Yorkville, IL 60560, (773) 678-7647 or Jason.Booher@nwlifts.com.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your contract carefully. Show your contract and this disclosure document to a trusted 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.

THE ISSUE DATE OF THIS DISCLOSURE DOCUMENT IS June 13, 2025.

## 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
How much can I earn?	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 Exhibit F.
How much will I need to invest?	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.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Nationwide Lifts business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Nationwide Lifts franchisee?	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	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 C.

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 mediation, arbitration and/or litigation only in New York. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in [State] than in your own state.
2. **Mandatory Minimum Payments.** You must make mandatory minimum royalty payments regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.

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

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## 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

This disclosure document describes Nationwide Lifts franchises. To simplify the language in this disclosure document, “we,” “us,” “our,” means Nationwide Lifts, LLC, a New York corporation, the franchisor. “You” means the business entity, person, or persons who sign the Franchise Agreement, the franchisee. Nationwide Lifts is a New York corporation chartered on August 25, 2004 at which time it began operations. Our principal place of business is at 4063 Brady Street, Yorkville, IL 60560 (Telephone Number 773-678-7647).

We have one affiliate, S&H Enterprises, Inc., d/b/a Nationwide Lifts based at 10B Holden Avenue. It was founded in 1998. In 2003, Andrew Darnley, III, joined the company from California and moved to New York to run the company from Syracuse, New York. This company provides the basis for the business plan that will be shared with franchisees under the Nationwide Lifts Franchise Agreement.

Currently, S&H Enterprises, Inc., d/b/a Nationwide Lifts services residential elevator clients nationwide.

We do not have a predecessor or a parent company.

We do not now, nor will we in the future offer home elevator sales or service in any name other than Nationwide Lifts nor do we offer franchises under any other name or in any other industry.

Our agent for service of process in New York is Andrew Darnley, and in Illinois, Jason Booher. Refer to the Schedule of State Agencies attached for information on the agent for service of process in other states where we may be registered.

We grant franchises the right to market, sell, and install various home elevator products from our established manufacturers, with whom we have contractual agreements. Franchisees will market and operate their businesses under our trade name **NATIONWIDE LIFTS**. Franchisees utilize our approved list of products and our website which identifies and describes the benefits of our services. Licensees generate revenues by selling and installing a variety of home elevator products to homeowners and businesses, utilizing our name, operating systems, and procedures.

We offer major advantages to persons interested in entering the home elevator field. Many of our marketing techniques are proprietary and we believe we will be able to help you meet licensing and insurance requirements in your marketplace. We award you the right to use our name and logo in your market, for soliciting business, in advertising, signage, brochures, letterhead and business cards. We will also add your franchise's contact information to our web site to help you gain credibility in your community and generate sales. While we believe that your affiliation with our system is very beneficial, it does not guarantee that you will develop a successful or profitable business operation. Starting in 2010, we are increasingly marketing our franchises to people who are either already in the elevator business or who have some work experience in the industry, but we will still sell to other qualified candidates.

We have been offering franchises since December 17, 2004. We have not granted franchises in any other lines of business. We may, in the future, operate **Nationwide Lifts** offices in various markets that we do not currently service, but we will not encroach on the territory of a franchisee. Our affiliate

company **S&H Enterprises, Inc.**, has operated a business similar to that offered by this circular nationwide since 1997. In 2014 we started offering what we call an Affiliate arrangement to businesses already in the lift business, where they would get the right to sell certain products otherwise available only to our franchisees, and would pay a royalty based on the sale of those products. They will not do business as Nationwide Lifts and cannot sell in a territory that has been assigned to one of our franchisees. We currently operate the websites, [www.elevators.com](http://www.elevators.com) and [www.nwlifts.com](http://www.nwlifts.com), which promote our products and services through the internet. We will add new franchisees' contact information to this website when they are trained and prepared to service their markets and we will forward leads generated through our website to the franchisee whose license gives them the rights to service the area of the inquirer.

There are several state and federal regulations specific to the operation of a **Nationwide Lifts** office. In most markets, you, or someone on your staff, will need to have an elevator installation or maintenance license to oversee your operation. You will also be required to comply with numerous government regulations affecting the operation of your franchise and your relationship with employees, including minimum wage requirements, overtime, working conditions and citizenship requirements. There may be other laws applicable to your business and we urge you to make further inquiries of your advisors about such regulation.

You will compete with other businesses offering similar products and services. The home elevator industry is experiencing growth and a proliferation of businesses (and individuals) that offer similar and alternative products that are locally, regionally or nationally owned. The industry typically experiences minimal seasonal revenue fluctuations.

## **2. BUSINESS EXPERIENCE**

### President: Andrew Darnley, III

Andy is a pioneer in the elevator industry and founded Nationwide Lifts in 2004. With a degree in electrical engineering from Rochester Institute of Technology. Over the years, he has patented several groundbreaking designs, such as Artisan glass elevators and the Atlas Interlock, a safety device for home elevators. His dedication to innovation and quality has solidified his reputation as a leader in the industry.

### Franchise Sales Director: Jason Booher

Jason serves as Franchise Sales Director at Nationwide Lifts since March 2025. Prior to this, Jason was the Sales Manager at Orbit Medical and Reliable Medical at 550 N. Commons Dr, Aurora, IL 60504 from February 2020 to March 2025.

## **3. LITIGATION**

No litigation is required to be disclosed in this Disclosure Document.

## 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

## 5. INITIAL FEES

All franchisees pay a uniform Initial Franchise Fee of \$30,000 for a license to operate a Nationwide Lifts franchise based within a specific geographic territory with a residential population of approximately 1,000,000. The franchise fee is due and payable when you sign your franchise agreement. The Initial Franchise Fee is deemed earned upon payment and there are no refunds available. We use your Initial Franchise Fee to cover our costs to train you, help determine your territory, provide you with an Operations Manual and other miscellaneous supplies, and cover our legal, accounting and other costs incurred in franchising. For any territories already conducting business, an additional purchase price will be determined based on an estimate of the fair market value of the franchise unit based on financial performance, assets, and market conditions.

Additional Protected Territory may be purchased at the time of your original purchase at a rate of \$20 per 1,000 residents (or any portion thereof). During the term of your license, additional Protected Territory may be purchased (if available) at a rate of \$25 per 1,000 residents (or any portion thereof), or at the rate being charged new franchisees at the time of your purchase, whichever is greater. All territory purchased must be contiguous to your existing territory. During 2024 we did not sell any franchises. You pay us or our affiliates no other fees or payments for services or goods before your business opens. We expect the fee to be uniform in 2025.

## 6. OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee <sup>2</sup>	3% of the total gross receipts of your business plus a base royalty equal to \$1,250 per month.	Due monthly by the 10 <sup>th</sup> of the following month.	Gross receipts includes all revenue collected by the franchise. <sup>3</sup> Gross receipts does not include sales or use taxes.
National Advertising Fee <sup>4</sup>	\$1,500 per month will be added to the National Advertising Fund.	Due monthly by the 10 <sup>th</sup> of the following month.	See Note 4 below
Local Advertising <sup>1</sup>	We require that you spend at least an additional 2% of your monthly sales on local advertising.	Monthly local marketing requirement	Paid to advertisers to promote your business.

Type of Fee	Amount	Due Date	Remarks
		must be spent before the end of each month	
Late Fee <sup>5</sup>	\$200 per occurrence, plus the interest on the unpaid amount	On demand, if incurred	Payable if any payment due to us is not made by the due date. Interest accrues from the original due date until payment is received in full.
Interest Fee <sup>5</sup>	Lesser of 10% or the maximum amount allowed by state law	On demand, if incurred	Any amounts not received by us within 7 days of the due date shall incur interest until full payment is received.
Additional Franchise Management Training <sup>1</sup>	\$750 per person is the current charge for the training of employees in excess of the two provided for in your initial franchise fee.	2 weeks prior to the beginning of training.	We train 2 people free.
Transfer <sup>1</sup>	25% of the then current initial franchise fee	Not applicable	There is no fee for an approved transfer
Renewal Fee <sup>1</sup>	No renewal fee	When you sell your business	Due if you transfer your business or franchise agreement
Audit <sup>1</sup>	If we feel it is necessary to audit your books and an underpayment of 3% or more is discovered, you must pay us the cost of the audit plus 10% annual interest and 10% of underpaid royalty. <sup>2</sup>	Cost of inspection – when billed;  Underpayment and interest – immediately.	Payable by you only if audit shows an underpayment of at least 3% of gross receipts for any month or if we initiate an audit because of your failure to submit reports required by your Franchise Agreement.

Notes:

**1** All fees are imposed by and are payable to us. All fees are non-refundable.

- 2 You must permit us to debit your checking account or charge a credit card for payment of your Royalty and Advertising Fees based upon reports that you must email to headquarters each month. Interest begins from the date of any underpayment.
- 3 You must pay royalties on all funds collected by your business. In a case where you are unable to collect from a customer, no royalty will be due.
- 4 We have a National Advertising Fund (the “NAF”) and require that you and all franchisees pay \$1,500 per month into the fund. The NAF will be administered by a committee consisting of Franchise Owners and our representatives and these funds will not be co-mingled with other funds. We will contribute \$1,500 for each of our company-owned Nationwide Lifts operating units to the fund. We may raise, discontinue, or reduce your required contribution at our sole discretion by providing advanced written notice to you. (See Section 11, Paragraph 6 for further details on the NAF.)
- 5 Interest and late charges begin to accrue on amounts not received within seven days after the due date. In addition to any interest and late charges, you must also pay any damages, expenses, collection costs, and reasonable attorney fees we may incur when you do not make the required payments, provided no interest charged shall exceed the maximum legal rate of any local, national, or international authority having jurisdiction over your business activities.

## 7. ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee <sup>1</sup>	\$30,000 for the first 1 million population and \$20 per thousand thereafter. <sup>1</sup>	Lump Sum	When you sign your franchise agreement	Us
Travel & Living Expenses while Training	\$500 to \$2,500	As Incurred	During Training	Airlines, Hotels, & Restaurants
Leasehold Improvements <sup>2</sup>	\$0 to \$5000	As Incurred	Before Opening	Vendors
Furniture,	\$2,450 to	As	Before Opening	Us or other

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Equipment & Computers <sup>3</sup>	\$5,000	Incurred		Vendors
Truck [Cost \$25,000 leased or financed] <sup>4</sup>	\$250 to \$1,000	As Incurred	Before Opening	Vendors
Initial Tools	\$3,000	As Incurred	Before Opening	Vendors
Insurance	\$7,000	As Incurred	Before Opening	Vendors
Grand Opening Promotion	\$1,000 to \$3,000	As Incurred	Before Opening	Vendors
Miscellaneous Opening Costs <sup>5</sup>	\$0 to \$1,000	As Incurred	Before Opening	Vendors
Security and Lease Deposits <sup>6</sup>	\$0 to \$2,000	Before Opening	Before Opening	Landlord
Additional Funds <sup>7</sup>	\$5,000 to \$15,000	As Incurred	During the initial 6-month period	Vendors
<b>TOTALS</b>	<b>\$49,200 to \$74,500<sup>8,9</sup></b>			

Notes:

- 1 This fee is deemed earned when collected and there are no refunds available.
- 2 In many jurisdictions, you will be able to work from your residence. A suitable facility would include 125 to 250 square feet of office space plus some storage space for inventory and supplies. As your business grows, you may wish to move to commercial space. When you take commercial space, you may incur leasehold improvement costs and you will pay ongoing rental fees for the space. Your office must be within your Protected Territory.
- 3 Equipment includes items in the following chart:

Windows Compatible Computer with a minimum of 1TB hard drive and a processor running at 3.0 GHz or more, 16GB Ram, and a USB external drive.	\$800 to \$2,000
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Printer, scanner, and fax machine.	\$150 to \$400
Software	\$250 to \$500
Desk, Chair, Telephone, File Cabinet	\$1,250 to \$2,000
<b>TOTALS</b>	<b>\$2,450 to \$5,000</b>

- 4 Truck Graphics Package: You will need a truck for the servicing of your accounts. You may lease it or obtain a loan to finance its cost. The amounts shown here include the first and last month's payments on a typical lease. We will guide you in having the proper Nationwide Lifts logos and marketing information detailed on the truck. Should you choose to purchase a truck outright, we estimate your costs would include approximately \$20,000 for a new truck plus \$5,000 in additional storage racks, accessories and graphics.
- 5 Miscellaneous Opening Costs include costs of office supplies, printed forms, the installation of telephone lines, government license fees and incorporation.
- 6 The figure for Security Deposits assumes that if you rent space outside your residence, you will pay the first and last month's rent and typical utility deposits. If you operate from your home, no security deposits would be necessary.
- 7 Additional Funds estimate the cash or credit lines you should have available when you open your business. These expenses include payroll costs for employees but not you. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business.
- 8 To create these estimates of how much you may spend during the time from signing your Franchise Agreement until you reach break-even, we relied on our management team's experience in the residential elevator business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.
- 9 Some of the franchise candidates are either already in the elevator business or have some work experience in the industry. For those currently operating within the industry, it is likely that many of the expenses detailed in the preceding table have already been incurred.

