

FRANCHISE DISCLOSURE DOCUMENT



ABC, INC.
(a North Dakota Corporation)
8032 Maple Street
Omaha, Nebraska 68134
Phone: 800-732-6577
www.abcseamless.com
www.abcseamless.com/franchising

The Franchise offered is for a business that sells, manufactures and installs seamless siding, seamless gutters, soffit, fascia and accessories using the Franchisor's name and marks. If you sign the appropriate Addenda, you may also sell metal roofing identified by Franchisor's name and marks.

The total investment necessary to begin operation of an abc Seamless® business is estimated to be between \$187,701 and \$331,581. This includes between \$148,301 and \$200,581 that must be paid to the franchisor or an affiliate.

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 form that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Melissa Allen at the telephone number and address above.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of the contract carefully. Show your contract and this Disclosure Document to an 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 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.

Issuance Date: June 11, 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 B.
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 D 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 ABC Seamless 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 an ABC Seamless franchisee?	Item 20 or Exhibit B 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 A.

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 Risk(s) 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 at a location determined by the mediator, and/or litigation only in Nebraska. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in these locations than in your own state.
2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Mandatory Minimum Payments**. You must make minimum royalty, and other payments, regardless of your sales levels. Your inability to make the 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.

**NOTICE MANDATED BY SECTION 8 OF
MICHIGAN'S FRANCHISE INVESTMENT ACT**

The following is applicable to you if you are a Michigan resident or your franchise will be located in Michigan.

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

If the franchisee has any questions regarding this notice, those questions should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Attn.: Franchise, 525 West Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48909, telephone: (517) 373-7117.

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor is ABC, Inc., a corporation organized under the laws of the State of North Dakota. To simplify the language in this Disclosure Document, ABC, Inc. is referred to as “we,” “us,” or “ABC.” “You” or “your” means the person, corporation, limited liability company, partnership, or other business entity that buys the franchise. If you are a corporation, limited liability company, partnership, or other entity, these terms also include your shareholders, members, partners, and owners who must sign a personal guaranty agreeing to comply with all provisions of the Franchise Agreement.

Prior Experience, Predecessors, Parents, and Affiliates

ABC was incorporated on December 1, 1978. We do business under our corporate name and under the name “abc Seamless.” We manufacture equipment which is sold to our franchisees by us or our affiliate, ABC Manufacturing Co., and in the past, we have leased equipment to our franchisees from our affiliate, ABC Leasing Co. Our affiliate, ABCMFG INC., sells trailers and other equipment to our franchisees. The principal office address of us, ABC Manufacturing Co., ABC Leasing Co., and ABCMFG INC. is 8032 Maple Street, Omaha, Nebraska 68134.

We began operating abc Seamless businesses in December 1978 either directly or through our affiliates. Since 2009, these affiliates have also operated roofing businesses, either separately or since 2012, with our siding businesses. However, as of December 31, 2022, our current affiliates operate abc Seamless businesses in 4 territories in Nebraska. We have offered franchises for this business since September 1979. We have never offered franchises for any other type of business.

Except as disclosed above, we have no parent company, no predecessors, and no affiliates that now offer, or have ever offered, franchises under any name or that currently offer or sell products or services to franchisees.

The Franchised Business

The franchise we offer allows you to operate a business selling, manufacturing and installing siding, gutters, soffit, fascia, window trim, door trim, exterior trim, gutter protection, and accessory items and other siding products on new and existing residential and commercial properties and multiple dwellings, using our abc Seamless[®] names, marks, and systems. We refer in this Disclosure Document to this business as the “Siding Business.”

If you sign a Roofing Amendment, you may sell metal roofing and related products purchased from our designated supplier, under our composite mark “abc Roofing”[®] and design and any related names and marks we may authorize you to use in connection with these sales. We refer to businesses conducted under the Roofing Amendment as the “Roofing Business.”

Market and Competition

The market for the goods and services you will offer from your franchised business consists of new and existing residential and commercial properties. The sale of these services is generally not

seasonal. Your competition for siding product sales is primarily national, regional and local steel, engineered, and vinyl siding companies and home improvement stores providing similar services. People who put siding products up themselves and painting companies also compete with you. Your competition for selling metal roofing and related products is primarily national, regional and local companies who manufacture, sell and install these products or home improvement businesses that offer similar services.

Industry Regulations

Most states require you get bonded or get a contractor license before you begin operations. In those states, you will need to apply to your Secretary of State or similar agency for your contractor license. You may also be required to obtain a license or permit for your vehicles from the U.S. Department of Transportation (D.O.T.), if your ABC vehicle with trailer is over ten thousand (10,000) pounds. The drivers of these vehicles also may need to obtain an annual certificate or license from the D.O.T. Your state may also have similar requirements. Some cities or municipalities may also require you to obtain a license or obtain building permits before you begin operations or begin work on a home or commercial property. Check with your local authorities. Local and state regulations applicable to contractors in general may apply to your business. In addition to the specific laws discussed above, your franchised business will be subject to national, state, and local regulations that apply to all businesses, such as the Americans With Disabilities Act, wage and hour laws, occupational health and safety, equal employment opportunity, taxes, and business licensing and permitting requirements. You should investigate the application of these laws further.

Our agents for service of process are disclosed in Exhibit A.

ITEM 2 BUSINESS EXPERIENCE

CEO, President: Edward (Ted) Franssen.

Mr. Franssen has been our President and CEO since August 2021, located in Omaha, Nebraska and Lincoln, Nebraska. From January 2020 to July 2021, he served as Vice President of ABC. He has also been a franchisee of ABC since 1996 and is currently the owner of ABC Seamless of Lincoln, ABC Seamless of Wood River, ABC Seamless of Fremont, and ABC Seamless of Omaha. Offices are located in Omaha Nebraska, Lincoln Nebraska, and Wood River Nebraska.

Director of Franchise Support: Jason Franssen.

Jason Franssen has been with abc Inc. since 2021. Jason serves many vital roles with abc Seamless of Nebraska and has worked closely with Edward Franssen since 1996. Jason manages the

corporate office functions. He also provides support, leadership, and guidance with regard to the machines, trailers, job site installations, and efficiencies. He is a trainer in our abc University and also the job site trainer for new franchisees.

Franchise Support Team:

Melissa Allen supports the contractual functions for abc Inc.

Mary Siudzinski handles and facilitates consumer leads that come into abc's corporate office and ensures those leads are reaching our franchisees.

Elizabeth Franssen handles all of our franchisee ordering as well as the warranty questions and process for abc customers across the US.

**ITEM 3
LITIGATION**

Pending Actions

ABC, Inc. d/b/a abc Seamless, Inc v. J.M. Johnson, LLC, Case No. 01-24-0002-4968 (American Arbitration Association filed March 4, 2024).

We demanded and initiated arbitration against one franchisee for injunctive relief, breach of contract, and trademark infringement. In this action, we have plead that a franchisee has failed to comply with our request to audit their financial documents as agreed to in our franchise agreement with that franchisee. We have requested that the arbitrating body grant us injunctive relief, which will allow us to audit the previously requested documents. In addition to, or in the alternative to, our request for injunctive relief, we have alleged that the franchisee has breached its franchise agreement, infringed on our protected trademarks, and have requested further injunctive relief from the arbitrating body to order franchisee to immediately stop its infringement on our protected trademarks. We are alleged no more than \$150,000 in damages in this action. This matter was dismissed by the arbitrating body on the basis that the franchisee was operating under an expired franchise agreement and that the prior conduct of the parties did not indicate that the franchisee was contractually obligated to comply with abc's audit request.

Other than this action, no litigation is required to be disclosed in this item.

**ITEM 4
BANKRUPTCY**

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

ITEM 5 INITIAL FEES

Initial Franchise Fee

The initial franchise fee is \$55,000 for the minimum required one territory. A territory consists of approximately 150,000 single family homes according to the most recent United States Census. The initial franchise fee is payable in full at the time you sign your Franchise Agreement and is not refundable. Although you must pay us this initial franchise fee when you sign your Franchise Agreement, we do not charge an additional initial franchise fee for the right to enter into the Roofing Amendment. Current members of the United States military, or a veteran who received an honorable discharge from a branch of the United States military, are eligible to receive a discount of up to 10% off the standard initial franchise fee. We do not offer any financing for the initial franchise fee. If you sign a new franchise agreement at the time of renewal or in the case of a transfer, we do not charge an initial franchise fee. Except as described in this Item 5, our initial franchise fee is uniform.

Equipment and Machine Purchases

You must purchase from us or our affiliate a seamless siding machine that you must use in your business, the cost of which, as of the issuance date of this Disclosure Document, is currently estimated to range from \$45,220 for a used seamless siding machine and used trailer (if available) to \$94,600 for a new seamless siding machine and trailer. You must also purchase from us or our affiliate a seamless gutter machine and trailer, which, as of the issuance date of this Disclosure Document, currently costs \$47,981. The costs for these machines and trailers may vary.

We may also sell additional items (like small tools, miscellaneous supplies, and trailer/vehicle decals and attachments) to you. Those purchases range between \$100 and \$3,000, but you are not required to purchase these items from us.

We may provide financing for used machines if we have used machines available for purchase (See Item 10). We do not give refunds for any amount you pay us under any circumstances.

**ITEM 6
OTHER FEES**

OTHER FEES			
Type of Fee (Notes 1 and 2)	Amount	Due Date	Remarks
Royalty	3% of monthly Gross Receipts, subject to monthly or yearly minimum (Note 3)	By the 25th day of each month, based on Gross Receipts for the previous month	See Note 3.
Default Royalty Rate	7% of Gross Receipts (Note 3)	By the 25th day of each month, based on Gross Receipts for the previous month	If you are in default, we may increase the royalty percentage to 7% of Gross Receipts, subject to monthly or yearly minimum (Note 3).
Advertising/Marketing Contribution	1% of monthly Gross Receipts	By the 25th day of each month, based on Gross Receipts for the previous month	Advertising/Marketing Contributions are deposited into our Advertising/Marketing Fund.
Additional Training After You Begin Operations	We reserve the right to charge a training fee up to \$400 per day, plus travel, lodging and meal costs of trainer	Before training	We reserve the right to increase this fee.
Supplies, Inventory, and Marketing Material Purchases	Varies	Immediately after notice from us	You may or must purchase from us or our affiliates certain supplies, inventory, and marketing materials that we make available.
Late Charges	1.5% per month or the highest amount allowed by law on unpaid balances	Immediately after notice from us	This fee is only due when other fees owed to us are not paid on time.