## 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

All Nationwide Lifts franchisees offer the same menu of services and sell from the same list of products that meet the quality standards set forth in the Operations Manual. You may not substitute brands without written approval from us. At the present time, we have a list of acceptable suppliers for our products. We have arranged for volume purchasing discounts from our vendors for our franchisees, but

you will be billed and pay directly, the manufacturers of the equipment you sell. We do not receive discounts from these vendors that exceed those available to all franchisees nor do we receive rebates from these suppliers. Suppliers are approved or rejected based on the quality of their products, their delivery time, their financial strength and reputation for reliability.

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We will grant or revoke approvals of suppliers based on criteria appropriate to the situation, which may include evaluations of the supplier’s capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receiving your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Our President, Andrew Darnley III owns a controlling interest in Elevation Innovations, Inc., Artisan Elevators, LLC and 3Q Electronics, LLC, which are some of the approved suppliers. Other than those instances, there are no approved suppliers in which any of our officers have an interest.

You must also purchase letterhead, business cards, signs, marketing materials, uniforms and supplies in accordance with quality standards set forth in the Operations Manual. These specifications include standards for quality, reliability and delivery. These products are offered by us but may be purchased from any vendor you choose. In 2024, we did not derive any revenue from sales of goods or services to our franchisees.

We estimate that purchases from approved suppliers or in accordance with our specifications will represent approximately 5% of your total cost to establish, and approximately 45% to 50% of your total cost to operate your franchise. However, 100% of your purchases of products for resale must be made by approved vendors.

## 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 obligation in these agreements and in other items of this disclosure document.

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 2 and 4D of Franchise Agreement	Items 7 and 11
b. Pre-opening purchase/leases	Sections 4 and 5 of Franchise Agreement	Items 6 & 7
c. Site development and other pre-opening requirements	Sections 2, 4 and 5 of Franchise Agreement	Items 7 and 11

<b>Obligation</b>	<b>Section in Agreement</b>	<b>Disclosure Document Item</b>
d. Initial and ongoing training	Sections 4A & 5A of Franchise Agreement	Item 11
e. Opening	Sections 2, 5B, & 5C of Franchise Agreement	Item 5 & 11D
f. Fees	Section 3 & 6 of Franchise Agreement	Items 5 and 6
g. Compliance with standards and policies/Operating Manual	Section 5 of Franchise Agreement	Item 11
h. Trademarks and proprietary information	Section 5C of Franchise Agreement	Items 13 and 14
i. Restrictions on products/ services offered	Section 5C of Franchise Agreement	Items 8 & 16
j. Warranty and customer service requirements	Section 5B, 5C & 5E of Franchise Agreement	Item 11
k. Territorial development and sales quotas	Section 6A of Franchise Agreement	Item 12
l. Ongoing product/service purchases	Section 5E of Franchise Agreement	Items 8 & 16
m. Maintenance, appearance and remodeling requirements	None	None
n. Insurance	Section 5I of Franchise Agreement	Items 7 and 11
o. Advertising	Section 5G of Franchise Agreement	Items 6 and 7
p. Indemnification	Section 7 of Franchise Agreement	Item 13
q. Owner's participation/ management/staffing	Section 5B of Franchise Agreement	Item 15
r. Records and reports	Sections 5H, 6A & 6B of Franchise Agreement	Item 6
s. Inspections and audits	Section 5H of Franchise Agreement	Item 6
t. Transfer	Section 11 of Franchise Agreement	Items 6 and 17
u. Renewal	Section 8 of Franchise Agreement	Items 6 and 17
v. Post-termination obligations	Section 10 of Franchise Agreement	Item 17

Obligation	Section in Agreement	Disclosure Document Item
w. Non-competition covenants	Section 15 & Addendum B of Franchise Agreement	Item 17
x. Dispute resolution	Sections 18 & 20 of Franchise Agreement	Item 17
y. Other (describe)	NA	NA

## 10. FINANCING

We do not offer direct financing of your Initial Franchise Fee nor any other costs associated with opening your franchise. We do not guarantee any of your obligations.

## 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Prior to Opening:

1. We will assign your Protected Territory and protect you from having another franchisee, or us, open a **Nationwide Lifts** business within your Protected Territory. (Franchise Agreement - Paragraph 2 and Addendum A)
2. We will provide a training program. The location of the training will be determined at the time of scheduling. The remaining 8 days of the 17-day program will be hands on experience in actual installations. The training will include information on topics critical to your success as follows:

### Training Program

Subject	Hours of Class-room Training	Hours of On-the-Job Training	Location
Sales / Marketing / Safety / Accounting / Vendor Relations	24	0	New York
Installation Techniques: Freedom Series	24	0	Vendors Staff
Installation Techniques: Apex Series, Vision Series, Stair Lifts	24	0	Vendors Staff
On-site Experience: Freedom Green <sup>1</sup>	0	32	Customer Site

Subject	Hours of Class-room Training	Hours of On-the-Job Training	Location
Onsite Experience: Freedom 750	0	32	Customer Site

<sup>1</sup> Training will be held at a customer installation site.

The cost of this training is included in your Initial Franchise Fee but you must pay the travel and living expenses for yourself and your employee(s) for the time you will spend learning our system at the various training sites. Training occurs at our headquarters and in your marketplace. We will pay for our staff's travel and living expenses when they visit your market. Training is directed by our President Andrew Darnley III, who has been with us since inception in 2004 and with our affiliate since 2003.

The training program shown here is standard for new franchisees who have no experience in the elevator business. If you are currently in the business or have a strong background in the business, you may skip all but the first part of the training program, in which case the training may be done at your offices rather than ours.

During the operation of the franchised business, we will:

1. Provide your units contact information on our website to assist prospects in locating your franchise and we will forward leads from your territory to you.
2. Maintain a telephone advisory service to provide a prompt response to your sales, technical, administrative, and management questions regarding the operation of your franchise. (Franchise Agreement - Paragraph 4A, (iii))
3. Identify new services and products and train you in methods for implementing them in your marketplace. We will also provide you with information about developments in the industry that may impact your business. (Franchise Agreement - Paragraph 4B).
4. Lend you a copy of our Operations Manual which contains mandatory and suggested specifications, standards and procedures. This manual is confidential and remains our property. We may modify this manual, but the modification will not alter your status and rights under the Franchise Agreement. (Franchise Agreement - Paragraph 4B). The table of contents of our current Operations Manual is attached as Exhibit G. This manual currently consists of 112 pages.
5. We will hold annual conferences to discuss improvements in the **Nationwide Lifts** system, sales and pricing techniques, quality control, advertising programs and

accounting. We may or may not charge you a conference fee but you must pay all your travel and living expenses. These elective conferences may be held at our Glens Falls headquarters or at other locations of our choosing. (Franchise Agreement - Paragraph 4B)

6. We may, from time-to-time, develop advertising and marketing materials for use in your territory. You will receive samples of these items at no charge. If you want additional copies you must pay us or other vendors for them. You may develop advertising materials for your own use, at your own cost. We must approve these materials in writing in advance of their use. Your franchise agreement requires that you spend at least 2% of your franchise unit's sales in local marketing. In addition, we require that you and all franchisees pay \$1,500 per month into a National Advertising Fund (the "NAF"). The NAF will be administered by a committee consisting of Franchise Owners and our representatives. We will contribute \$1,500 for each of the company-owned Nationwide Lifts units (or those of our affiliates(s) operating under the Nationwide Lifts name) to the fund . (Franchise Agreement - Paragraph 6B)

### 3. Computer Purchases

You are required to have a computer for developing a database of your clients, maintaining communications over the Internet and to produce your accounting records. Your system and its software must properly communicate with our systems to permit report submission and to access the Internet for communicating with us. You will need a minimum configuration as outlined in Section 7 above.

### 4. Site Selection and Opening

Franchisees typically open their units 1 to 3 months after they sign a franchise agreement. The factors that affect this time may include their ability to obtain a lease (if operating outside their residences), financing, or building permits, zoning and local ordinances, weather conditions, shortages, and delayed delivery of equipment. There is a requirement that you open your franchise within 120 days of signing your Franchise License, unless you receive a written extension of this time.

## **12. TERRITORY**

You will receive an Exclusive Territory with a minimum population of approximately 1,000,000 residents. Your territory will be defined by telephone area codes. Additional Protected Territory may be purchased at the time of your original purchase at a rate of \$20 per 1,000 residents (or any portion thereof). During the term of your license, additional Protected Territory may be purchased (if available) at a rate of \$25 per 1,000 residents (or any portion thereof), or at the rate being charged new franchisees at the time of your purchase, whichever is greater. All territory purchased must be contiguous to your existing territory.

You are free to solicit, market and sell Nationwide Lifts products and services only in markets that are not within the protected territories of other franchisees or areas being actively served by Nationwide Lifts, Inc. or our affiliate(s). Should you establish an account in a market that is subsequently assigned to a franchisee, it will be assigned to that franchise and you will be prohibited from servicing that account further. In addition, you may not establish advertising programs or mailing addresses for your Nationwide Lifts business that would lead others to believe that you have authorization to service clients outside of your Exclusive Territory.

We will not establish other franchises or company-owned (or affiliated) offices operating a residential home elevator sales and installation business under a different trade name or trademark in your protected area. Neither we nor our affiliates will sell products under the Nationwide Lifts trademarks or otherwise within or outside of your territory through other channels of distributions such as the internet, catalog sales, telemarketing or other direct marketing sales. You may not use alternative distribution channels such as these to make sales outside or inside your territory. You will receive no compensation from any sales through alternative distribution channels.

You are required in Section 5B of your Franchise Agreement to complete your initial training and commence business operations within 120 days after signing your Franchise Agreement. Failure to do so constitutes a breach of your Franchise Agreement.

### **13. TRADEMARKS**

We grant you the right to operate an office, market, sell and install residential elevator systems under the name **Nationwide Lifts**. You may also use current and future trademarks and service marks we register to identify your business and its products and services. Our affiliate, S & H Enterprises, Inc., has assigned the rights to one Service Mark: **Nationwide Lifts**, which was registered with the United States Patent and Trademark Office principal register on June 14, 2005, Registration Number 2962691. That registration expired and was cancelled on January 11, 2019. The affiliate filed an application for a new registration on January 28, 2019, and that has been registered on the Principal Register, with registration number 5,866,480. The trademark was registered the second time on September 24, 2019.

You must follow our rules when you use these marks. You cannot use our name or mark as part of your corporate (or other entity) name or with modifying words, designs or symbols except for those which we license to you. You may not use **Nationwide Lifts** registered name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

Your conduct on the Internet, including without limitation, your use of the Marks on the Internet and in domain names for the Internet, is subject to the provisions of the Franchise Agreement. We reserve the right to establish and modify, from time to time, rules which will govern your conduct and use of the Internet in connection with your Nationwide Lifts franchise business, and you must agree to abide by such rules. At the present time, only **Nationwide Lifts** is permitted to maintain a website promoting the franchise system. Your rights to use the Marks and our Business System on the Internet will terminate when the Franchise Agreement terminates or expires.

You must notify us immediately if you learn about an infringement of, or challenge to your use of any of our trademarks. We will take the action we think appropriate.

You must modify or discontinue the use of a service mark or trademark if we modify or discontinue it. If this happens, we will reimburse you for your tangible costs of compliance that have been pre-approved by us in excess of \$5,000 (i.e., changing signs). You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

We do not know of any infringing uses that could materially affect your use of **Nationwide Lifts** trade or service mark(s). No agreements limit our right to use or license the use of our trademarks.

There are no currently effective material determinations of the Patent and Trademark office, Trademark Trial and Appeal Board, the Trademark Administrator of any State or any court, pending infringement, opposition or cancellation, or pending material litigation involving the principal trademark.

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

You may use the proprietary information in our Operations Manual described in Item 11. Although we have not filed an application for a copyright registration for the Operations Manual, we claim a copyright, and the information is proprietary. Item 11 describes limitations on the use of this manual by you and your employees. You must also promptly tell us if you learn about unauthorized use of this proprietary information. We are not obligated to take any action but will respond to this information as we think appropriate. We do not own any patents and there are no applications pending for patent rights.

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

We do not require that you personally supervise the franchised business. The business must be directly supervised, on a day to day basis, by a manager who has successfully completed our training program. The manager may not have an interest or business relationship with any of our business competitors. The manager need not have an ownership interest in a corporate or partnership-run franchise. The manager must sign a written agreement to maintain confidentiality of the trade secrets described in Item 14 and to conform with the covenants not to compete described in Item 17.

Each individual who owns a 5% or greater interest in the franchise entity, who has not signed the Franchise Agreement, must sign a Guarantee assuming and agreeing to discharge all obligations of the "Franchisee" under the Franchise Agreement. (See Addendum C of the Franchise Agreement.)

#### **16. RESTRICTIONS OF WHAT THE FRANCHISEE MAY SELL**

We require you to offer and sell only those products and services that we have approved (see Item 9) and that you only utilize products approved by us. You are required to offer all the products and

services as defined in the Operations Manual. There is no limitation of our right to modify the list of approved services that you must provide.

## 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

**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.**

### THE FRANCHISE RELATIONSHIP

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
a. Length of the franchise term	Section 8	The term is 10 years.
b. Renewal or extension of the term	Section 8	If you are in good standing you can renew for additional 10 year terms.
c. Requirements for franchisees to renew or extend	Section 8	Sign new agreement and pay renewal fee. You may be asked to sign a contract with materially different terms and conditions than your original contract, but the boundaries of the Territory will remain the same, and the Continuing Royalty on renewal will not be greater than the Continuing Royalty that we then impose on similarly situated renewing franchises.
d. Termination by franchisee	Sections 3 & 9A	Not Permitted. You may terminate the agreement upon any grounds available by law.
e. Termination by franchisor without cause	Section 9B	Not Permitted
f. Termination by franchisor with cause	Section 9C	We can terminate only if you are in default.
g. "Cause" defined—curable defaults	Section 9C	Curable defaults: non-payment of fees, non-reporting, failure to meet Franchise Agreement standards, non-compliance with local law, poor business practices (as defined), failure to obtain non-compete agreements from

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
		managers, operating from non-approved site, offering services in another name or outside of protected territory.
h. "Cause" defined non-curable defaults	Section 9C	Non-curable defaults: conviction of felony, repeated defaults (even if cured), abandonment, trademark misuse, unapproved transfers, bankruptcy, insolvency, or false statements on applications or reports.
i. Franchisee's obligations on termination/non-renewal	Section 10	Obligations include complete de-identification and payment of amounts due (see also r, below).
j. Assignment of contract by franchisor	Section 11C	We may assign our rights.
k. "Transfer" by franchisee-defined	Section 11B	Includes transfer of contract, or assets, or ownership change
l. Franchisor approval of transfer by franchisee	Section 11B	We have the right to approve all transfers but will not unreasonably withhold approval.
m. Conditions for franchisor approval of transfer	Section 11B	New franchisee qualifies, transfer fee paid, purchase agreement approved, training arranged, release signed by you, all fees owed by you paid, and current agreement signed by new franchisee (also see r, below).
n. Franchisor's right of first refusal to acquire franchisee's business	Section 11E	The right of first refusal is reserved by us. We will have 10 days to notify you of our intention to meet the terms of a buyer and 45 days to complete a purchase.
o. Franchisor's option to purchase franchisee's business	None	None exists
p. Death or disability of	Sections 11 and	Your estate and/or beneficiaries can inherit

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
franchisee	11B	your rights as long as a qualified manager runs your franchise.
q. Non-competition covenants during the term of the franchise	No provision	No provision
r. Non-competition covenants after the franchise is terminated or expires	No provision	No provision
s. Modification of the agreement	Section 16	No modifications generally unless agreed to in writing by both parties but the Operations Manual is subject to change.
t. Integration/merger clause	Section 16	Only the terms of the franchise agreement are binding. Any representations or promises outside of the Franchise Disclosure Document and any other agreements may not be enforceable
u. Dispute resolution by mediation or arbitration	Section 18	Except for certain claims, all disputes must be first mediated, then arbitrated in Queensbury, New York.
v. Choice of forum	Section 20	Litigation must be in the United States District Court for the Northern District of New York or the State Court in Warren County, New York. See Addendum D.
w. Choice of law	Section 20	New York law applies. See Addendum D.

## **18. PUBLIC FIGURES**

We do not use any celebrities or public figures to promote our franchise to the public at large or to those considering purchasing our franchises.

## 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.

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 our Franchise Director, Jason Booher, at 4063 Brady Street, Yorkville, IL 60560 (773) 678-7647, the Federal Trade Commission, and the appropriate state regulatory agencies.

## 20. OUTLETS AND FRANCHISEE INFORMATION

**ITEM 20 TABLE NO. 1**  
**Systemwide 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	11	12	+1
	2023	12	12	0
	2024	12	12	0
Company-Owned	2022	3	3	0
	2023	3	3	0
	2024	3	3	0
Total Outlets	2022	14	15	0
	2023	15	15	0
	2024	15	15	0

**ITEM 20 TABLE NO. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For Years 2022 through 2024**

Colorado	2022	0
	2023	0
	2024	0
Missouri	2022	0
	2023	1
	2024	0
Wisconsin	2022	0
	2023	1
	2024	0
Total	2022	0
	2023	2
	2024	0

**ITEM 20 TABLE NO. 3**  
**Status of Franchised Outlets**  
**For Years 2022 through 2024**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
California	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Colorado**	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Illinois	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Massachusetts	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Michigan	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Missouri*	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Texas	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Utah	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Wisconsin	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Wyoming	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Totals	2022	11	1	0	0	0	0	12
	2023	12	0	0	0	0	0	12

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2024	12	0	0	0	0	0	12

\*Our Missouri Franchisee also serves Kansas, Minnesota and Wisconsin

\*\* Our Franchisee in Colorado also serves Utah and Wyoming.

**ITEM 20 TABLE NO. 4**  
**Status of Company-Owned Outlets\***  
**for Years 2022 through 2024**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchise	Outlets at End of the Year
California	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
New York	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Totals	2022	3	0	0	0	0	3
	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3

\*These offices are owned and operated by our affiliate, S & H Enterprises, Inc. which operates under the Nationwide Lifts trademark.

**ITEM 20 TABLE NO. 5**  
**Projected Openings as of December 31, 2024**

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
New York	0	1	0
New Jersey	0	1	0

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Texas	0	1	0
Minnesota	0	1	0
Totals	0	4	0

The names of all franchisees and the addresses and telephone numbers of their franchises as of December 31, 2024, are listed as Exhibit F to this Disclosure Document. A list of the names and last known home addresses and telephone numbers of every franchisee whose franchise was terminated or canceled, or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the fiscal year ended December 31, 2024, or who has not communicated with us within 10 weeks of the date of this Disclosure Document, is included in Exhibit F. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, we have not signed any confidentiality clauses with any current or former franchisees which would in any way restrict their ability to speak with you openly about their experience with Nationwide Lifts.

There are no trademark specific franchisee organizations associated with the franchise system, nor are there any independent franchisee organizations that have asked to be included in this disclosure document.

## **21. FINANCIAL STATEMENTS**

The company's Audited Financial Statements as of December 31, 2024, December 31, 2023 and December 31, 2022 are attached hereto as Exhibit A. Also included in Exhibit A are our interim and unaudited financial statements as of May 31, 2025.

## **22. CONTRACTS**

Attached hereto are the following Agreements:

EXHIBIT B - Sample Non-Disclosure and Non-Compete Agreement

EXHIBIT E - Franchise Agreement

Addendum A - Territory Definition

Addendum B - Non-Disclosure Agreements

Addendum C - Guaranty

## **EXHIBIT A: Financial Statements**

With respect to the May 31, 2025 financial statements, THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

## EXHIBIT B: Non-Disclosure and Non-Compete Agreements

1. In consideration for employment, the undersigned, wishing to become an employee of \_\_\_\_\_, a Franchisee of **NATIONWIDE LIFTS, INC.**, agrees to take **Nationwide Lifts** (hereinafter referred to as Franchisor) basic course in management of a business selling, marketing, and installing various residential elevator products and related services to businesses and consumers within 30 days of the date hereof.

2. The undersigned shall not disclose to any unauthorized person any information pertaining to the Franchisee's business, including information concerning residential elevator products and services, marketing methods, advertising methods, product mix, sources, pricing techniques and any other information represented as confidential by the Franchisee to the undersigned, without the Franchisor's specific written consent during the term of employment nor for three (3) years thereafter.

3. The undersigned shall not be involved directly or indirectly, as manager, general manager, sales agent, sales or management level employee, consultant, owner, or representative, in any business or business activity which is engaged wholly or partially in the business of selling residential elevator products or related services or any business substantially competitive with Franchisee's business, anywhere within an area defined by a fifty (50) mile radius of Franchisee's Protected Territory, during the term of employment, nor for a period of two (2) years after its termination.

4. The undersigned expressly acknowledges and represents that, prior to entering into this Agreement, he/she was employed and earned a living in some occupation other than that contemplated by this Agreement, and would not be prevented or prohibited from being employed and earning a living upon the termination of this Agreement, whether voluntarily or involuntarily, in the event he/she was prohibited from engaging in the business of selling or installing residential elevator products.

The undersigned acknowledges that a copy of this Agreement will be immediately provided to **NATIONWIDE LIFTS, INC.**, which is an intended third-party beneficiary with the right to bring an action under this provision.

The undersigned further acknowledges that he/she has received a copy of this Agreement.