OTHER FEES			
Type of Fee (Notes 1 and 2)	Amount	Due Date	Remarks
Transfer Fee	\$25,000 plus attorney fees we incur in connection with the transfer	Before completing a transfer of the franchise	This fee is only due when you transfer control of the franchise agreement, the franchise, or the franchise business. We reserve the right to waive this fee in certain circumstances, but are in no way obligated to.
Audit Expenses	Will vary under circumstances	Immediately after receipt of audit report	Payable only if you understate your Gross Receipts by 2% or more.
Warranty Administrative Fee	Currently, \$100 per violation	Upon demand	You must pay us this fee if you fail to provide a customer a written warranty certificate and we provide it to the customer.
Customer Satisfaction Costs	Our costs to resolve or respond to customer complaints	Upon demand	You must reimburse us for our costs incurred if we resolve or respond to a customer complaint on your behalf.
Costs and Attorneys' Fees	Will vary under circumstances	Within 10 days after notice from us	Payable only if we are successful in any legal action against you, or in the case of collecting past due amounts, any fees we incur regardless of whether an action is begun.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are involved in claims arising out of your business operations.

OTHER FEES			
Type of Fee (Notes 1 and 2)	Amount	Due Date	Remarks
Default Fee	20% surcharge on the cost of products you purchase from Arrowhead	As incurred	If you are in default, Arrowhead, an approved supplier of siding products, has the right to charge a 20% surcharge on the products you purchase, and then pay this to us. If your default is a monetary default, the money will be used to cure your default.

1. Unless otherwise stated, you pay all fees to us. All fees are non-refundable. None of these fees are imposed by a cooperative. Except as described below, all fees are uniformly imposed for new franchisees. Existing franchisees who have signed earlier franchise agreements may have different fees. Also, under earlier programs we offered, we charged lower or no royalty fees or advertising fees. Some of our franchisees operate under these old programs. We do not currently offer these programs to new franchisees. Under an earlier program, we allowed a reduced royalty of 2% on homes franchisees built for resale, but we do not currently offer this program to new franchisees.

2. “Gross Receipts” means any revenue you receive from the sale, manufacture or installation of siding, gutters, soffit, fascia and accessories and other home improvement products we designate. Gross Receipts also include any revenues you receive from sales of metal roofing and related products and services under the Roofing Amendment, if applicable. Gross Receipts exclude sales or other taxes which may be required by law to be collected from customers. If your state, or any governmental body in your state, charges a tax on the royalty we receive from you, then you must pay an additional earned service fee and royalty equal to the amount of this tax. This does not apply to any federal or state income taxes we pay, or to franchises in Washington.

3. For the first year of the term of your Franchise Agreement, you must pay us a monthly Royalty Fee equal to the greater of 3% of Gross Receipts for the previous month or \$1,000 per month.

For the second year of the term of your Franchise Agreement, you must pay us a monthly Royalty Fee equal to the greater of 3% of Gross Receipts for the previous month or \$2,000 per month.

For the third year of the term of your Franchise Agreement, you must pay us a monthly Royalty Fee equal to the greater of 3% of Gross Receipts for the previous month or \$3,000 per month.

For the remainder of the term of your Franchise Agreement, you must pay us a monthly Royalty Fee equal to the greater of 3% of Gross Receipts for the previous month or \$4,000 per month.

If you are in default of your Franchise Agreement, the monthly Royalty Fee is the greater of 7% of Gross Receipts for the previous month or the applicable Minimum Royalty Fee then in effect for so long as your default remains uncured.

**ITEM 7
ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT				
Type of Expenditure	Amount (Note 1)	Method of Payment	When Due	To whom payment is to be made
Initial Franchise Fee	\$55,000 (Note 2)	Lump sum	Upon execution of franchise agreement	ABC
Travel & Living Expenses While Training	\$3,000 - \$5,500 (Note 3)	As arranged	When invoiced	Vendors
Real Estate and Improvements	(Note 4)		(Note 4)	(Note 4)
Equipment and Machine Purchases	\$93,201 - \$145,581 (Note 5)	Lease or lump sum	Due upon delivery of equipment	ABC
Vehicle (3/4-ton truck or utility van)	\$1,000 - \$4,000 (Note 6)	As arranged	When invoiced	Vendors
Signs	\$500 - \$5,000 (Note 7)	As arranged	When invoiced	Vendors
Opening Inventory	\$10,000 - \$40,000 (Note 8)	As arranged	When invoiced	Vendors
Advertising/Marketing	\$5,000 - \$20,000 (Note 9)	As arranged	When invoiced	Vendors
Computer and Software	\$4,000 - \$6,500 (Note 10)	As arranged	When invoiced	Vendors
Additional Funds (3 months)	\$16,000 - \$50,000 (Note 11)			Vendors

YOUR ESTIMATED INITIAL INVESTMENT				
Type of Expenditure	Amount (Note 1)	Method of Payment	When Due	To whom payment is to be made
Total	\$187,701 - \$331,581 (does not include real estate or improvements) (Note 12)			

NOTES

1. All figures are based on starting the business with a single seamless siding machine and seamless gutter machine. None of these payments are refundable.
2. The initial franchise fee is described in Item 5.
3. You must attend the training for up to 2 weeks before you begin operating, and you must pay your travel and living expenses.
4. Since real estate values vary dramatically from region to region, we cannot estimate with any degree of accuracy the precise amount required to purchase or lease the real estate necessary to operate an abc Seamless® franchise. You will need a minimum of approximately 1,500 sq. ft. of fully enclosed and secured space to store materials needed to make the siding and related products. Your site must also contain a storefront or showroom open to the public, which you must use to promote the products and services you offer through your abc Seamless® business. Some franchisees start their business in their home using their garage for storage (with a separate storefront or showroom within their Territory) and then acquire a site that better suits their business. Other franchisees are already in the construction, home improvement or siding business when they add the abc Seamless® business to their existing business, and these and other franchisees may have locations in strip malls or other buildings.
5. Initial equipment purchases vary from franchisee to franchisee, and you may require additional equipment to service a larger Territory that we have assumed (see Item 12). You must purchase at least one seamless siding machine and one seamless gutter machine necessary to run an abc Seamless® business. The low estimate assumes we or our affiliate have available for purchase a used seamless siding machine and trailer, along with a new seamless gutter machine and trailer. The high estimate includes the costs of purchasing a new seamless gutter machine and trailer and a new seamless siding machine and trailer and additional accessories. There is no significant additional equipment required to operate the Roofing Business.
6. You need at least one vehicle to operate your franchise. This assumes you lease or finance your vehicle, and this amount covers a down payment, and lease payments for the first 3 months. If you purchase the vehicle outright, the actual cost could be between \$25,000 and \$35,000, or more, depending on the options you select for your vehicle and whether the vehicle is new or preowned.

7. We supply you without charge with one set of decals for a trailer or vehicle. You can purchase additional promotional signage equipment.
8. We do not require you to purchase a set inventory of unprocessed steel. This number is an approximation and does not include the cost of replacement inventory.
9. You must spend at least 5% of your Gross Receipts on local and regional advertising and marketing for the abc Seamless® Siding Business.
10. We require you to have a computer to use in the operation of your business and for accounting. We require the use of our approved customer relationship management system (“CRM”) and accounting software. These systems must be set up prior to operation of your business.
11. This is an estimate of your initial start-up expenses during the first 3 months of operation. These expenses include payroll costs, utility deposits, business licenses, accounting fees, attorneys’ fees, security deposits, and other prepaid expenses (including insurance premiums for 3 months) you may incur during the first 3 months of operating the business. The estimate assumes you work full time and do not draw a salary during this time period. This does not include the replacement costs of your initial inventory, royalty or advertising/marketing fees. These figures are estimates and we cannot guarantee you will not have additional expenses either in starting the business or during the first 3 months. Your costs will depend on factors like: how closely you follow our methods and procedures; your management skills, experience and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period.
12. In putting together these estimates, we relied on the experience of our franchisees and affiliates during the past several years. The availability and terms of financing depend on factors like the availability of financing generally, your creditworthiness, your relationship with local banks, and any additional collateral you may offer to a lender to secure the loan. Our estimates do not include any finance charges, interest or debt service obligations. In those cases where we require used equipment or otherwise have used equipment available for purchase by you, we may finance your purchase of used equipment. Except as disclosed in Item 10, we do not offer financing for any part of the initial investment.

ITEM 8 RESTRICTIONS ON SOURCE OF PRODUCTS AND SERVICES

You must purchase only equipment, fixtures, supplies, inventory, signs, marketing or branded materials, and other items for use or sale in your franchised business that meet our specifications. Our specifications may include minimum standards for delivery, performance, design, appearance, and quality. We give you the specifications before you begin operating. We include some specifications in our Manuals that we lend to you and we also give you some specifications separately. We update our specifications through our Manuals and other publications during the term of your Franchise Agreement. You must at all times maintain comprehensive multi-risk

insurance coverage, as may be reasonably required by us, which currently includes comprehensive motor vehicle and general liability insurance (with products liability and completed operations coverage) having limits for personal injury of at least \$500,000 per person and \$1,000,000 per occurrence and property damage limits of at least \$100,000 per occurrence. You must name us as an additional insured for as long as you operate your franchised business. You must receive our approval before you use any advertising or marketing materials you have prepared for local advertising or marketing.

Since most of the items you purchase to begin operating as an abc Seamless® franchisee must meet our specifications, the items you purchase in accordance with our specifications represents 50% to 80% of your total purchases necessary to begin operations. Once you begin operating, the primary items you purchase that must meet our specifications are siding, gutter, soffit and fascia material, and accessories for siding, gutter, soffit and fascia, which includes J-Channel, corner posts, starter strips, undersill trim, and roof hangers. We expect these items to represent 20% to 50% of your total annual expenses. If you previously were in the siding business, you have a reasonable time period as you and we agree to phase out the box siding part of your business.

We will also suggest approved suppliers for many items you need to purchase. We give you lists of approved suppliers before you begin operating your business. We are not required to approve more than one supplier for any item. We currently designate EDCO Products Inc. and Arrowhead Products Inc. as our only suppliers for the coil and related materials that you use with our machines to produce seamless siding, gutters, and related products. You are required to purchase these supplies from these designated suppliers. We do not have any ownership interest in these suppliers. Except as described in this Item 8, we do not provide material benefits to you if you use our designated suppliers or approved sources. If you want to purchase products from suppliers other than those we have approved, you must request our approval before doing so and approval must be in writing. Before giving our approval, we may ask the supplier to provide samples of materials they wish to provide to you, and we may investigate the ability of the supplier to provide materials that meet our specifications. We do not charge any fee either to you or the supplier for conducting this investigation. In reviewing the supplier, we consider quality of the product, pricing, and the ability to service our franchisees. We usually tell you within 30 days if the supplier is approved, but the time period depends on the cooperation we receive from the supplier in responding to our questions. If we revoke approval of a supplier, we will notify you in writing. Because the decision to approve a supplier is a subjective one based on a number of factors, we do not have or issue any specific criteria for approving suppliers. We, along with some of our suppliers, provide a warranty to your customers who purchase certain products from you. These warranties are subject to the terms provided by the suppliers and us, and may be changed. For products sold under the Roofing Amendment, you and your customers must rely only on any warranty provided by the suppliers of the products.

We and our affiliates are an approved supplier for some goods and services you purchase for your business, including the manufacturing equipment, raw materials, and advertising/marketing support material. You must purchase from us or our affiliate the seamless siding machine and the seamless gutter machine. We or our affiliates are the only supplier for these machines because currently no other manufacturer can meet our specifications for the machines. We receive a profit

based on our sale of these items to you, equal to a reasonable wholesale markup for the goods and services we provide.

If you sign a Roofing Amendment, you must purchase any metal roofing and related products that will be identified by our trademarks from our designated suppliers. We will generally designate only one supplier for each product line.

We have negotiated special pricing arrangements or discounts with some of our suppliers. The arrangements include special contract pricing, rebates, volume discounts, travel and gift vouchers, and specific discounts from regular wholesale prices. You receive these based on the amount you purchase. We also receive rebates from some of our suppliers, and these rebates range from 0% to 20% of the amounts purchased. If you are in default under your Franchise Agreement for failure to pay sums due to us or our affiliates, certain suppliers may charge you an additional surcharge of up to 20% on products purchased from them and remit some or all of the collected surcharge to us. We will apply this amount to the amount that is due and owing to us or our affiliate. We also receive rebates from some of our suppliers if your customer purchases products or services directly from them. These rebates generally range from 0% to 20% of the amount purchased. Except for this, we do not provide any other special benefits to franchisees based on their use of any designated or approved supplier.

In our last fiscal period (ended December 31, 2024), we received \$409,405 of revenue from the sale of goods and services to our franchisees (including direct sales and rebates related to purchases where we have only one designated supplier), or approximately 15.7% of our total revenues of \$2,615,034.

Some of our officers own stock in ABC, but no officer of ours owns an interest in any other approved or designated supplier.

We have not arranged any purchasing cooperatives among our franchisees.

ITEM 9 FRANCHISEE’S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation		Section in Agreement*	Item in Disclosure Document
a.	Site selection and acquisition/lease	Section 6 of Franchise Agreement	Items 7, 11 and 12
b.	Pre-opening purchases/leases	Section 6 of Franchise Agreement	Items 7 and 8

Obligation		Section in Agreement*	Item in Disclosure Document
c.	Site development and other pre-opening requirements	Section 6 of Franchise Agreement	Items 6, 7 and 11
d.	Initial and ongoing training	Sections 5 and 6 of Franchise Agreement	Item 11
e.	Opening	Section 6 of Franchise Agreement	Items 7 and 11
f.	Fees	Sections 2, 5, 10 and 11 of Franchise Agreement	Items 5 and 6
g.	Compliance with standards and policies/Operating Manuals	Sections 6 and 7 of Franchise Agreement; Section 5 of Roofing Amendment	Items 8 and 11
h.	Trademarks and proprietary information	Sections 6, 7, 8, 12 and 13 of Franchise Agreement; Sections 3 and 5 of Roofing Amendment	Items 13 and 14
i.	Restrictions on products/services offered	Sections 4 and 6 of Franchise Agreement; Section 2 of Roofing Amendment	Items 8, 11 and 16
j.	Warranty and customer service requirements	Section 6 of Franchise Agreement, Lifetime Product Warranty; Section 6 of Roofing Amendment	Items 11 and 16
k.	Territorial development and sales quotas	Sections 4 and 6 of Franchise Agreement;	Item 12
l.	Ongoing product/service purchases	Section 6 of Franchise Agreement	Items 8 and 12
m.	Maintenance, appearance and remodeling requirement	Section 6 of Franchise Agreement	Items 8 and 11
n.	Insurance	Section 6 of Franchise Agreement	Items 7 and 8

Obligation		Section in Agreement*	Item in Disclosure Document
o.	Advertising	Sections 6, 8, and 10 of Franchise Agreement; Section 2 of Roofing Amendment	Items 6, 7, 8 and 11
p.	Indemnification	Section 6 of Franchise Agreement	Item 6
q.	Owner's participation/management/staffing	Section 6 of Franchise Agreement	Items 11 and 15
r.	Records/reports	Sections 2 and 6 Franchise Agreement	Items 6 and 11
s.	Inspections/audits	Sections 2 and 6 of Franchise Agreement	Item 6
t.	Transfer	Sections 14 and 15 of Franchise Agreement	Items 6 and 17
u.	Renewal	Section 3 of Franchise Agreement; Renewal Addendum	Item 17
v.	Post-termination obligations	Section 12 of Franchise Agreement, Guaranty; Section 8 of Roofing Amendment	Item 17
w.	Non-competition covenants	Sections 9 and 12 of Franchise Agreement, Guaranty	Item 17
x.	Dispute resolution	Section 19 of Franchise Agreement	Item 17
y.	Other: Guaranty	Attachment to Franchise Agreement	Item 15

*The Roofing Amendment are amendments of the Franchise Agreement. All provisions of the Franchise Agreement apply to the sale of metal roofing and related products under the Roofing Amendment, except as expressly changed by the Roofing Amendment. Only those sections of the Roofing Amendment that change the terms of the Franchise Agreement are listed in this chart.

ITEM 10 FINANCING

In cases where we have reacquired equipment or otherwise have used equipment available, we may finance your purchase from us of used equipment or fixtures you may need when opening your business. You are not required to finance this equipment through us, and not all of our

franchisees will finance this equipment through us. If we have used equipment available and we find you creditworthy, we may finance between 70% and 90% of the value of the equipment. If you accept this financing, you will sign an Installment Agreement (Exhibit H) which provides for lease payments during the term of the Agreement and a Promissory Note (in the form attached to the Installment Agreement). We will determine the interest rate under the Promissory Note, and currently it may vary between 7% and 10%. You pay a fixed monthly payment for the term of the Installment Agreement and corresponding Promissory Note. We determine the term of the Installment Agreement and Promissory Note and it may vary between 3 and 5 years. You have the option to purchase the Equipment for a nominal amount if you pay all amounts owing under the Installment Agreement and Promissory Note. You may prepay the Promissory Note at any time without penalty.

We maintain ownership of the equipment until the Promissory Note is fully paid and you exercise your purchase option (Installment Agreement – Section 7). We will charge you a \$35 fee for every check returned to us for non-sufficient funds (Installment Agreement – Section 5). Your shareholders, members or partners must guarantee your obligations under the Promissory Note and Installment Agreement, if you are a corporation, limited liability company or a partnership ((Exhibit H - Guaranty Agreement). You agree to pay for all costs of repairing and maintaining the equipment (Installment Agreement – Section 9) and to keep the equipment fully insured (Installment Agreement – Section 10). If you do not make a payment on time, we can demand that you pay an additional finance charge on the amount past due at the lower of 1.5% per month or the highest rate allowed by applicable law from the original due date (Installment Note – Section 3). In addition, under the terms of the Promissory Note (Exhibit H), the interest rate payable on the remaining balance will increase by 4% over the original interest rates or to the highest maximum rate permitted under the applicable law. If you are in default under the terms of the Installment Agreement, you are also in default of the Franchise Agreement and if you are in default under the Franchise Agreement, you are in default under the Installment Agreement (Installment Agreement – Section 14). You will be in default under the Promissory Note and Installment Agreement if you do not pay any amount when due, do not perform your obligations under the Installment Agreement, Promissory Note, the Franchise Agreement, or any other agreement between us, cease to do business, make an assignment for the benefit of creditors, become insolvent, or if you or the guarantors of the Installment Agreement and Promissory Note file for or have filed against you or them a petition for bankruptcy or if the equipment is seized by a third party or if we in good faith believe that your ability to make payments is impaired (Promissory Note). If you are in default, under the Installment Agreement, we have the right to immediately take back the equipment. We have the right to assign the Installment Agreement, and if we do, you agree not to set up against the assignee any defenses, set-offs or counterclaims which you might have against us regarding payments under the Installment Agreement (Installment Note – Section 13). Although we have the right to assign the Installment Agreement, we have no current practice or intent to sell, assign or discount to any third party all or any part of this agreement. Neither we nor any affiliate receive any consideration for placing any financing with any lender. You consent to Nebraska law being applied and actions being brought in Nebraska (Installment Agreement - Section 15).

We do not offer any other financing arrangements. We may offer assistance negotiating with financial institutions to obtain financing of part of your initial investment, but we cannot guarantee

financing to you either by us or by any particular financial institution. We do not receive any direct or indirect fee for placing financing.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Before you open your business, we will:

1. Designate your Territory (Franchise Agreement - Section 4).
2. Provide to you an initial training program at our headquarters (Franchise Agreement - Section 5(e)).
3. Loan to you the confidential ABC manuals, containing the methods of promotion and system of operation we have developed. (Franchise Agreement - Section 5(f)). We may modify any manual periodically in our discretion. As of the issuance date of this Disclosure Document, our confidential ABC manuals contains approximately 475 pages. A copy of the table of contents of our confidential Franchise Guidebook manual is attached to this Disclosure Document as Exhibit L.
4. Notify you of approval (or disapproval) of a site you propose for your business. Although we do not assist you in the selection of the location for your business, we must approve the location of your business (Franchise Agreement - Section 6(f)).