\_\_\_\_\_  
Franchisee

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature                      Date

\_\_\_\_\_  
Signature                      Date

## **EXHIBIT C: State Agencies and Agents for Service of Process**

### California

Commissioner of Financial Protection and Innovation  
Department of Financial Protection and Innovation  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-1105  
(213) 736-2741

### Hawaii

Department of Commerce & Consumer Affairs  
335 Merchant Street, Suite 203  
Honolulu, Hawaii 96813  
(808) 586-2722

### Illinois

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

### Indiana

#### Agent

Indiana Secretary of State  
201 State House  
200 West Washington Street  
Indianapolis, Indiana 46204  
(137) 232-6681

#### Administrator

Securities Commissioner  
Indiana Securities Division  
Room E-111  
302 West Washington Street  
Indianapolis, Indiana 46204  
(137) 232-6681

### Maryland

#### Agent for Service of Process

Maryland Securities Commissioner  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
(410) 576-7044

Inquiries About Franchise Matters

Office of Attorney General  
Division of Securities  
200 St. Paul Place, 20th Floor  
Baltimore, Maryland 21202-2020  
(410) 576-7044

Michigan

Franchise Administrator  
Consumer Protection Division  
Antitrust and Franchise Unit  
Michigan Dept. Of Attorney General  
670 Law Building  
Lansing, Michigan 48913  
(517) 373-7117

Minnesota

Minnesota Dept. Of Commerce  
85 Seventh Place East, Suite 280  
St. Paul, Minnesota 55101  
(612) 539-1600

New York

Bureau of Investor Protection & Securities  
New York State Dept. Of Law  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
(212) 416-8211

North Dakota

Office of Securities Commissioner  
Fifth Floor  
600 East Boulevard  
Bismarck, North Dakota 58505  
(701) 224-4712

Rhode Island

Division of Securities  
Suite 232  
233 Richmond Street  
Providence, Rhode Island 02903  
(401) 277-3048

South Dakota

Division of Securities  
124 South Euclid Avenue

Pierre, South Dakota 57501  
(605) 773-3563

#### Virginia

Agent for Service of Process  
Clerk of the State Corporation Commission of Virginia  
1300 East Main Street  
Richmond, Virginia 23219  
(804) 371-9733

Inquiries About Franchise Matters  
Securities and Retail Franchising Division  
State Corporation Commission  
1300 East Main Street  
Richmond, Virginia 23219  
(804) 371-9051

#### Washington

Department of Financial Institutions  
Securities Division  
P.O. Box 9033  
Olympia, Washington 98507-9033  
(206) 753-6928

#### Wisconsin

Securities & Franchise Registration  
Wisconsin Securities Commission  
P.O. Box 1768  
Madison, Wisconsin 53701  
(608) 266-8559

## **EXHIBIT D: State Specific Amendments**

The following information supplements our FRANCHISE DISCLOSURE DOCUMENT and supersedes any conflicting information contained in the main body of the Disclosure Document.

### **California State Law Appendix**

**The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

No disclaimer, questionnaire, clause or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

California Business and Professions Code Sections 20000 through 20043 provide rights to the Franchisee concerning termination or non-renewal of a franchise. If a franchise agreement contains a provision that is inconsistent with the law, the law still controls.

As described in Item 5 of the FDD, for franchisees in California, payment of the Initial Franchise Fee is not due until we have completed our pre-opening obligations to you and you are ready to open your franchised business.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California Law.

The Franchise Agreement requires application of the laws of the state of New York. This may not be enforceable under California Law.

Neither the Franchisor, nor any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such person from membership in such association or exchange.

Section 13125 of the California Corporations Code requires the Franchisor to give the Franchisee a disclosure document, in a form containing such information as the Commissioner may by rule or order require prior to a solicitation of a proposed material modification of an existing franchise.

The California Franchise Investment Law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Disclosure Document.

You must sign a general release if you transfer your franchise. California Corporations Code 13512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 13000 through 13516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

Our website, [www.nwlifts.com](http://www.nwlifts.com), has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the contents of this website may be directed to the California Department of Financial Protection and Innovation, at [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

Franchisees must also sign a personal guaranty, making your spouse individually liable for your financial obligations under the agreement if you are married. The guaranty will place your and your spouse's marital and personal assets at risk if your franchise fails.

### **Illinois State Law Appendix**

The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois Law, ILCS 705/19 and 705/20.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Act is void."

The Franchise Agreement requires that a Franchisee shall be subject to the jurisdiction or venue of any state or federal court in New York. These provisions may not be enforceable under Illinois law.

BY EXECUTING THIS APPENDIX, THE PARTIES HERETO MAKE THIS APPENDIX A PART OF THE ACCOMPANYING FRANCHISE AGREEMENT, AND INCORPORATE THIS APPENDIX THEREIN.

### **Maryland State Law Appendix**

Notwithstanding any provisions in the Franchise Agreement to the contrary, any claims arising out of the Maryland Franchise Registration and Disclosure Law may be brought within the State of Maryland.

Pursuant to COMAR 02.02.08.16L of the Maryland Franchise Registration and Disclosure Law, a general release required as a condition to renewal, sale, and/or assignment/transfer of a franchise shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The limitations of claims provision contained in this Agreement does not act to reduce the three year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claim arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

No release, or waiver of liability by a franchisee as a requirement to purchase a franchise shall constitute a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. Any acknowledgments or representations of the franchisee which

disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended no shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee 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 any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**In witness whereof, the parties hereto have duly executed this State Law Addendum simultaneously with the Franchise Agreement and hereby amend the Franchise Agreement to conform to the provisions of this State Law Addendum**

\_\_\_\_\_

**Franchisee**

**Date**

\_\_\_\_\_

**Groutsmith Franchising, Inc. Date**

**For residents of Minnesota**

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement 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.

In accordance with Minnesota Rule 2860.440J, and to the extent required by law, the Disclosure Document and the Franchise Agreement are modified so that the Franchisor cannot require a franchisee to waive his or her rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

Pursuant to Minn. Stat. Sec. 80c.12), to the extent required by this Minnesota law, the Franchise Agreement and Item 13 of the Disclosure Document are amended to state that the Franchisor will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify our from any loss, costs or expenses arising out of any claim, suit, or demand regarding the use of the Franchisor's primary trade name.

All statements in the Disclosure Document and Franchise Agreement that state that Franchisor is entitled to injunctive relief are amended to read: "franchisor may seek injunctive relief" and a court will determine if a bond is required.

Minnesota Rule 2860.4400D prohibits the Franchisor from requiring a Franchisee to assent to a general release. The Disclosure Document and Franchise Agreement are modified accordingly, and to the extent required by law.

With respect to franchises governed my Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 3,4 and 5, which require (except in certain specified cases) that a franchisee be given 90

days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee 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 any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

Any provisions of the Franchise or any other Agreement imposing a Limitations of Claims must comply with [Minnesota Statute 80C.17 Subd. 5.](#), which governs.

### **New York State Law Appendix**

Item 3 of this Offering Prospectus is supplemented with the following: Neither the Franchisor, its predecessor, a person identified in item 2 or an affiliate offering franchises under the Franchisor's trademark:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations; nor any pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the ten year period immediately preceding the application for registration, has been convicted of a misdemeanor or pleaded *nolo contendere* to a misdemeanor charge or been the subject of a civil action alleging violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunction or restrictive order or decree relating to the franchise, or under a federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a licensee as a real estate broker or sales agent.

Item 4 of this Offering Prospectus is supplemented with the following: During the fifteen (15) year period immediately preceding the date of this Offering Prospectus, neither the Franchisor nor any officer or general partner of the Franchisor has been adjudged bankrupt or reorganized due to insolvency or been a principal officer of any company or general partner in any partnership that was adjudged bankrupt or reorganized due to insolvency during or within one year after the period that such officer or general partner of the Franchisor held such position in such company or partnership, or is subject to any pending bankruptcy or reorganization proceeding.

**For residents of Virginia**

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee 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 any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**Washington State Law Appendix**

The state of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act or rights of remedies under the act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

**EXHIBIT E: Franchise Agreement**

**Franchise Agreement  
(with Addenda)**

**NATIONWIDE LIFTS, INC.**

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**NATIONWIDE LIFTS, INC.**  
FRANCHISE AGREEMENT

AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_ by and between **NATIONWIDE LIFTS, INC.**, a New York Corporation, having its principal place of business at 10B Holden Avenue, Queensbury, New York 12804 (hereinafter referred to as "Franchisor") and \_\_\_\_\_, of \_\_\_\_\_ in the State of \_\_\_\_\_, (hereinafter referred to as "Franchisee").

WHEREAS, Franchisor's affiliate, S & H Enterprises, Inc. is the sole owner of the right, title, and interest in and to the trademark "**Nationwide Lifts**" for which was awarded on September 24, 2019 by the United States Patent and Trademark Office Principal Register Registration number 5866480. S & H Enterprises has granted Franchisor the exclusive license to use this mark in franchising; and

WHEREAS, Franchisee desires to obtain from Franchisor a franchise in connection therewith to use the Trademark, to employ the Franchisor's product line, business techniques, and systems.

NOW, THEREFORE, the parties hereto, in consideration of their mutual promises herein contained, and for other good and valuable consideration acknowledged by them to be adequate, do hereby agree as follows:

## **1. APPOINTMENT**

A. Franchisor hereby grants unto Franchisee and Franchisee hereby accepts the right, license and privilege to use and benefit from the Franchisor's techniques, skills, and the Proprietary Marks in the operation of one office under the conditions hereinafter set forth. Franchisor further grants to Franchisee the right to operate its business within the Area described in Addendum A and to make sales outside this area only if such sales are not made within the geographic boundaries of another Franchisee, the Franchisor or its affiliate(s). The term "franchise" as used herein shall mean either the right, license or privilege so granted hereunder, or the business to be operated by the Franchisee, or both, as the context would so dictate.

Franchisee acknowledges that it has no exclusive rights to use any of the Marks or any part of the franchised system anywhere other than within the franchisees protected territory described herein, and Franchisor may license to others, or use the Marks itself, outside of the franchisees protected geographical territory in any manner it chooses, in its sole discretion.

B. Franchisee acknowledges that to operate an additional office outside of the Area described in Addendum A, a separate franchise agreement must be signed, and an additional franchise fee must be paid to the Franchisor.

## 2. SITE SELECTION AND PROTECTED TERRITORY

The Franchisee must operate this business from a location that is located within the Franchisee's Protected Territory and is in compliance with local business codes. Franchisee agrees to focus its marketing within its Protected Territory and promises not to market, sell or install products or services within the Protected Territory of another Franchisee or the Franchisor or its affiliate(s). Should Franchisee establish an account in a market that is subsequently assigned to another Franchisee, said account will be assigned to that Franchisee and Franchisee will be prohibited from servicing that account further. In addition, Franchisee may not establish advertising programs or mailing addresses for the Nationwide Lifts business or make other representations to potential clients that would lead others to believe that Franchisee has authorization to service clients outside of its Protected Territory.

Nationwide Lifts will not open, nor allow another franchisee to open an office within the Area described in Addendum A nor to solicit accounts nor provide sales or installation services within said territory.

## 3. INITIAL FRANCHISE FEE AND RELATED CHARGES

In consideration of the franchise and rights granted to Franchisee herein, Franchisee shall pay to Franchisor a franchise fee of \$30,000 for a Protected Territory containing a residential population of approximately 1,000,000 plus an amount of \$20 per 1,000 population in excess of one million. For franchisees in California, payment of this fee must be made in a lump sum when Franchisor has completed its pre-opening obligations to the Franchisee and Franchisee is ready to open its franchised business. This fee is deemed earned when paid and no refunds are available.

## 4. OBLIGATIONS OF THE FRANCHISOR

Franchisor hereby agrees to do the following:

A. Training. Franchisor will conduct or arrange for the following training for Franchisee:

(i) **"Nationwide Lifts Management"** This program covers basic management and operation of a Nationwide Lifts business. This will go over all of the items included in the proprietary Operations Manual.

(ii) **"Nationwide Lifts Sales"** This program includes product training and sales tools. Product training will cover the features of every product, the key selling points, and situations to avoid. The sales tools include a sales customer relationship tool, and several other useful utilities. This will be used for communicating with prospects, managing follow-ups, generating proposals, and tracking the sales pipeline.