During the operation of your business, we will:

1. Counsel and advise you about the development of your business. (Franchise Agreement - Section 5(a)).
2. At all reasonable times, advise and consult with you about the operation of the abc Seamless[®] System, if you request assistance, and keep you advised of new developments and improvements in the system. If you are not in default, we make available to you all services, facilities, rights and privileges that we make generally available to other franchisees. (Franchise Agreement - Section 5). However, we do not, and have no obligation to, assist you in establishing prices, such as setting minimum and/or maximum prices, at which you must sell products and services.
3. Use our reasonable efforts to provide all material, equipment and parts you ordered from us within a reasonable time after you order them. (Franchise Agreement - Section 5(c)).
4. For some products, provide a warranty to your customers, subject to the warranties and terms provided by the suppliers. (Franchise Agreement - Section 5(d)).

5. Maintain and administer the advertising/marketing fund contributions, and review for approval any advertising or marketing you submit to us and review for approval any request you submit to us to operate a website, web page or a social media or social networking site that references us or your business (Franchise Agreement - Section 10).

6. Make available templates or form advertising materials we prepare. We may require you in some cases to purchase these materials from us (Franchise Agreement - Section 8(c)).

Site Selection

You are responsible for finding and securing an acceptable site within your Territory for the location of the franchised business. You will need a minimum storage area of approximately 1,500 sq. ft. for storing some coil and other materials necessary to produce siding and related products, and this area must be fully enclosed and secured. Your site must also contain a storefront or showroom open to the public to promote the products and services you offer through your abc Seamless® business. Your site will typically be a retail or commercial building or warehouse or larger building, possibly used by you in connection with an operating business. We must approve the site, but we will generally approve your site as long as it is located within your designated territory and you have the minimum storage space. We do not provide any site selection assistance to you, or any assistance regarding the construction, remodeling, furnishing or decorating of your business, or conforming the premises to local building codes or obtaining any required permits. We do not negotiate the purchase or lease of a site, and we do not own or lease premises and then lease them to you.

We will generally approve or disapprove of your proposed site within 2 weeks of the date that you submit to us your request for approval of the site, and all necessary supplemental information. Many franchisees are already in an established business and most franchisees have an approved site at the time they sign the Franchise Agreement. If you are unable to obtain an approved site and open your business within 120 days of the signing of the Franchise Agreement, we have the right to terminate your Franchise Agreement and retain all amounts you have paid us (Franchise Agreement – Sections 6 and 12). Franchisees typically open their business between 30 and 60 days after they sign a Franchise Agreement. The factors that affect this time are the time it takes to select a site and negotiate a lease, obtain financing, and the time it takes for you to receive your equipment. We generally make the equipment you purchase from us available for pickup within 1-7 days of your payment of the deposit.

Advertising and Marketing

You must contribute 1% of your monthly Gross Receipts to the Advertising/Marketing Fund. Some of our franchisees pay different rates under some of our old franchise agreements, and in some cases our franchisees are not required to contribute to this fund. The locations owned by our affiliates contribute on the same basis to the fund as other franchisees in the state where the affiliated operation is located. We account for these advertising/marketing contributions separately from our other funds. We do not use the advertising contributions/marketing to pay any of our general operating expenses, but we do charge the funds for the reasonable salaries, administrative costs, direct expenses, and overhead we incur in activities related to advertising and marketing, including the costs for third party marketing and advertising agencies. The

Advertising/Marketing Fund is not audited. If requested, we will provide you an annual statement of the condition of the fund. The primary purpose of this fund is to develop advertising and marketing materials for use by us and our franchisees in promoting sales to customers, to assist our franchisees in marketing their businesses, and to promote awareness of our trade names and trademarks. If any funds are not spent in the current fiscal year, they will remain as part of the fund and be used in later years. During our last fiscal year ended December 31, 2024, we collected \$320,340.76 in marketing funds from our franchisees. Of those funds, \$312,162.66 or 97.3% of those funds were spent on advertising and marketing the balance of which has been rolled over to the next year; 100% of the money spent on advertising and marketing was used for production costs of advertising and marketing products produced for ABC and our franchisees.

We require you to set up an abc Seamless website and online marketing package through our approved vendor. The website and online marketing package pricing have been negotiated and are more cost effective. The pricing will reduce as the network grows as the pricing is set up based on the number of franchisees in the marketing pool.

We use on-going training to train our franchisees in new or existing methods for soliciting customers. The training programs are provided at our regional and national meetings. We also attend trade shows to attract customers for our franchisees and to sell franchises. The Advertising/Marketing Fund reimburses us for a portion of the expenses associated with these shows. Except for this reimbursement, no expenditures will be made from the fund primarily to help us sell franchises, although we may use contributions to create and update our website, or other web pages, social media or social networking sites, which may also advertise for franchises.

Most of the advertising is on a local basis, although we do a limited amount of regional or national advertising through our web page and in regional or national trade shows. However, we are not required to ensure that expenditures from this fund are made in any geographic area in proportion to contributions made by franchisees in that area.

We also have a National Advisory Council consisting of 5 to 7 franchisees. We divide the United States into 6 regions, and each region elects a representative to the Council who must be in good standing with ABC. The Council has a President and Vice President and if they are elected from the regional representatives, another representative from the regions they represent may be added to the Council. The Council acts only in an advisory capacity and each representative acts as a communicator to other franchisees in his or her region. We do not have the right to dissolve the Council.

In addition to the amounts you contribute to the Advertising/Marketing Fund, we require you to spend at least 5% of your monthly Gross Receipts on local and regional advertising and marketing to promote your business, using online marketing, direct mail, television, social media, billboard, and other recognized mass media advertising and marketing. Any amounts spent on cooperative advertising and marketing with us or other abc Seamless® franchisees do not count towards this minimum spend. At present, we make copies of advertising materials we prepare available to our franchisees at their request. We may require you in some cases to purchase these materials from us. Otherwise, you may use any of the materials we provide to you or you may create your own materials. We must approve any advertising you create on your own, including social media or

social networking sites, before you use them. We will notify you of our approval or disapproval within 30 days after our receipt of the advertising from you.

You do not have to participate in any local or regional advertising cooperative. You are not required to participate in any other advertising fund.

Computer Systems and CRM

We require you to purchase or lease a Windows based computer. You must also purchase QuickBooks as your accounting software and provide viewing access to us upon our request. We estimate the cost of the computer and software to be between \$4,000 and \$6,500. You must update this software and hardware, if we change the standards in our manuals. However, we will not require you to update your hardware and software more than 1 time every 2 years. We reserve the right to have you provide us access to your QuickBooks and CRM information. There is no annual cost of upgrading or updating the system unless you elect to purchase a software support contract, the cost of which is estimated to be approximately \$200 per year. We also require the use of our company CRM program. The current approved program is Builder Prime. The cost of this program is approximately \$300 per month. We reserve the right to access your abc Seamless products that are subject to royalties via access to the CRM for these products only. Neither we nor any affiliate has any obligation to provide ongoing maintenance, repairs, upgrades or updates to your system. Although most new computer hardware comes with a limited warranty, we are not aware of any third parties with an obligation to maintain, repair, upgrade or update these items. We reserve the right to upgrade or change the CRM or accounting software designated by us and we require our franchisees to utilize the newly designated CRM or accounting software as the franchise system and markets develop and change.

Training

We provide you with an initial training program before you begin operating your business. Your lead sales person and your lead applicator must complete this training to our satisfaction within 60 days after you sign your Franchise Agreement and before you begin operating as an abc Seamless® franchisee. We do not charge a fee for this training, but you are responsible for your travel and living expenses while attending training. We offer training on an as-needed basis as we sell franchises. The training is typically held in Nebraska, but we may, on occasion, hold training (or portions of our training) virtually in our discretion. The training lasts up to 12 days, but the actual hours and duration of the training will vary depending on your experience level with the types of products that will be sold through your franchised business. Ted Franssen and Jason Franssen are our principal trainers and will conduct most of the initial training program; in addition, we may use one or more of our corporate sales representatives to provide sales training. We may also have other employees of ABC assist in these training programs, and the principal trainers may vary depending on the location of the training program. Mr. Ted Franssen is our CEO and President and has been with ABC since 2020 and as an ABC franchisee since 1996. Mr. Jason Franssen has been with an ABC franchisee since 1996. We use manuals and handouts as instruction materials, as well as hands-on demonstrations with our products.

The following describes the initial training program as of the issuance date of this Disclosure Document:

TRAINING PROGRAM			
Subject	Approximate Hours of Classroom Training	Approximate Hours of On the Job Training*	Location
Product Installation & Machine Maintenance			
- Production Manager Training	4-8	3-10	Nebraska
- Operational Training	6-8	3-10	Nebraska
- Install Training	6-8	3-10	Nebraska
Sales Consultant Training			
- Selling 101	4-6	5-10	Nebraska
- Using Technology	4	5-10	Nebraska
- Estimates & Contracts	2-4	2-5	Nebraska
- Self-Gens & Retention	2-4	2-4	Nebraska
- Goals & Results	2-6	1-3	Nebraska
Sales Management Training			
- Recruiting, Hiring, & On-Boarding	4-8	1-3	Nebraska
- Sales Training & Tracking	4-8	1-3	Nebraska
- Developing Your People	4-8	1-3	Nebraska
Marketing 101 & Office Management			
- Revenue Goals & Marketing Budget	6-8	1-3	Nebraska
- Marketing & Office Practices	4-8	1-3	Nebraska
- Support Staff Details	4-8	1-3	Nebraska
TOTAL	56-96	30-80	

* The on-the-job training will vary for each franchisee depending on the prior business experience of the franchisee in installing siding and gutters or with our products and the number of trainees, and may be waived in our discretion if you are a current or former ABC franchisee. The above table assumes you have no experience in installing siding and gutters or with our products.

We also offer additional training to you during the term of the Agreement. The curriculum, as of the issuance date of this Disclosure Document, for the additional training programs we offer is as follows:

ADDITIONAL TRAINING			
Subjects Taught (Note 1)	Approximate Hours of Classroom Training	Approximate Hours of On the Job Training	Location
Applications of machine training	4-40	Not applicable	Nebraska
Management	4-16	Not applicable	Nebraska
Marketing	4-8	Not applicable	Nebraska
Sales, Marketing, Machine Training, New Innovations, Management (Note 2)	16-20	Not applicable	Annual Meeting or virtually
Total	28-84	4-8	

NOTES:

1. We conduct additional training at our home office or in Nebraska, as needed. If you want this additional training, you arrange with us a time to come for this training. We do not charge you for this training at our offices or at our location in Nebraska, and the amount of time varies, depending on how much training you request. You must pay for all of your travel and living expenses during this training.

2. Our Annual Meetings may be held regionally or nationally. In the past, we have brought in nationally acclaimed speakers to hold seminars on sales, management and marketing. We do not charge you to attend the annual or regional meetings, although you must pay for your food, travel, hotel expenses and other fees associated with your trip.

We do not offer training for the Roofing Business, but training may be provided by the supplier(s) of the metal roofing products.

ITEM 12 TERRITORY

The Franchise Agreement allows you to operate the abc Seamless® Siding Business from one location in a region we designate as your territory (“Territory”) when you sign the Franchise Agreement. We designate a territory before you sign the Franchise Agreement and we have the right to approve the location you select within that area as the site of your business. If you want to relocate your business, you must first obtain our written consent.

Territory

A Territory is defined as an area that has approximately 150,000 single family homes within it according to the latest US Census at the time you sign the Franchise Agreement. You will be required to purchase a minimum of one Territory. Your Territory will not change if the number of single-family homes in your Territory changes. Although your Territory will be non-exclusive, so long as you are not in default under your agreements with us, we will not operate our siding products business or grant franchises for a similar or competitive siding products business using our abc Seamless® names or marks within your Territory during the term of your Franchise Agreement.

However, we do have the right to operate or grant a franchise to operate a business at any location outside your Territory. Also, we may authorize franchisees and we may ourselves sell products other than siding, gutters, soffit and fascia and related products under ABC trade names and trademarks or other trade names and trademarks within or outside your Territory. For example, we may authorize franchisees to sell metal roofing under the Roofing Amendment using ABC marks, and we may ourselves sell our branded metal roofing. We may sell products or services, or grant others the right to sell products or services, similar to or competitive with those sold by the Franchised Business, whether using the ABC marks or other trade or service marks, through other distribution channels (including the Internet, catalog sales, telemarketing, or other direct marketing) within or outside your Territory. We may acquire businesses that are similar to the Franchised Business or the ownership interests of us may be sold or we may sell substantially all of our assets, to any third party regardless whether such third party operates, or franchises the operation of, businesses similar to the Franchised Business. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We do not prevent any of our franchisees from advertising or marketing their business outside their territory, but you cannot sell abc Seamless® siding, gutters, soffit and/or fascia to a customer if the customer is located inside another franchisee’s territory, or within one of our territories. We do allow you to sell siding, gutters, soffit and/or fascia outside of the Territory with our permission, if we have not granted a franchise to another franchisee for that area, if we or our affiliate are not operating in that area and if your sales outside of the Territory do not amount to more than 10% of your sales within the Territory during any 12-month period. You may only operate in any area outside the Territory until we notify you that we are granting a franchise for that area or that we or our affiliate are ourselves going to operate in that area, at which time you must immediately cease operations in that area. We reserve the right to solicit sales using other channels of distribution, such as the Internet, catalog sales, telemarketing or other direct marketing means to make sales of

our products. You do not have the right to use these means to solicit sales outside your Territory. Neither we nor other franchisees are authorized to accept sales of seamless siding, seamless gutters, soffit, fascia accessory items or other siding products within your Territory and you are not compensated for any such sale. While we do not have a minimum sales quota required for siding products, we do have a minimum Royalty Fee that must be paid each month. The minimum Royalty Fee depends on how many years you have operated your franchise. We will not pay you any compensation for soliciting or accepting orders in your Territory. You will not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

Roofing Amendment

If you sign a Roofing Amendment to your Franchise Agreement, you may sell metal roofing and related products under the abc Roofing® composite mark that have been purchased from our designated supplier. You may sell our metal roofing outside of your Territory. However, if your roofing customer wants to purchase any siding, gutters, soffit and/or fascia from you, regardless of brand, and if either another abc Seamless® franchisee has the territory in which the customer resides or ABC or our affiliate is operating in that area, then you will not sell any siding, gutters, soffit and/or fascia to that customer but will refer that customer to the franchisee who has the territory in which the customer resides, or if there is no franchisee in that area and we are operating in that area, then to us. You are not paid for these referrals. You may sell other brands of roofing within or outside of your Territory, but you agree to first try to sell your customer our products. We have no minimum sales quotas required for our roofing sales.

**ITEM 13
TRADEMARKS**

The Franchise Agreement allows you to operate an abc Seamless® business under the trade names, trademarks, and service marks that we establish. You must follow our rules when you use our marks. You cannot use any of our names or marks except for those we license to you. You may not use any of our names or marks for the sale of any unauthorized product or service or in a manner we have not authorized in writing. You may not use all or part of our names or any of our names or marks, or any similar name, word or symbol, or variant of any name or mark, as part of our corporate name, in a domain name, account name, profile or URL, without our written consent.

We have registered the following trademarks on the Principal Register of the United States Patent and Trademark Office (“USPTO”), which we consider our principal Marks:

Mark	Date of Registration	Registration No.
abc Seamless	August 26, 1997	2,090,763
	October 20, 1998	2,197,851

Mark	Date of Registration	Registration No.
abc Roofing	November 2, 2010	3,870,102

The following are additional principal marks we may authorize you to use in connection with your abc Seamless business:

Mark	Date of Registration	Registration No.
abc Seamless and design	5/8/1984	1,277,378
Miscellaneous duck design	10/16/1990	1,617,977
The seamless people	6/25/1991	1,649,029
abc seamless	2/22/2011	3,923,380
Miscellaneous duck design	2/1/2011	3,914,641
DO IT ONCE, DO IT FOR LIFE, DO IT WITH STEEL	5/24/2011	3,967,651

All affidavits required to preserve and renew these marks have been filed. No agreements limit our right to use or license the use of these marks. If you learn of an infringement or challenge to your use of our marks, you must immediately notify us. We will take the action we think appropriate. We are not obligated, by the Franchise Agreement or otherwise, to protect your right to use any marks. However, we will protect you against claims of infringement or unfair competition that might be made against you from your use of these marks if you are properly using them. We have the right in this situation to take any action we think is appropriate to handle the claim.

We are aware of a potentially superior or infringing use of our marks by ABC Seamless Gutters, a business located in Rhode Island and operating in Connecticut, Massachusetts, and Rhode Island, since 1998. This potentially superior or infringing use of our marks may materially affect your use of the marks in these states only. We are currently assessing our options regarding this potentially superior or infringing use of our marks. Except as disclosed above, we are not aware of any superior prior rights or infringing uses that could materially affect your use of these marks. There are no currently effective determinations of the USPTO or any other body or court, or any pending infringement, opposition or cancellation proceedings, or any material litigation, involving our principal marks.

We reserve the right to adopt new marks any time, or to change our marks. If we adopt new marks, or change our existing marks, you must use the new or modified marks, and discontinue the use of any marks we decide to change or discontinue.

We authorize you under the Roofing Amendment to use the composite mark “abc Roofing”[®] and design to identify metal roofing and related products purchased from our designated supplier and in your Roofing Business and may authorize you to use additional marks. We reserve the right to adopt new marks at any time or to change the marks used under this Amendment. If we adopt new marks for your Roofing Business, you must use the new or modified marks and discontinue the use of any marks we decide to change or discontinue. For any of our marks that do not have a principal federal registration, we do not have certain presumptive legal rights granted by such a registration.

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or pending patent applications that are material to the purchase of a franchise. We claim copyright protection for our manuals, and for advertising, marketing and promotional materials, forms, and related materials that we produce, although these materials have not been registered with the Copyright Office of the Library of Congress. These materials are proprietary and confidential and considered our property. You may only use these manuals when you are a franchisee, and only as provided in your Franchise Agreement.

There are currently no effective determinations of the United States Copyright Office, USPTO, or any court regarding any of our copyrighted materials. No agreements significantly limit our right to use or license the copyrighted materials. We do not know of any infringing uses of these materials that could materially affect your use of these materials. No agreement requires us to protect or defend our copyrights.

During the term of your franchise, we disclose certain confidential and proprietary information and trade secrets to you, which may include our methods, techniques, equipment, and formulae. This includes information contained in our manuals, and in materials we separately provide to you. You may use these materials, in the manner we approve, in the operation of your business during the term of your Franchise Agreement. However, you may not use these materials in any other way for your own benefit, or communicate or disclose them to, or use them for the benefit of, any other person or entity. These materials include our trade secrets, knowledge or know-how, confidential information, advertising, marketing, designs, plans, and methods of operation. This includes information about our sources of supply, and our recommendations on pricing. You may disclose this information to your employees, but only as necessary to operate the business, and then only while your Franchise Agreement is in effect.

ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must personally participate in the direct operation of the franchised business. If you are a corporation, limited liability company or partnership, all shareholders, members or partners must

sign a guaranty. Exhibit E contains the form of guaranty. The guaranty contains a non-compete covenant. The business must always be supervised by a manager under the direct supervision of the franchisee. We do not place any specific restrictions, requirements or limitations on whom you hire as a manager. We do not require your manager to have any equity in your business, but we do require your manager to sign a Confidentiality Agreement with us. A copy of the Confidentiality Agreement is an exhibit to the Franchise Agreement.

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale all of the siding, gutters, soffit, fascia and accessory items specified and described in our operations manuals, and no other items may be sold in your abc Seamless® Siding Business without our prior written approval. You must only use certain products that we designate in producing siding products for sale to your customers. We have the right to change these items any time. You may only sell to and service customers located in your Territory. In certain circumstances, however, we allow you to service siding product customers outside of your Territory, if they are not part of a territory we currently serve and no franchisee of ours has that territory as part of their territory. You may only sell siding produced from the machine you purchase from us. However, if you previously sold siding, we will allow you a reasonable time period to phase out the sale of other types of siding.

Under the Roofing Amendment, you may sell other brands of roofing and related products, but you may only sell metal roofing and related products identified with our names and marks that have been purchased from our designated supplier. You may sell roofing within or outside your Territory, but you agree to try to sell our brand roofing to your customers before selling other brands of roofing.

ITEM 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.