(iii) **Advisory Service.** Franchisor will provide a continuing advisory service which will include, but not be limited to guidance on product evaluation and selection, technical advice on

equipment installation and service, consultation on sales, marketing, business or operational problems with an analysis of Franchisee's market penetration and profitability. Franchisor may offer additional training and establish prerequisites or qualifications for those seeking to enroll in any such additional training course. Franchisor may furnish Franchisee with certain training aids for Franchisee to provide basic training to Franchisee's personnel without charge.

**B. Operations Material.** Franchisor will make available, at no additional cost to Franchisee, its confidential Operations Manuals and training material together with any revisions or amendments thereto which may be made by Franchisor from time to time during the term of this Agreement. Franchisor will regularly review new products, and services for Franchisee to offer to its clients. Franchisor will hold an annual convention for all Franchisees to attend to gain additional knowledge in the industry. Franchisee may be charged a fee to attend said convention and will be responsible for travel and lodging expenses while attending such conferences.

**C. Promotion.** Subject to this Agreement, Franchisor agrees to provide advice and training in methods for selling, advertising, installing, servicing, repairing, and managing the franchised business. From time to time Franchisor may develop marketing materials to assist Franchisee in selling its residential elevator products and services. Samples of such materials will be given to Franchisee and additional quantities may be purchased from the Franchisor or other vendors. If Franchisor elects to establish an Advertising Fund, it will assist those charged with administering the Fund with developing advertising promotions and materials.

**D. Website Customization.** Franchisor will add Franchisee's contact information to Franchisor's website. In addition, the Franchisor will forward leads received in Franchisee's territory directly to Franchisee for follow up.

**E. Marketing Database.** Franchisor will develop a database of businesses in the Franchisees Protected Territory to help Franchisee establish a list of initial prospects

## **5. OBLIGATIONS OF THE FRANCHISEE**

**A. Training.** Pursuant to Sections 4A, Franchisee agrees to attend and cause its designated management employees to attend and successfully complete the training programs referred to in Section 4A, in accordance with of the terms and conditions set forth therein.

**B. Commencement and Continuity of Operation.** Franchisee agrees to open its franchise business within 120 days from the date of execution of this Agreement. Franchisee agrees to ensure that its phones are answered, either by an employee or electronically during normal business hours. Further, the owner(s) of the Franchise agree(s) to devote his or her full time and efforts to the promotion

of the franchise or to have a General Manager devote his or her full time and efforts to the promotion of the success of the franchise. In such latter event, such General Manager must have successfully completed the training courses described in Section 4A.

### **C. Proprietary Marks**

(i) Franchisee agrees to use the Proprietary Marks so licensed only in accordance with the terms of this Agreement. Franchisee agrees that during the term of this Agreement, and thereafter, Franchisee shall not, directly nor indirectly, contest the validity of ownership by Franchisor of the Proprietary Marks so licensed hereunder. Franchisee further agrees promptly to notify Franchisor of any claim, demand or suit brought upon it by any other person, firm or corporation to use the Proprietary Marks licensed hereunder.

(ii) Franchisor acknowledges its obligations to police the use of the Proprietary Marks and agrees to do so. Franchisee agrees promptly to notify Franchisor of any litigation instituted by any person, firm, corporation or governmental agency against Franchisee, concerning the use of the Proprietary Marks. The Franchisor will defend the proper use of the Proprietary Marks that are in compliance with Franchisor's standards. Franchisee agrees to execute, subject to the reasonable approval of counsel for Franchisee, any and all documents and do such acts and things as may, in the opinion of counsel for Franchisor, be necessary to carry out such defense or prosecution, either in the name of Franchisor or in the name of Franchisee, as Franchisor shall, in its sole discretion, determine.

(iii) Franchisee shall not use the Proprietary Marks or any part or form thereof as part of its corporate, partnership, or other business name. Franchisee agrees to obtain the written approval of Franchisor for said name before opening its franchise office and before commencing operations. Franchisee agrees not to use the Proprietary Marks in entering into any agreement or contract of any description, or in incurring any obligation, it being understood that Franchisee is only to use its corporate, partnership or proprietorship name for this purpose. Nothing herein contained shall prevent Franchisee from identifying itself as a Nationwide Lifts franchisee as specified in Franchisor's confidential operating manuals. The use of the Franchisor's Proprietary Marks for operating its Nationwide Lifts business, for Internet promotion, for business cards and stationery is exemplified in the Franchisor's Operations Manual and Franchisee agrees in so using said Marks to follow exactly the examples and format as set forth in the manuals or in any like materials provided by Franchisor.

(iv) Franchisee agrees to operate, advertise and promote the franchised business under the Proprietary Marks and to carry out its business under said Proprietary Marks in accordance with operational standards established by Franchisor as set forth in the Confidential Operating Manuals or other documents. Franchisee agrees to promote the mark " Nationwide Lifts" and others instituted from time to time, in all publications, printing, signs and visual images by reproducing said name at least two

point sizes larger than any listing of its corporate, partnership, or proprietorship name. Franchisee further agrees to use no type style, color combination nor other graphic device to cause its business name to gain dominance over the "Nationwide Lifts" name or any Proprietary Marks utilized.

#### **D. Operations**

(i) Franchisee agrees to conduct its franchise in accordance with Franchisor's Confidential Operating Manuals as the same may be revised from time to time. Franchisee further agrees to treat at all times the contents of said manuals as confidential and to reproduce or copy parts thereof only as instructed therein or as otherwise approved by Franchisor. Franchisee and Franchise Owner(s) shall not at any time, either during the term of this Agreement or thereafter, disclose, copy, duplicate, record or otherwise reproduce, in whole or in part, or otherwise make available, any portion of said manuals or confidential information to any unauthorized person or entity. Applicable management personnel shall execute a Non-Disclosure Agreement similar to that attached as Addendum B.

(ii) Franchisee acknowledges that said manuals shall at all times remain the sole property of Franchisor, and Franchisee agrees to promptly deliver, neither expecting nor demanding any fees, said manuals and training materials of Franchisor to Franchisor or its designee upon the expiration or other termination of this Agreement.

#### **E. Standards of Quality**

(i) Franchisee agrees to market, sell, install and maintain in its local marketplace, under the Nationwide Lifts name, in such manner as may be determined by Franchisor, all residential elevator products from Franchisor's unique collection of products and only such similar products or services as will meet the reasonable specifications and standards from time to time designated by Franchisor.

(ii) Franchisee is not required to purchase supplies, business cards, stationery, brochures or similar items from Franchisor, but the quality of such items must comply with the standards and specifications therefor of Franchisor. Franchisor will provide said quality standards and specifications to Franchisee during initial training.

#### **F. Modification.**

Franchisee agrees to operate its franchise using Franchisor's approved product list as the basis of its offerings, as well as, its Proprietary Marks, copyrighted materials, and business techniques as existing upon execution of this Agreement. Franchisor may reasonably modify same during the term of this Agreement.

#### **G. Advertising.**

Franchisee agrees to use the Proprietary Marks in advertising in accordance with the terms of the confidential operating manuals of Franchisor. Examples of advertising contained in such manuals are deemed approved unless otherwise stated in writing by Franchisor.

## H. Accounting and Records.

(i) Franchisee agrees to maintain and preserve during the term of the franchise (and for three years thereafter) full, complete and accurate books of account and records of all transactions including receipts, expenses, capital expenses and investments. Franchisee shall submit to Franchisor periodic reports on forms in the manner and at the times specified herein. The required reports for submission as of the date of this Agreement are as follows:

<b>REPORT</b>	<b>TIME TO SUBMIT</b>
Royalty Report	On or before the 10 <sup>th</sup> of each month for the prior months' sales
Advertising Fund Report	On or before the 10 <sup>th</sup> of each month for the prior months' advertising
Annual Profit & Loss Statement, Balance Sheet, and Tax Returns for the Franchised Business	On or before 120 days following the Franchisee's Fiscal Year End

(ii) All records, ledgers and other documents of the franchised business shall be made available for audit or inspection by Franchisor (or its designee) during normal business hours upon reasonable notice by Franchisor or its designee. If Franchisee fails or refuses to permit such an audit or inspection, Franchisee agrees to pay Franchisor its expense incurred in connection with such attempted inspection or audit.

(iii) Franchisor may cause an audit to be conducted on the books and records of Franchisee by a qualified party chosen by Franchisor. If the audit was performed due to the Franchisee's failure to report total gross receipts as required above or if the audit establishes that Franchisee understated total gross receipts (as defined in Section 6A) to Franchisor for any period by more than three per cent (3%) of the amount of actual total gross receipts, Franchisee shall pay for the cost of the audit, and shall pay as liquidated damages a sum equal to 15% of the additional Royalty Fees due for the period so audited. Any unpaid royalties revealed by such an audit shall bear interest at a rate of 10% per annum from the date payment was due. Such payments shall be received by Franchisor within three (3) days of the date that Franchisee receives written notice that such payments are due. Franchisee shall maintain the funds, books and records of the franchised business separate from and independent of all other funds, business and personal records of Franchisee and franchise owner(s). If there is any commingling of such funds or books and records, then Franchisor's rights of audit and inspection granted hereunder

also shall apply to such other business and personal records (including banking and financial information) of Franchisee and franchise owner(s).

**I. Insurance.**

Franchisee, at Franchisee's sole expense, agrees to maintain adequate insurance and indemnity coverage throughout the term of this agreement and any extension thereof. Franchisee acknowledges that this requirement shall in no way be construed as making Franchisee the agent of Franchisor. Franchisee agrees to provide the following coverages (insurance limits specified are minimum recommended limits and are subject to change from time to time) and in connection therewith identifying the Franchisor as a named insured to the extent of its interest:

(i) Comprehensive general liability insurance with a single bodily injury and property damage limit of at least \$1,000,000, per occurrence and \$2,000,000 in the aggregate;

(ii) Coverage for Products/Completed Work with a minimum of \$2,000,000 aggregate; Fire Legal Liability of \$50,000 and Medical Expense of \$5,000;

(iii) Workers' compensation insurance coverage offering Benefits per State for injured Employees; and Employers Liability Limit of \$100,000 per Injury, \$500,000 Disease Policy Limit and \$100,000 Disease Per Employee;

(iv) Automobile liability for owned, leased, hired and non-owned vehicles with recommended limits of at least \$1,000,000 combined single limit per state Medical/Personal Injury Protection and \$1,000,000 Uninsured/Underinsured Motorist with a Broadened Pollution Coverage Endorsement;

(v) Any and all bonds required by state law.

Prior to the opening of the franchise business, Franchisee shall deliver to Franchisor certificates or policies evidencing that such insurance is in full force and effect, and each year during the term of this Agreement, upon Franchisor's request, Franchisee shall furnish to Franchisor premium receipts or other satisfactory evidence that such policies have continued in effect. Should Franchisee fail to maintain the required insurance, or furnish proof thereof, the Franchisor has the option to obtain such insurance for the Franchisee at the sole cost of the Franchisee. Franchisee shall promptly notify Franchisor of any and all claims under said policies of insurance against Franchisee, Franchisor and/or employees or agents of either.

**J. Taxes, Payments and Compliance with Law.**

(i) Franchisee shall promptly pay when due all taxes and assessments in connection with Franchisee's business, its premises, and equipment; shall cause to be immediately discharged all liens or encumbrances of every kind or character created or placed upon or against any of said property other

than in the normal course of business; and shall pay when due all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of said Franchise. Franchisee is not obligated to make payments hereunder if Franchisee is legitimately contesting such taxes, assessments, liens, encumbrances, accounts or indebtedness; however, Franchisee shall promptly pay such items once they do become finally uncontested and determined.

(ii) Franchisee shall comply with all applicable federal, state and local laws and regulations, and shall obtain and maintain on a timely basis any and all permits, certificates, bonds, or licenses necessary for the full and proper conduct of its franchise. This shall include, but not be limited to, any business, or other licenses required by the laws of any applicable jurisdiction.

## **6. FEES**

In addition to fees specified in other sections of this Agreement, the Franchisee shall be responsible for the payment of the following fees, under the terms and conditions hereinafter set forth:

### **A. Royalty Fee.**

(i) Franchisee shall pay the Franchisor a minimum base royalty equal to \$1,250 per month, which is due by the 10th day of the following month.

(ii) If greater than the minimum base royalty for any month, Franchisee shall also pay the Franchisor a Percentage Royalty equal to Three Percent (3%) of the Total Gross Receipt derived from the franchised business during each month.

(iii) Amounts not received by us within 7 days of the due date shall incur a \$500 late fee, plus 10% per month interest until full payment is received.

The term "Total Gross Receipts" shall mean the total amount of all revenues paid to the Franchisee, its agents and its employees, from the sale of all products or services in the Nationwide Lifts approved products, and from any other sources of revenue derived from the operation of the franchised business. If a payment or fee is received in the form of merchandise or services, the fair market value of the merchandise or services shall be used in determining the Royalty Fee, and payment shall be made to Franchisor in cash accordingly. The term "Total Gross Receipts" shall exclude any sales taxes that may be levied.

Payment of the minimum base royalty or Percentage Royalty, whichever is greater, shall be made to the Franchisor monthly by the tenth day of the following month. A monthly Royalty Report (a summary of revenues collected) shall be submitted electronically, by email or fax, with the royalty payment.

### **B. Advertising Fee.**

The Franchisor requires the Franchisee to pay \$1,500 per month into a National Advertising Fund (the "NAF") that will be used to promote the Nationwide Lifts name in the marketplace. The Franchisee

shall pay the amount due monthly, by the tenth of the following month, paid in the same manner as the royalties. The Franchisor will spend these monies on national, regional, or local media, or to develop advertising media for use in local markets or other marketing techniques or programs designed to promote the sales of Nationwide Lifts Franchisees' products and services to the public. These funds may also be expended by Nationwide Lifts for market research and development, test or target marketing, the conducting of surveys, creative and production costs, reimbursement to Nationwide Lifts for reasonable accounting, administrative, and legal expenses associated with the Advertising Fund, or for other purposes deemed appropriate to enhance and promote the name recognition of the Franchisor's trademarks. Franchisor will make available to Franchisee annual reports of payments made from the Advertising Fund and will solicit commentary regarding future expenditures. The Franchisor's staff and a Committee of Franchise Owners will manage the Ad Fund whose sole duty will be to budget and spend monies in the Advertising Fund in ways that it deems appropriate.

The Franchisee also agrees to advertise in its local marketplace, using the Franchisor's Service Mark and Logo, and using advertising copy approved by the Franchisor. The Franchisee agrees to spend at least two percent (2%) of monthly sales on local advertising. The Franchisee agrees to make reports as the Franchisor may require to verify such expenditures within 15 days from the end of each month for the preceding month.

## **7. INDEPENDENT CONTRACTOR**

A. It is agreed that, for all purposes, Franchisee shall be considered an independent contractor, and not an employee, agent, legal representative, joint venture, partner or servant of Franchisor. Franchisee shall not make any contract, agreement, warranty, or representation on behalf of Franchisor nor as Nationwide Lifts, nor bind Franchisor to any obligation, nor hold itself out as an agent of Franchisor and shall effectively communicate to third parties, Franchisee's individual, corporate or business name and status, in addition to the fact that Franchisee is a licensee of Franchisor. It is further acknowledged that Franchisor has no control over the hiring or employment practices of Franchisee, all of which are the sole responsibility of the Franchisee.

B. Franchisee agrees to indemnify, defend and hold Franchisor harmless from and against any and all costs, damages, expenses (including attorneys' fees) and claims arising directly or indirectly from or as a result of, or in connection with the operation of the franchised business.

## **8. TERM**

A. This Agreement shall be effective and binding from the date of its execution. The term of this franchise shall expire ten (10) years from such date.

B. At the end of said term, Franchisee may renew this Agreement for additional ten (10) year terms so long as the following conditions are satisfied:

(i) Franchisee has complied substantially with its obligations hereunder during the term and is then in compliance with such obligations at time of giving notice and at time of renewal;

(ii) Franchisee has given Franchisor written notice of its election to renew at least ninety (90) but not more than one hundred eighty (180) days prior to expiration of the initial term;

(iii) The Franchisee signs the new Franchise Agreement then in effect, such other companion agreements as the Franchisor then requires of all Franchisees and the Franchisee signs a general release of the Franchisor from all claims;

Upon renewal and execution of a new Franchise Agreement, royalties, advertising fees or other fees and charges will be based on the then current charges of the Franchisor under Franchise Agreements then being granted. Franchisor is not restricted in its right to change other significant provisions of the previously existing Franchise Agreement, other agreements or documents.

## **9. TERMINATION AND DEFAULT**

A. Franchisor has the right to cancel, terminate, or refuse to renew this Agreement for the following reasons (in addition to other rights and remedies it may have):

1. If Franchisee fails, refuses, or neglects promptly to pay to Franchisor any money owing to Franchisor on the date due.

2. If Franchisee fails to submit required reports or financial data in a timely manner.

3. If Franchisee defaults in the performance under this Franchise Agreement, a loan, open account billing, contract assignment, or under any other Agreement with, or obligation to, Franchisor, or if Franchisee fails to comply with guidelines, policies and requirements imposed upon it by this Agreement, by the Operations Manual, or by such other operational memoranda issued by Franchisor;

4. If Franchisee violates or fails to comply with any applicable law including state business licensing or bonding laws and fails to cure within the time allowed by law.

5. If Franchisee fails to maintain generally accepted good business practices which will reflect favorably on the Franchisee, Franchisor and its marks. This includes but is not limited to: prompt

response to clients, consumers or Franchisor's inquiry, by mail, email, fax, or telephone; and payment of liabilities, fees, and debts of the Franchisee.

6. If the business of Franchisee is assigned, transferred, sold, leased, or for any other reason passes from the actual supervision or control of Franchisee without Franchisor's written consent including any transfer, sale, assignment, exchange or any other disposition of shares (or series of such transactions) of a corporate or limited liability company-owned franchise.

7. If Franchisee makes, or has made, any materially false statement or report to the Franchisor in connection with this Franchise Agreement or application therefor or in reporting Franchisee's revenues and resultant royalties.

8. If Franchisee fails to obtain from its managers, signed copies of Addendum B, Non-Disclosure for General Managers, in which these employees agree to keep secret Franchisor's trade secrets and proprietary information for operation of a Nationwide Lifts business or if Franchisee delivers to, or permits unauthorized persons access to the Franchisor's confidential manuals, training programs, or any other confidential materials, or trains any other person to use Franchisor's methods for conduct of a similar business.

9. If Franchisee engages in the marketing, sale, and installation of residential elevator products for businesses and consumers or offers other similar products or services under any other trade name, or business name, or in any geographical area other than that authorized by this franchise agreement, or any subsequent written authorization, or operates the franchised business at a location other than that approved by the Franchisor; sells unauthorized products or services under the Nationwide Lifts name; or otherwise violates Paragraph 15.

10. If Franchisee shall be adjudicated a bankrupt (unless restricted by the United States Bankruptcy Code) or becomes insolvent; (b) if a receiver of its property, or any part thereof, is appointed by a court of competent authority; (c) if Franchisee makes a general assignment for the benefit of its creditors; (d) if a final judgment against Franchisee remains unsatisfied of record for sixty (60) days or longer (unless a supersede as bond is filed); (e) if execution is levied against Franchisee's business or property, or suit to foreclose any lien or mortgage is instituted and not dismissed within sixty (60) days; (f) if Franchisee's bank accounts, property or receivables are attached or garnisheed and such attachment or garnishment proceedings are not dismissed within a sixty (60) day period; or (g) if Franchisee is convicted of a felony.

11. If Franchisee breaches any of the terms of this Agreement two or more times within any twelve (12) month period, even if cured.

With respect to the grounds for termination set forth above in subparagraph (1) and (2), Franchisor will deliver to Franchisee written notice of default at least seven (7) days prior to the date of termination; during this seven (7) day period, Franchisee will have the right to cure the default.

With respect to the grounds for termination set forth above in subparagraphs (3), (4), (5), and (8), Franchisor will deliver to Franchisee written notice of default at least thirty (30) days prior to the date of termination; during this thirty (30) day period, Franchisee will have the right to cure the default.

With respect to the grounds for termination set forth above in subparagraphs (6), (7), (9), (10) and (11), Franchisor shall have the right to deliver notice of termination, and this Franchise Agreement will terminate immediately with no right to cure.

Where notice of default and demand for performance is given, when and to the extent required, such notice or demand shall not be a waiver of any other term hereof. To the extent that any provisions of this Agreement provide for periods of notice less than those provided by any applicable law, or provide for termination, cancellation or non-renewal other than in accordance with such applicable law, then such provisions hereof shall be modified to the extent necessary to comply with the provisions of such applicable law.

## **10. RIGHTS AND DUTIES UPON TERMINATION OR EXPIRATION**

A. Upon the termination of this Agreement and this franchise, or upon their expiration, Franchisee and franchise owner(s), as applicable, shall:

(i) Promptly pay to Franchisor (its subsidiaries and affiliates), all sums of money, royalties, fees or other charges due or which are undisputed and have accrued to the date of termination or expiration, as applicable;

(ii) Cease to use, in any manner whatsoever, the franchisor's name, the proprietary marks, manuals, catalogs, slogans, signs, forms, devices and other materials, used in connection with the operation of the franchise, and take all necessary steps to disassociate itself from Franchisor, including removal of signs, internet postings, and non-use of letterheads. Franchisee shall not represent or advertise that Franchisor and Franchisee were formerly affiliated with the Franchise System;

(iii) Immediately return to Franchisor with no demand for compensation, all operations manuals, forms, signs, prospect and customer lists and other materials provided to Franchisee by Franchisor, its subsidiaries or affiliates; (Franchisor will repay Franchisee for signs or other materials paid for by Franchisee, that are returned in a salable condition, or their value may be credited to any unpaid obligations of the Franchisee);

(iv) Take whatever action is necessary to cancel, terminate and/or change any assumed name registration, document, or other record which contains the name "Nationwide Lifts" (or any form or part thereof) or any Proprietary Mark of Franchisor;

(v) Agree not to disclose any trade secrets or confidential information of Franchisor, its subsidiaries and affiliates;

(vi) Immediately cease operation of the terminated or expired franchised business;

(vii) Promptly, and at the direction and discretion of the Franchisor, either refund to all customers or pay over to Franchisor, all deposits and other pre-paid amounts that have been paid to Franchisee by customers for work not yet fully performed as of the date of termination or expiration.

If Franchisee and/or franchise owner(s), as applicable, fail or refuse to comply with this Section 10 in a professional and expeditious manner, as well as all other obligations hereunder intended to survive termination and expiration of this Agreement and Franchise, including but not limited to the non-disclosure and indemnification covenants, then Franchisee and franchise owner(s) agree to pay Franchisor for all costs and expenses, including auditors' and attorneys' fees incurred by Franchisor in an effort to effect compliance thereunder. All obligations of Franchisee, franchise owner(s) and Franchisor hereunder 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. Franchisor shall have the right, at its sole discretion, to cure any default of the Franchisee and bill the Franchisee for any expenses incurred in eliminating said default.

## **11. TRANSFERABILITY OF INTEREST**

A. Franchisee may not assign this Franchise Agreement nor sell the assets of the business to others without the Franchisor's written consent.

B. Prior to any inter vivos assignment or transfer, Franchisee shall fully pay and satisfy all of Franchisee's obligations to Franchisor, and a transfer fee shall have been paid to Franchisor in the amount of 25% of the then current initial franchise fee.