	Provision	Section in Franchise or Other Agreement	Summary
a.	Length of the franchise term	Section 3 of Franchise Agreement Section 7 of Roofing Amendment	10 years from the date the Franchise Agreement is signed. Term of Amendment is same as Franchise Agreement unless terminated earlier.
b.	Renewal or extension of the term	Section 3 of Franchise Agreement See also Renewal Addendum	You may renew your Franchise Agreement for an additional 10-year term. You must sign our then current form of Franchise Agreement, which may contain terms and conditions which are materially different from your original Franchise Agreement.
c.	Requirements for franchisee to renew or extend	Section 3 of Franchise Agreement	You must not be in default under any agreement with us, provide us with at least 240 days' notice before the 10-year term ends, sign a release, and sign our then current franchise agreement and exhibits, including our Renewal Addendum. This new form of Franchise Agreement may contain terms and conditions which are materially different from your original Franchise Agreement.
d.	Termination by franchisee	None in Franchise Agreement Section 9 in Roofing Amendment	Subject to state law, you do not have the right to terminate the Franchise Agreement. Subject to state law, you do have the right to terminate the Roofing Amendment on 30 days' written notice.
e.	Termination by franchisor without cause	None in Franchise Agreement Section 8 of Roofing Amendment	Subject to state law, we have the right to terminate the Roofing Amendment on 90 days' written notice.

	Provision	Section in Franchise or Other Agreement	Summary
f.	Termination by franchisor with cause	Section 12 of Franchise Agreement Section 8 of Roofing Amendment	Subject to state law, we may terminate if you default, including the right to terminate if you fail to obtain an approved site and open for business within 120 days of signing the Franchise Agreement.
g.	“Cause” defined - curable defaults	Section 12 of Franchise Agreement Section 8 of Roofing Amendment	Subject to state law, most defaults that are not specified in subparagraph (h) below can be cured within 30 days after notice. Defaults that impair our goodwill must be cured within 24 hours after notice.
h.	“Cause” defined - non-curable defaults	Section 12 of Franchise Agreement Section 8 of Roofing Amendment	Subject to state law, your abandonment of the relationship, your conviction of an offense directly related to the business, failure to cure a default which materially impairs the goodwill of the trademarks within 72 hours after you receive notice from us, filing for bankruptcy or an assignment for benefit of creditors, repeated violations of laws or regulations, unauthorized assignment, misrepresentation in applying for the franchise, failure to pay fees owed to us within 10 days of when due, multiple failures to submit financial information or to pay creditors, multiple underreporting of sales, failure to open within 120 days of signing the agreement, loss of site and failure to reopen at new approved site within 5 months. The Roofing Amendment terminates on termination of Franchise Agreement.

	Provision	Section in Franchise or Other Agreement	Summary
i.	Franchisee’s obligations on termination/nonrenewal	Section 12 of Franchise Agreement Sections 8 and 9 of Roofing Amendment	Obligations include complete de-identification, including assignment of listings, domain names and social media accounts, and payments of amounts owed (also see r. below). If only the Roofing Amendment is terminated, these obligations only apply to the applicable Roofing Business.
j.	Assignment of contract by franchisor	Section 15 of Franchise Agreement	No restriction on our right to assign (subject to state law).
k.	“Transfer” by franchisee - definition	Section 15 of Franchise Agreement	Includes transfer of contract, sale, transfer or lease of business, or transfer of more than one-third of voting control.
l.	Our approval of transfer by franchisee	Section 15 of Franchise Agreement	We have the right to approve all transfers, but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Section 15 of Franchise Agreement	New franchisee must qualify, sign a release (subject to state law), and sign our then-current form of Franchise Agreement for the remaining term of your Franchise Agreement. (The new franchise agreement may provide for different fees or territory than in your Franchise Agreement). Transfer fee required.
n.	Franchisor’s right of first refusal to acquire franchisee’s business	Section 14 of Franchise Agreement	We can match any offer for your business.

	Provision	Section in Franchise or Other Agreement	Summary
o.	Franchisor’s option to purchase franchisee’s business	Section 14 of Franchise Agreement Section 4 of Roofing Amendment	If the Franchise Agreement is terminated, we have a 30-day option to purchase the equipment at fair market value. We also have the right of first refusal if you sell the equipment to a third party. If the Roofing Amendment is terminated, we have the option to repurchase, at your cost, any or all remaining inventory. If we don’t purchase, you have 90 days to sell remaining inventory.
p.	Death or disability of franchisee	Section 15 of Franchise Agreement	Your heirs can assume the business if they qualify and agree to be bound by the Franchise Agreement.
q.	Non-competition covenants during the term of the franchise	Section 9 of Franchise Agreement Section 2 of Roofing Amendment	During the term of the Franchise Agreement, you may not be involved in any siding business similar to the franchised business. Under the Roofing Amendment, you may offer other competitive products but must first promote our products.
r.	Non-competition covenants after the franchise is terminated or expires	Section 12 of Franchise Agreement Sections 8 and 9 of Roofing Amendment	You may not engage (directly, or through any franchisees or licenses) in any business that sells or installs any siding product similar to the franchised business to customers located within your Territory or within 10 miles of your Territory, or within any territory we have granted to any business which is operating under our names and marks as of the date of termination or within a 10-mile radius of any business location of any business operating under our names and marks, for 2 years after termination. You are not subject to post-termination non-compete covenants under the Roofing Amendment.

	Provision	Section in Franchise or Other Agreement	Summary
s.	Modification of the agreement	Section 21 and 7 of Franchise Agreement	No modifications without consent by all parties, but manuals are subject to change.
t.	Integration/merger clause	Section 20 of Franchise Agreement	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any promises or representations outside of this Disclosure Document and the franchise agreement may not be enforceable. However, nothing in any agreement is intended to disclaim the express representations made in this disclosure document, its exhibits, and amendments.
u.	Dispute resolution by litigation or mediation	Section 19 of Franchise Agreement	Disputes must be submitted to non-binding mediation; if not resolved through mediation, disputes must be submitted to litigation.
v.	Choice of forum	Section 19 of Franchise Agreement	Mediation is at a location determined by the mediator. Subject to state law, litigation must be in Douglas County, Nebraska in the Federal District Court if such court has jurisdiction. In all other cases, litigation must be formed in the District Court of Douglas County, Nebraska.
w.	Choice of law	Section 20 of Franchise Agreement	Subject to state law, Nebraska law.

**ITEM 18
PUBLIC FIGURES**

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

Gross Receipts

As used in this Item 19, "Gross Receipts" means the total amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for the sale and installation of any and all seamless siding, siding generally, seamless gutters, gutters generally, gutter protection or other gutter accessories, soffit, fascia, window trim, door trim, or any other type of exterior trim work performed by Franchisee.

Gross Receipts further means the total amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for any incidental sales or revenue connected with the sale of seamless siding, siding generally, seamless gutters, gutters generally, gutter protection or other gutter accessories, soffit, fascia, window trim, door trim, or any other type of exterior trim work performed by Franchisee. By way of example, Gross Receipts would include revenues generated from the sale and installation of any fasteners used to install gutters, or the sale and installation of wood that would be replaced in a siding or fascia job. Gross Receipts further means the total amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for any incidental sales or revenue connected with the sale of seamless siding, siding generally, seamless gutters, gutters generally, gutter protection or other accessories, soffit, fascia, window trim, door trim, or any other type of exterior trim work performed by Franchisee regardless of whether those items were manufactured by Franchisor's designated manufacturer, another manufacturer approved in writing by Franchisor, or another manufacturer not approved by Franchisor.

Gross Receipts also include any amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for the sales of metal roofing and related products and services under a Roofing Amendment with Franchisor (if any) regardless of whether those roofing items were manufactured by Franchisor's designated manufacturer, another manufacturer approved in writing by Franchisor, or another manufacturer not approved by Franchisor. Gross Receipts under the Roofing Amendment further means the total amount of revenue the Franchisee receives in the form

of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for any incidental sales or revenue connected with the sale metal roofing and related products. By way of example, Gross Receipts would include revenues generated from the sale and installation of any wood roof decking that would be replaced in a roofing job.

The term “Gross Receipts” excludes sales or other taxes which may be required by law to be collected from customers.

This is the same definition as used in the Franchise Agreement

If a franchisee had more than one territory, the Gross Receipts figures listed in this Item 19 include revenues from all of the franchisee’s territories. However, we have disclosed below the number of territories the franchisee had as they related to the Gross Receipts figure.

Statement of Historic Gross Receipts for Affiliate-Owned Outlets

Our current affiliates own and operate 4 company-owned ABC businesses with territories in Nebraska and all of these company-owned ABC businesses were in operation for at least 12 months as of December 31, 2024 and none closed during 2024. These 4 company-owned ABC businesses include ABC Seamless of Omaha, Nebraska opened in 2005, ABC Seamless of Fremont, Nebraska opened in 2022, ABC Seamless of Lincoln, Nebraska opened in 2014, and ABC Seamless of Wood River, Nebraska opened in 1996. All 4 of these company-owned ABC Businesses are within a 175 mile radius of Omaha, Nebraska. The aggregate total 2024 Gross Receipts for these 4 company-owned ABC businesses is \$4,669,951.16.

These figures were prepared without an audit. Prospective franchisees should be advised that no certified public accountant has audited these figures or expressed his/her opinion with regard to the content or form. All amounts are rounded to the nearest dollar. Written substantiation for the financial performance representations made in this Item 19 will be made available to you upon request.

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

Statement of Historic Gross Receipts for Franchised Territories

As of December 31, 2024, we had 68 franchised territories in operation.

Some franchisees owned multiple franchises and territories and reported Gross Receipts to us on an aggregate basis for all franchises they owned. Therefore, information provided below represents 68 territories operated by 59 franchisees. The size of the territories granted to these franchisees were substantially similar to the territories within which our current and former company-owned ABC businesses operated and the territories that we currently grant to franchisees.

The following table shows the Gross Receipts reported by each franchise for the year 2024 or is a calculation based on their purchases from our supplier In some instances, franchisees owned and operated multiple territories.