C. This Agreement and all of Franchisor's rights, title, duties, obligations, and interest hereunder may be freely assigned, transferred or conveyed by Franchisor and shall be binding upon and inure to the benefit of Franchisor's successors and assigns.

## **12. NON-WAIVER**

No failure of Franchisor to exercise any rights reserved to it nor to insist upon strict compliance by Franchisee (or franchise owner(s) as applicable) with any obligation or condition of this contract, and no custom or practice at variance with these terms, shall constitute a waiver of Franchisor's right to demand exact compliance with these terms. Waiver by Franchisor of any particular default by Franchisee (or franchisee owner(s)) shall not affect or impair Franchisor's rights in respect to any subsequent default of the same or of a different nature; nor shall any delay, waiver, forbearance, or omission of Franchisor to exercise any power or rights arising out of any breach or default by Franchisee or franchise owner(s) of any of the terms, provisions, or covenants, affect or impair Franchisor's rights, nor shall such constitute a waiver by Franchisor of any right or of the right to declare any subsequent breach or default of this Agreement. Subsequent acceptance by Franchisor of the payments due to it shall not be deemed to be a waiver by Franchisor of any of its rights arising by a preceding breach by Franchisee or franchisee owner(s) of any terms, covenants or conditions of this Agreement.

## **13. NOTICE**

Any notices required to be given shall be given in writing by personal delivery, or by certified or registered mail, or by reputable commercial overnight delivery service, directed to Franchisor at Nationwide Lifts, Inc., 10B Holden Avenue Queensbury, New York 12804 or to Franchisee at Franchisee's address set forth on the first page of this Agreement. Notice by mail shall be deemed received on the fifth business day following the date it was deposited in the mail.

Either party hereto may change the address to which any notices to such party shall be delivered, by written notice to the other.

## **14. LIABILITY FOR BREACH**

In the event of any breach of this Agreement by either party, in addition to any other remedies the aggrieved party may have at law or in equity, the party in breach shall pay to the aggrieved party all amounts due and all damages, costs and expenses, including reasonable attorneys' fees and auditors' fees incurred by the aggrieved party as a result of any such breach.

## **15. COVENANT NOT TO DISCLOSE**

Franchisee and any guarantors hereof acknowledge that their initial knowledge of the operation of a Nationwide Lifts franchise, its products, services and methods of conducting business, is derived wholly from information disclosed to them by Franchisor pursuant to this Agreement, the training

programs, the confidential operating manuals and other means, and that such information is proprietary and confidential.

A. So long as this Franchise Agreement is in effect, and for two (2) years thereafter, Franchisee and such guarantors shall maintain the absolute confidentiality of such information and shall not divulge to, or use for the benefit of, any other person, partnership, association, trust, corporation or entity outside the Franchisor's organization, any confidential or proprietary information of Franchisor nor any information concerning customers, the methods of doing business (including, without limitation, promotion, pricing of products and services, marketing concepts and other technical information and know-how employed by Franchisor or its franchisees in the residential elevator business) which Franchisee or the guarantor may acquire by virtue of their operation under the terms of this Agreement. Information furnished to employees, or agents of Franchisee by Franchisee shall be reasonably limited to that information which directly relates to such employees' or agents' duties. Individuals engaged in management by the Franchisee shall execute like non-disclosure and confidentiality undertakings in writing as a condition precedent to their engagement by Franchisee.

B. This Covenant is entered into by and between the parties hereto with full knowledge of its nature and extent. They hereby acknowledge that the Franchise Agreement would not be entered into by the Franchisor except upon the condition that such restrictive covenant be embodied herein and that, as such, they be enforceable, in the event of a breach by Franchisee and/or the franchise owners, by injunctive relief, and/or any other remedies available at law or equity to Franchisor, which remedies shall be cumulative.

## **16. ENTIRE AGREEMENT**

This Agreement and the documents to which reference in it has been made, shall be construed together and constitute the entire, full and complete agreement between the parties and shall supersede all prior agreements, no other representation having induced Franchisee and franchise owner(s), as applicable, to execute this Agreement. There are no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein, which are of any force or effect. No amendment, change or variance from this Agreement shall be binding on any party unless executed in writing. Nothing contained in the Franchise Agreement, however, shall serve to waive or disclaim any representation made in the Franchisor's Franchise Disclosure Document.

## **17. SEVERABILITY**

Each paragraph, section, part, term and/or provision of this Agreement shall be considered severable, and if, for any reason, any paragraph, section, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation, such shall not impair the operation of or affect the remaining paragraphs, sections, parts, terms, and/or provisions of this Agreement, and the latter will continue to be given full force and effect and bind the

parties. Said invalid paragraphs, sections, parts, terms and/or provisions shall be deemed not to be a part of this Agreement, provided, however, that if Franchisor determines that said finding of illegality adversely affects the basic consideration of this Agreement, Franchisor may, at its option, terminate this Agreement.

## **18. MEDIATION AND ARBITRATION**

A. Any controversy or claim (other than those arising from non-payment of monies due, falsification of reports, abandonment, and those regarding trademark infringement arising out of or relating to this contract, or the breach thereof, shall be subject to mandatory non-binding Mediation. The Mediator will be appointed in accordance with the Rules and Regulations of the American Arbitration Association unless the parties agree on a Mediator in writing within ten (10) days after either party gives written notice of Mediation. If either party alleges a dispute or controversy against the other party for any reason (other than those cited above), then either party will have the right to demand non-binding Mediation within the ten (10) days after the complaining party provided the other party with written notice describing the dispute or controversy and the desired action. All Mediation hearings will take place exclusively in Queensbury, New York, and will be held within twenty (20) days after the Mediator has been appointed. The Mediation hearing will be informal and the Mediator will have the right to hear and review all testimony and evidence presented by either party. The cost of the Mediator will be shared equally by the parties. The parties agree that they will act in good faith to settle any dispute or controversy between them either prior to or during Mediation. All matters, testimony, arguments, evidence, allegations, documents and memorandums will be confidential in all respects and will not be disclosed to any other person or entity by either party.

The Franchisor and the Franchisee will not have the right to commence any Arbitration or legal proceedings against the other party until the dispute or controversy has been mediated as provided for herein, unless said dispute is of a nature excluded from Mediation as set forth above. Both parties will have the right to take all actions necessary to demand Arbitration or to commence legal proceedings prior to any Mediation hearing; however, neither party will have the right to an arbitration hearing or to prosecute any legal proceedings beyond commencement of an action until the Mediation has concluded.

B. Any controversy or claim (other than those arising from non-payment of monies due, falsification of reports, abandonment, and those regarding trademark infringement arising out of or relating to this contract, or the breach thereof, that cannot be resolved through Mediation, shall be resolved by Arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Said Arbitration shall take place at Glens Falls, New York. Judgment entered upon an award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. The parties agree that they shall be entitled to take discovery by way of depositions and requests for production of documents and that AAA-issued subpoenas shall suffice for compelling same. Each party shall

determine the extent of the discovery it desires to undertake and shall submit to the arbitrator (and serve on the opposing party) a schedule of such intended discovery. Each party shall be entitled to take discovery pursuant to its schedule unless objection thereto is made by the other party within ten (10) days after service of said schedule. The parties shall make a good faith attempt to resolve all objections. Any unresolved objections shall be submitted to the arbitrator for resolution.

C. Nothing herein shall bar the right of either party to obtain injunctive relief against threatened or actual conduct under the usual rules of equity, including the applicable rules for obtaining preliminary injunctions.

## **19. FRANCHISEE**

The term "Franchisee" shall be deemed to include all persons who succeed to the interest of the original Franchisee by transfer or operation of law.

## **20. VENUE/GOVERNING LAW**

This Agreement was entered into in the State of New York and this Agreement, and all disputes between the parties hereto, shall be interpreted and construed under its laws. The parties agree that any action in which Franchisor is a party brought by any party against another party in connection with any disputes, rights or obligations arising out of this Agreement shall be instituted in a state court of competent jurisdiction with venue only in Warren County, State of New York, or in the United States District Court for the Northern District of New York except and only to the extent prohibited by applicable law. Any party to this Agreement named as a defendant in such an action brought in connection with this Agreement in any other court outside of the above-designated county or district shall have the right to have the venue of said action changed to the above-designated county or federal district, unless precluded by applicable law. Franchisee hereby agrees to submit personally to the jurisdiction of a court of competent subject matter jurisdiction located in the above-designated state and county or federal district, except in any legal proceeding where Franchisor is not a party. The parties acknowledge that this Agreement is executed in and that a material portion of Franchisor's obligations under this Agreement are to be performed in, the above-designated state and county and federal district.

Nothing contained in this paragraph shall prevent or prohibit Franchisor from seeking an injunction or other equitable relief in any court of competent jurisdiction.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Agreement in duplicate the day and year first above written.

Witnesses:

NATIONWIDE LIFTS, INC.

(FRANCHISOR)

\_\_\_\_\_

By \_\_\_\_\_

Duly Authorized

\_\_\_\_\_

Printed Name

\_\_\_\_\_

\_\_\_\_\_

Franchisee Signature

\_\_\_\_\_

Printed Name

\_\_\_\_\_

\_\_\_\_\_

Franchisee Signature

\_\_\_\_\_

Printed Name

## **ADDENDUM A – Franchisee’s Territory**

Franchisee's Protected Territory is hereby identified as follows:

Franchisee is authorized to open and operate only one office for selling the products and services of Nationwide Lifts within the Metropolitan Area known as \_\_\_\_\_ which is defined as lying within these boundaries:

(See map attached.) Should any changes occur in such boundaries, the initial outside perimeter as established on this date shall remain unchanged.

Franchisee agrees to focus his or her marketing and solicitation activities within this Protected Territory and to avoid soliciting clients for its Nationwide Lifts business within the protected territories of other Franchisees or Nationwide Lifts, Inc.

Witnesses:

NATIONWIDE LIFTS, INC.

(FRANCHISOR)

\_\_\_\_\_

By \_\_\_\_\_

Duly Authorized

\_\_\_\_\_  
Printed Name

\_\_\_\_\_

\_\_\_\_\_  
Franchisee Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_

\_\_\_\_\_  
Franchisee Signature

\_\_\_\_\_  
Printed Name

## **ADDENDUM B – Closing Acknowledgements**

In order to ensure that your decision to purchase a Franchise from Nationwide Lifts (NWL) is based upon your own independent investigation and judgment, please complete and sign this Acknowledgment.

1. The Franchisee acknowledges receipt of the Franchise Disclosure Document, including all exhibits and attachments, not less than 14 days prior to the execution of this Agreement, in compliance with federal and state franchise disclosure requirements.

2. The Franchisee confirms that they have read and fully understood the Franchise Agreement, the Franchise Disclosure Document, and all related documents. Franchisee acknowledges that they were afforded ample opportunity to seek independent legal and financial advice prior to signing this Agreement.

3. The Franchisee agrees to the financial terms outlined in the Agreement, including initial fees, ongoing royalties, marketing contributions, and any other applicable costs, as specified in the Franchise Disclosure Document.

4. Franchisee confirms that their decision to execute this Agreement was based solely on the disclosures and representations contained within the Franchise Disclosure Document and Agreement. Franchisee acknowledges that no additional promises, guarantees, or representations were made by the Franchisor or its representatives outside of the Agreement.

5. The Franchisee acknowledges receipt of initial support, training materials, or any relevant onboarding resources promised by the Franchisor. Franchisee agrees to adhere to ongoing training programs and standards as set forth by the Franchisor.

6. Franchisee has made their own independent determination that they have adequate working capital to develop, open and operate their Nationwide Lifts franchise.

7. Franchisee understands that their investment in a Nationwide Lifts franchise contains substantial business risks and that there is no guarantee that it will be profitable.

8. Franchisee has been advised by NWL and its representatives to seek professional legal and financial advice in all matters concerning the purchase of a Nationwide Lifts franchise.

9. Franchisee acknowledges that the success of my their Nationwide Lifts franchise depends, in large part, upon my their ability as an independent business person(s) and their active supervision of the day-to-day operation of the business.

10. By signing below, both parties affirm their understanding and agreement to the terms outlined in this Addendum.

Witnesses:

NATIONWIDE LIFTS, INC.

(FRANCHISOR)

\_\_\_\_\_

By \_\_\_\_\_

Duly Authorized

\_\_\_\_\_

Printed Name

\_\_\_\_\_

\_\_\_\_\_

Franchisee Signature

\_\_\_\_\_

Printed Name

\_\_\_\_\_

\_\_\_\_\_

Franchisee Signature

\_\_\_\_\_

Printed Name

## **ADDENDUM C - Guaranty**

In consideration of, and as an inducement to, the execution of the above Franchise Agreement (the "Agreement") by Nationwide Lifts, Inc., each of the undersigned, ("Guarantors") hereby personally and unconditionally: (1) guarantees to Nationwide Lifts, Inc. and its affiliates and their successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that ("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and (2) agrees personally to be bound by, and personally liable for the breach of, each and every provision in the Agreement and comply with all sections of the Agreement, as though the undersigned were the Franchisee.

Each of the undersigned waives:

- a) acceptance and notice of acceptance by Nationwide Lifts and its affiliates of the foregoing undertakings;
- b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
- c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
- d) any right he may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
- e) any and all other notices and legal or equitable defenses to which he may be entitled.

Each of the undersigned consents and agrees that:

- a) his direct and immediate liability under this guaranty shall be joint and several;
- b) he shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;
- c) such liability shall not be contingent or conditioned upon pursuit by Nationwide Lifts or its affiliates of any remedies against Franchisee or any other person;
- d) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Nationwide Lifts or its affiliates may from time to time grant to

Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement.

Each of the undersigned waives all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this guaranty.

**IN WITNESS WHEREOF**, each of the undersigned has hereunto affixed his signature, under seal, on the same day and year as the Agreement was executed.

PERCENTAGE OF OWNERSHIP  
INTERESTS IN FRANCHISEE

GUARANTOR(S)

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## **ADDENDUM D – State Law Addendums**

### **California State Law Appendix**

California Business and Professions Code Sections 20000 through 20043 provide rights to the Franchisee concerning termination or non-renewal of a franchise. If a franchise agreement contains a provision that is inconsistent with the law, the law still controls.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California Law.

The Franchise Agreement requires application of the laws of the state of New York. This may not be enforceable under California Law.

Neither the Franchisor, nor any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such person from membership in such association or exchange.

Section 13125 of the California Corporations Code requires the Franchisor to give the Franchisee a disclosure document, in a form containing such information as the Commissioner may by rule or order require prior to a solicitation of a proposed material modification of an existing franchise.

The California Franchise Investment Law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Disclosure Document.

You must sign a general release if you transfer your franchise. California Corporations Code 13512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 13000 through 13516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

### **Illinois State Law Appendix**

The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois Law, ILCS 705/19 and 705/20. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision NationwideLifts4.2022 24 purporting to bind any person acquiring any franchise to waive compliance with the Act is void." The Franchise Agreement requires that a Franchisee shall be subject to the jurisdiction or venue of any state or federal court in New York. These provisions may not be enforceable under Illinois law. BY EXECUTING THIS APPENDIX,

THE PARTIES HERETO MAKE THIS APPENDIX A PART OF THE ACCOMPANYING FRANCHISE AGREEMENT, AND INCORPORATE THIS APPENDIX THEREIN.

**Maryland State Law Appendix**

Notwithstanding any provisions in the Franchise Agreement to the contrary, any claims arising out of the Maryland Franchise Registration and Disclosure Law may be brought within the State of Maryland.

Pursuant to COMAR 02.02.08.16L of the Maryland Franchise Registration and Disclosure Law, a general release required as a condition to renewal, sale, and/or assignment/transfer of a franchise shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The limitations of claims provision contained in this Agreement does not act to reduce the three year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claim arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

No release, or waiver of liability by a franchisee as a requirement to purchase a franchise shall constitute a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. Any acknowledgments or representations of the franchisee which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended no shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee 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 any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**In witness whereof, the parties hereto have duly executed this State Law Addendum simultaneously with the Franchise Agreement and hereby amend the Franchise Agreement to conform to the provisions of this State Law Addendum**

\_\_\_\_\_

\_\_\_\_\_

**Franchisee                      Date**

**Groutsmith Franchising, Inc.    Date**

**For residents of Minnesota**

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement 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.

In accordance with Minnesota Rule 2860.440J, and to the extent required by law, the Disclosure Document and the Franchise Agreement are modified so that the Franchisor cannot require a franchisee

to waive his or her rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

Pursuant to Minn. Stat. Sec. 80c.12), to the extent required by this Minnesota law, the Franchise Agreement and Item 13 of the Disclosure Document are amended to state that the Franchisor will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify our from any loss, costs or expenses arising out of any claim, suit, or demand regarding the use of the Franchisor's primary trade name.

All statements in the Disclosure Document and Franchise Agreement that state that Franchisor is entitled to injunctive relief are amended to read: "franchisor may seek injunctive relief" and a court will determine if a bond is required.

Minnesota Rule 2860.4400D prohibits the Franchisor from requiring a Franchisee to assent to a general release. The Disclosure Document and Franchise Agreement are modified accordingly, and to the extent required by law.

With respect to franchises governed my Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 3,4 and 5, which require (except in certain specified cases) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee 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 any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

Any provisions of the Franchise or any other Agreement imposing a Limitations of Claims must comply with [Minnesota Statute 80C.17 Subd. 5.](#), which governs.

### **New York State Law Appendix**

Item 3 of this Offering Prospectus is supplemented with the following: Neither the Franchisor, its predecessor, a person identified in item 2 or an affiliate offering franchises under the Franchisor's trademark:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations; nor any pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the ten year period immediately preceding the application for registration, has been convicted of a misdemeanor or pleaded *nolo contendere* to a misdemeanor charge or been the subject of a civil action alleging violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunction or restrictive order or decree relating to the franchise, or under a federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a licensee as a real estate broker or sales agent.

Item 4 of this Offering Prospectus is supplemented with the following: During the fifteen (15) year period immediately preceding the date of this Offering Prospectus, neither the Franchisor nor any officer or general partner of the Franchisor has been adjudged bankrupt or reorganized due to insolvency or been a principal officer of any company or general partner in any partnership that was adjudged bankrupt or reorganized due to insolvency during or within one year after the period that such officer or general partner of the Franchisor held such position in such company or partnership, or is subject to any pending bankruptcy or reorganization proceeding.

#### **For residents of Virginia**

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee 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 any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

#### **Washington State Law Appendix**

The state of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act or rights of remedies under the act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

**FOR RESIDENTS OF ALL STATES LISTED IN THIS ADDENDUM**

Notwithstanding Section 16 of the Franchise Agreement to the contrary, this Addendum will not be merged with or into, or superseded by, the Franchise Agreement. In the event of any conflict between the Franchise Agreement and this Addendum, this Addendum will be controlling. Except as otherwise expressly set forth in this Agreement, no other amendments or modifications of the Franchise Agreement are intended or made by the parties.

Applicable state or commonwealth: \_\_\_\_\_

In witness whereof, the parties hereto have duly executed and delivered this Addendum as of the date of execution of the Franchise Agreement.

Witnesses:

NATIONWIDE LIFTS, INC.  
(FRANCHISOR)

\_\_\_\_\_

By \_\_\_\_\_  
Duly Authorized

\_\_\_\_\_  
Printed Name

\_\_\_\_\_

\_\_\_\_\_  
Franchisee Signature

---

Printed Name

---

---

Franchisee Signature

---

Printed Name

## **EXHIBIT F: List of Franchisees**

### **LIST OF FRANCHISEES AS OF DECEMBER 31, 2024**

#### **CALIFORNIA (Two territories)**

Alex Martin  
1400 Crooked Mile Court  
Placerville, CA 95667  
(916) 803-0121

#### **COLORADO (also services Utah and Wyoming)**

Dan Busby  
131 S. Buchanan Avenue  
Louisville, CO 80027  
(626) 676-4651

#### **ILLINOIS (also services Kansas, Missouri, and Wisconsin)**

Casey Dyon  
626 West 1st Street  
Sandwich, IL 60548  
(630) 742-1264

#### **KANSAS**

Casey Dyon  
626 West 1st Street  
Sandwich, IL 60548  
(630) 742-1264

#### **MASSACHUSETTS**

Robert and Terry Steen  
Quality Home Elevators  
231 Woburn Street  
Wilmington, MA 01887  
(978) 229-0390

#### **MICHIGAN**

Bruce Lardner  
327 Ridgemont Road  
Grosse Pointe Farms MI 48236  
(586) 718-3521

#### **MISSOURI**

Casey Dyon  
626 West 1st Street  
Sandwich, IL 60548  
(630) 742-1264

TEXAS (has two territories in Texas)  
RD Baxter  
1314 W. McDermott, #106  
Allen, TX 75013  
(469) 323-4867

UTAH  
Dan Busby  
131 S. Buchanan Avenue  
Louisville, CO 80027  
(626) 676-4651

WISCONSIN  
Casey Dyon  
626 West 1st Street  
Sandwich, IL 60548  
(630) 742-1264

WYOMING  
Dan Busby  
131 S. Buchanan Avenue  
Louisville, CO 80027  
(626) 676-4651

**FRANCHISEES WHO LEFT THE SYSTEM IN 2024**

**None**



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## STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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.

### 23. RECEIPT (Franchisee)

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 Nationwide Lifts, 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. New York State law requires a franchisor to provide the franchise disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Nationwide Lifts, 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 officials in your state, as listed on the attached schedule of state agencies. In the states listed on the attached schedule of state agencies, we have designated the agency listed as its agent for service of legal process in each of the states listed.

Our registered agents are listed on Exhibit C. Jason Booher, at 4063 Brady St, Yorkville, IL 60560, (773) 678-7647 serves as our primary franchise seller, along with our President, Andrew Darnley

The date of issuance of this Disclosure Document is June 13, 2025

I have received a copy of the Franchise Disclosure Document of **NATIONWIDE LIFTS, INC.**, dated June 13, 2025 including its Financial Statements dated December 31, 2024, December 31, 2023, and December 31, 2022 (Exhibit A); Sample Non-Disclosure and Non-Compete Agreement (Exhibit B), Schedule of State Agencies (Exhibit C), State Law Addendum (Exhibit D), Franchise Agreement (Exhibit E), List of Franchisees as of December 31, 2024 (Exhibit F) and Table of Contents of Operations Manual (Exhibit G).

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature of Prospect

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, County, State, Zip

\_\_\_\_\_  
Date

(Please sign and date this page and retain it for your records)

### 23. RECEIPT (Franchisor)

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 Nationwide Lifts, 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. New York State law requires a franchisor to provide the franchise disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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I have received a copy of the Franchise Disclosure Document of **NATIONWIDE LIFTS, INC.**, dated June 13, 2025 including its Financial Statements dated December 31, 2023, December 31, 2022, and December 31, 2021 (Exhibit A); Sample Non-Disclosure and Non-Compete Agreement (Exhibit B), Schedule of State Agencies (Exhibit C), State Law Addendum (Exhibit D), Franchise Agreement (Exhibit E), List of Franchisees as of December 31, 2024 (Exhibit F) and Table of Contents of Operations Manual (Exhibit G).

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature of Prospect

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, County, State ZIP

\_\_\_\_\_  
Date

(Please sign and date this page and return it to NATIONWIDE LIFTS, INC.)