Franchise	2024 Gross Receipts
ABC Seamless of Bismarck ND* See General Notes	\$ 3,589,588
ABC Seamless of Cheyenne WY - 3 Territories	\$ 3,332,337
ABC Seamless of Grand Forks ND	\$ 3,292,555
ABC Seamless of Mankato MN	\$ 3,246,959
ABC Seamless of Fargo ND	\$ 3,220,004
ABC Seamless of Chouteau OK	\$ 2,721,041
ABC Seamless of Duluth MN	\$ 2,710,047
ABC Seamless of Anchorage	\$ 2,404,048
ABC Seamless of Hays KS	\$ 1,932,214
ABC Seamless of Carroll IA	\$ 1,922,634
ABC Seamless of Maple Grove MN – 3 Territories	\$ 1,874,321
ABC Seamless of Fredericksburg OH	\$ 1,712,438
ABC Seamless of Hutchinson MN	\$ 1,625,606
ABC Seamless of Sioux Falls SD	\$ 1,608,262
ABC Seamless of Rutland (Humboldt) IA	\$ 1,529,253
ABC Seamless of Spokane WA - 3 Territories	\$ 1,435,423
ABC Seamless of Madison WI	\$ 1,402,563
ABC Seamless of Bemidji MN	\$ 1,369,167
ABC Seamless of Sartell (St. Cloud) MN	\$ 1,337,457
ABC Seamless of Siren WI	\$ 1,325,981
ABC Seamless of Rice Lake WI	\$ 1,277,271
ABC Seamless of Owatonna MN – 2 Territories	\$ 1,198,327
ABC Seamless of Fond du Lac WI	\$ 1,055,466
ABC Seamless of Aberdeen SD	\$ 1,032,185
ABC Seamless of Billings MT	\$ 1,025,727
ABC Seamless of Albuquerque NM	\$ 977,131
ABC Seamless of River Falls WI- 2 Territories	\$ 953,671
ABC Seamless of Eveleth MN	\$ 823,132
ABC Seamless of Eau Claire WI	\$ 773,859
ABC Seamless of LaGrange IN	\$ 762,773
ABC Seamless of Missoula/Kalispell MT - 2 Territories	\$ 723,775
ABC Seamless of LaCrosse WI	\$ 711,777
ABC Seamless of Brainerd ND	\$ 675,226
ABC Seamless of Great Falls MT	\$ 667,405
ABC Seamless of Marquette MI	\$ 630,165
ABC Seamless of Uniopolis OH	\$ 613,795
ABC Seamless of Jerome ID	\$ 608,692
ABC Seamless of Fort Pierre SD	\$ 573,188

ABC Seamless of Huron SD	\$	557,613
ABC Seamless of Nekoosa WI	\$	545,420
ABC Seamless of Des Moines	\$	538,421
ABC Seamless of Elizabeth City NC	\$	475,940
ABC Seamless of Willmar MN	\$	385,452
ABC Seamless of Janesville WI	\$	360,793
ABC Seamless of Emporia KS	\$	341,360
ABC Seamless of Worthington MN - 2 Territories	\$	305,382
ABC Seamless of Kansas City MO – 2 Territories	\$	299,765
ABC Seamless of Burlington WI	\$	293,787
ABC Seamless of Fort Wayne IN	\$	268,681
ABC Seamless of Mid-Michigan MI	\$	242,177
ABC Seamless of Gainesville TX	\$	174,325
ABC Seamless of Manitowoc/Green Bay WI - 3 Territories	\$	150,169
ABC Seamless of Rapid City – The Black Hills SD	\$	148,404
ABC Seamless of Smithfield UT	\$	100,128
ABC Seamless of Elyria OH	\$	77,175
ABC Seamless of Poplar Bluff MO	\$	16,200
ABC Seamless of Western MD	\$	16,123
ABC Seamless of Yakima WA	\$	7,467

These figures were prepared without an audit and were provided to us by our franchisees or are based on the purchases our franchisees made from our supplier. Prospective franchisees should be advised that no certified public accountant has audited these figures or expressed his/her opinion with regard to the content or form. All amounts are rounded to the nearest dollar. Written substantiation for the financial performance representations made in this Item 19 will be made available to you upon request.

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

General Notes

All of these ABC businesses, both franchised and company-owned, offered substantially the same products and services as you are expected to offer. With one exception, the size of the territories granted to these franchisees were substantially similar to the territories within which our current and former company-owned ABC businesses operated and the territories that we currently grant to franchisees. The territory held by ABC Seamless of Bismark, ND was originally three separate territories. Those three separate territories were merged into a single franchise territory. As such, the size of this single territory may be larger than the typical franchise territory which is being offered to you.

As a reminder, these figures only represent Gross Receipts. These Gross Receipt figures do not reflect the cost of sales, operating expenses, or other costs or expenses that must be deducted from

the Gross Receipts to calculate net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your ABC business.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Ted Franssen, ABC, Inc., 8032 Maple Street, Omaha, Nebraska 68134, 800-732-6577, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1
Systemwide Outlet Summary
For years 2022 to 2024 (Notes 1 and 2)**

Outlet Type	Year	Outlets at Start of Year	Outlets at the end of the year	Net Change
Franchised	2022	77	76	-1
	2023	76	71	-5
	2024	71	68	-3
Company-Owned	2022	4	4	0
	2023	4	4	0
	2024	4	4	0
Total Outlets	2022	81	80	-1
	2023	80	75	-5
	2024	75	72	-3

**Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2022 to 2024 (Note 1)**

State	Year	Number of Transfers
Indiana	2022	0
	2023	1

	2024	0
Michigan	2022	0
	2023	1
	2024	0
Minnesota	2022	1
	2023	1
	2024	0
South Dakota	2022	2
	2023	0
	2024	0
Wisconsin	2022	1
	2023	1
	2024	0
TOTALS	2022	3
	2023	4
	2024	0

**Table No. 3
Status of Franchised Outlets
For Years 2022 to 2024 (Note 1)**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reason	Outlets at End of the Year
Alaska	2022	2	0	0	0	0	0	2
	2023	2	0	1	0	0	0	1
	2024	1	0	0	0	0	0	1
Colorado	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Idaho	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reason	Outlets at End of the Year
	2024	2	0	0	0	0	0	2
Indiana	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Iowa	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	1	0	0	0	0	4
Kansas	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Maryland	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
Michigan	2022	4	0	2	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Minnesota	2022	16	0	0	0	0	0	16
	2023	16	0	0	0	0	0	16
	2024	16	0	0	0	0	0	16
Missouri	2022	3	0	0	0	0	0	3
	2023	3	0	1	0	0	0	2
	2024	2	0	1	0	0	0	1
Montana	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reason	Outlets at End of the Year
	2024	4	0	0	0	0	0	4
Nebraska	2022	2	0	0	0	1	0	1
	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
Nevada	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New Mexico	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
North Carolina	2022	1	1	0	0	0	0	2
	2023	2	0	1	0	0	0	1
	2024	1	0	0	0	0	0	1
North Dakota	2022	2	2	0	0	0	0	4
	2023	4	0	1	0	0	0	3
	2024	3	0	0	0	0	0	3
Ohio	2022	3	0	0	0	0	0	3
	2023	3	0	1	0	0	0	2
	2024	2	0	0	0	0	0	2
Oklahoma	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
South Dakota	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reason	Outlets at End of the Year
	2024	5	0	0	0	0	0	5
Texas	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	1	0	0	0	1
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
Washington	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	1	2
Wisconsin	2022	12	0	0	0	0	0	12
	2023	12	0	0	0	0	0	12
	2024	12	0	0	0	0	0	12
Wyoming	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Totals	2022	77	3	3	0	1	0	76
	2023	76	1	6	0	0	0	71
	2024	71	1	3	0	0	1	68

Table No. 4
Status of Company-Owned Outlets
For Years 2022 to 2024 (Notes 1 and 2)

State	Year	Outlets at Start of the Year	Outlets Opened During Year	Outlets Reacquired from Franchisee	Outlets Closed During Year	Outlets Sold to Franchisee	Outlets at Year End
Minnesota (Note 2)	2022	2	0	0	0	2	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
Nebraska	2022	3	0	1	0	0	4
	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
North Dakota (Note 2)	2022	2	0	0	0	2	2
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
South Dakota (Note 2)	2022	1	0	0	0	1	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
Totals	2022	8	0	1	0	5	4
	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4

Table No. 5
Projected Outlets as of December 31, 2024

State	Franchise Agreements Signed at End of Last Fiscal Year But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-owned Outlets in the Next Fiscal Year
Totals	0	0	0

NOTES TO ALL TABLES

1. The numbers for each year are as of December 31.
2. In 2021, a franchisee of ours became the owner of us, and as of December 31, 2021, this owner owned 3 territories in Nebraska (although in some cases operations in a territory may be managed through an office located in another territory). In 2022, we acquired a fourth franchise location that was also located in Nebraska. Because these 4 outlets were substantially similar to the abc Seamless® franchises we offer under this Disclosure Document, these 4 outlets are considered company-owned through our affiliates and are therefore included in this Item 20 as of December 31, 2022.

Exhibit B to this Disclosure Document contains a list of the names of all franchisees, and the address and telephone numbers of their business as of December 31, 2024. We have also included on Exhibit B a list of the abc Seamless® areas operated by our affiliates as of December 31, 2024. Current and former franchisees have signed confidentiality clauses in the past 3 fiscal years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experiences with the abc Seamless® system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

0franchisee transferred or assigned their franchises during the fiscal year ending December 31, 2024 and 4 franchisees were terminated, not renewed, or ceased operations for other reasons. Exhibit C is a list of the name, city and state, and last known business telephone number, or if unknown, the last known home telephone number, of these 4 franchisees. No other franchisees had their franchise terminated, canceled, not renewed, or otherwise voluntarily or involuntarily stopped doing business under the Franchise Agreement during the fiscal year ended December 31, 2024 or did not communicate with us within 10 weeks of the issuance date of this Disclosure Document.

If you buy this franchisee, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no trademark-specific franchisee organizations associated with the abc Seamless[®] system, except the National Advisory Council created by ABC described in Item 11, which has the same address, phone number and email as ABC.

ITEM 21 FINANCIAL STATEMENTS

Exhibit D to this Disclosure Document is a copy of our audited financial statements for the fiscal years ended December 31, 2024, December 31, 2023, and December 31, 2022.

ITEM 22 CONTRACTS

Attached to this Disclosure Document as Exhibit E is a copy of the ABC, Inc. Franchise Agreement, a Personal Guaranty to be signed by the shareholders of a corporate franchise or the members of a limited liability company franchisee, and the form of Confidentiality Agreement your employees may be required to sign. Exhibit F is a copy of the Roofing Amendment. Exhibit G is a Renewal Addendum that you will sign if you are renewing your franchise at this time. Exhibit H is a copy of the form of Installment Agreement, Promissory Note and Guaranty for used equipment we may finance for you. Exhibit I is a lifetime product warranty you are required to sign, which relates to the obligations of the supplier and you under customer warranties. Attached as Exhibit J is a Questionnaire you must sign when you execute your Franchise Agreement. Attached as Exhibit K is a copy of the release you may need to sign in the case of a renewal or transfer.

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.

ITEM 23 RECEIPTS

The last 2 pages of this Disclosure Document are detachable documents acknowledging receipt of this Disclosure Document.

EXHIBIT A
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

LIST OF STATE AGENCIES

EXHIBIT A TO ABC, INC. FDD

STATE ADMINISTRATIVE AGENCIES AND AGENT FOR SERVICE OF PROCESS*

CALIFORNIA

California Commissioner of Financial
Protection and Innovation
Department of Financial Protection and
Innovation
2101 Arena Boulevard
Sacramento, California 95834
Phone: 1-866-275-2677

HAWAII (not registered)

Commissioner of Securities of Department of
Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 205
Honolulu, Hawaii 96813

ILLINOIS

Attorney General State of Illinois
500 South Second Street
Springfield, Illinois 62706

INDIANA

Registered Agent

Indiana Secretary of State
200 W. Washington St.
Indianapolis, Indiana 46204

State Administrator

Securities Commissioner
Indiana Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

MARYLAND

State Administrator

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020

Registered Agent

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN

Michigan Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48909

MINNESOTA

Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

NEBRASKA

Department of Banking and Finance
1526 K Street, Suite 300
Lincoln, Nebraska 68508

NEW YORK

Registered Agent

New York Secretary of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001

State Administrator

NYS Department of Law
Investor Protection Bureau
28 Liberty St. 21st Floor
New York, New York 10005
(212) 416-8222

NORTH DAKOTA

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol – 5th Floor
Bismarck, North Dakota 58505-0510

OREGON

Oregon Corporation Division
255 Capitol St. NE, Suite 151
Salem, Oregon 97310

RHODE ISLAND

Department of Business Regulation
Securities Division
1511 Pontiac Avenue John O. Pastore
Complex – Building 68-2
Cranston, Rhode Island 02920

SOUTH DAKOTA

Director of Division of Insurance
Securities Regulation
Dept. of Labor and Regulation
124 S Euclid, Suite 104
Pierre, South Dakota 57501

TEXAS

Secretary of State
Business Opportunities Section
P.O. Box 13563
Austin, Texas 78711

UTAH

Department of Commerce
Division of Consumer Protection
160 East 300 South
P.O. Box 45804
Salt Lake City, Utah 84145-0804

VIRGINIA

Registered Agent

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

State Administrator

Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

WASHINGTON

Director of the Dept. of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

WISCONSIN

Commissioner of Securities
Franchise Investment Division
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705

* The registered agent for service of process is the state agency listed under the state heading unless otherwise indicated.

EXHIBIT B
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES AND COMPANY-
OWNED OUTLETS

FRANCHISEE 12/31/2024	FRANCHISE	ADDRESS	PHONE
ALASKA			
Jeff Raisanen	ABC Seamless of Anchorage	1425 Viking Drive Anchorage AK 99501	907-646-2228
COLORADO			
Randy Terfehr Chuck Hall	ABC Seamless of Cheyenne WY – (Larimar)	1212 Ridge Road Cheyenne WY 82001	307-634-5700
Randy Terfehr Chuck Hall	ABC Seamless of Cheyenne WY (Weldon & Morgan)	1212 Ridge Road Cheyenne WY 82001	307-634-5700
IDAHO			
Rick Featherston Julie Featherston	ABC Seamless of Jerome	445 S Liberty Lane Jerome ID 83338	208-733-9683
Mike McVay	ABC Seamless of Spokane	11420 East Montgomery Spokane Valley WA 99202	509-248-4686
INDIANA			
BJ Tippmann	ABC Seamless of Fort Wayne	9837 Saint Joe Road Fort Wayne IN 46835	260-580-6053
Perry Bontrager	ABC Seamless of LaGrange	4750 East 100th LaGrange IN 46761	260-499-4946
IOWA			
Dave Schroeder	ABC Seamless of Carroll	1200 Heires Ave. Carroll IA 51401	712-792-9450
Tate Satern Jennifer Satern	ABC Seamless of Rutland (Humboldt)	1581 Georgia Ave. Rutland IA 50582	515-332-4762
William "Justin" Williams	ABC Seamless of Des Moines	1980 NW 94th St, Suite H Clive, IA 50325	515-276-1900
Chad Schany Mark Feldhacker	ABC Seamless of Worthington	611 N. Kragness Worthington MN 56187-2558	507-376-5594
KANSAS			
Ed Neuburger Olivia (Neuburger) Becker	ABC Seamless of Hays	1507 E. 27th Street Hays KS 67601	785-625-2418
Curt Rose DeAnn Rose	ABC Seamless of Emporia	2308 Sunset Lake Drive Emporia KS 66801	620-341-7199
Diane Cowing as Trustee for the Trust of Dale Oyer	ABC Seamless of Kansas City	2918 Mercier St Kansas City MO 64108	816-561-9000
MICHIGAN			
David Martin Trevor Boudreau Tyson Ferrari	ABC Seamless of Marquette (The Upper Peninsula)	621 West Washington Street Marquette MI 49855	906-226-6277
Ryan Strohl	ABC Seamless of Mid Michigan	3100 Saint Andrews Drive Mt Pleasant MI 48858	989-560-2096
MINNESOTA			
Jeremy Weber Courtney Weber	ABC Seamless of Bemidji	50209 US 71 Bemidji MN 56601	218-444-3825
Nikki Tucotte	ABC Seamless of Brainerd	2602 South 11th Street Brainerd MN 56401-0451	218-829-5999

Travis Peterson	ABC Seamless of Eveleth	105 Grant Ave. Eveleth MN 55734	218-744-3350
Dave DuBois Note: Owns 2 Units	ABC Seamless of River Falls	715 Saint Croix Street Ste. 14 River Falls WI	651-458-0844
AJ Kurth Justin Wendlandt	ABC Seamless of Hutchinson	20377 Hwy 15 N Hutchinson MN 55350	320-484-7133
Pete Matejcek Steven Beetch	ABC Seamless of Mankato	901 North 5th Street Mankato MN 56001	507-625-6412
Jeff Patnode Mike Patnode Note: Owns 3 Units	ABC Seamless of Maple Grove	9060 Zachary Lane N., Suite 108 Maple Grove MN 55369	763-425-4737
Brad Flemming Note: Owns 2 Units	ABC Seamless of Owatonna and Rochester	2205 Austin Road Owatonna MN 55060	507-455-3216
Daniel Morin Brandon Morin	ABC Seamless of Duluth	5384 Hwy 2 Proctor MN 55810	218-624-3825
Josh Stahlecker	ABC Seamless of Sartell (Saint Cloud)	301 4 th Avenue South Sartell MN 56377	320-259-7650
Fritz Primus	ABC Seamless of Willmar	5170 Hwy 71 N.E. Willmar MN 56201	320-231-1383
Chad Schany	ABC Seamless of Worthington	611 N. Kragness Worthington MN 56187-2558	507-376-5594
MISSOURI			
Diane Cowing as Trustee for the Trust of Dale Oyer	ABC Seamless of Kansas City	2918 Mercier St Kansas City MO 64108	816-561-9000
MONTANA			
Larry Grayson	ABC Seamless of Billings	838 Mallowney Lane Billings MT 59101	406-860-6310
Jim Devlin	ABC Seamless of Great Falls	712 Central W. Great Falls MT 59404	406-454-1199
Damian Khoury	ABC Seamless of Missoula	P.O. Box 16126 Missoula MT 59808	406-721-2649
Damian Khoury	ABC Seamless of Kalispell	P.O. Box 16126 Missoula MT 59808	406-721-2649
NEVADA			
Rick Featherston Julie Featherston	ABC Seamless of Jerome	445 S Liberty Lane Jerome ID 83338	208-733-9683
NEW MEXICO			
(Johann) Graham Johnson	ABC Seamless of Albuquerque	5500 Silver S.E. Albuquerque NM 87108	505-268-6433
NORTH CAROLINA			
Mark Swimme	ABC Seamless of Elizabeth City & Tidewater	184 Lovers Lane, Suite B Elizabeth City NC 27909	252-338-3445
NORTH DAKOTA			
Paul Barnum	ABC Seamless of Bismarck	1316 S 20th St Bismarck ND 58504	701-224-9509
Paul Barnum	ABC Seamless of Fargo	3001 Fiechtner Drive Fargo ND 58103	701-293-5952

Rodney Linnertz	ABC Seamless of Grand Forks	1175 N 62nd St Grand Forks ND 58203	701-746-7246
OHIO			
Lorin Miller Ed Miller	ABC Seamless of Fredericksburg	9238 CR 245 Fredericksburg OH 44627	330-695-4905
Jeff Knoch Keith Knoch	ABC Seamless of Uniopolis	P.O. Box 34 Uniopolis OH 45888-0034	419-738-9346
OKLAHOMA			
Ed Yoder	ABC Seamless of Chouteau	5050 West 590 Chouteau OK 74337	918-695-1097
SOUTH DAKOTA			
Brad Pinkman Janell Pinkman	ABC Seamless of Aberdeen	423 N Main St Aberdeen SD 57401	605-229-0027
Anthony K. Lewis	ABC Seamless of Fort Pierre	202 N 4th St Fort Pierre SD 57532	605-224-2221
Johnny Richman	ABC Seamless of Huron	1340 Dakota Ave N Huron SD 57350-4545	605-352-4433
Raymond Vigil	ABC Seamless of Rapid City- Black Hills	2281 South Plaza Drive Rapid City, SD 57702	605-488-9865
Brad Halverson	ABC Seamless of Sioux Falls	2215 N Westport Ave Sioux Falls SD 57107	605-338-8896
TEXAS			
Paul Ballard	ABC Seamless of Gainesville	5885 Hwy 70W Mead OK 73449	940-668-2535
UTAH			
Mike Bridges Twila Bridges	ABC Seamless of Smithfield	140 West 700 South Smithfield UT 84335	435-563-5800
WASHINGTON			
Mike McVay Note Owns: (2 units)	ABC Seamless of Spokane	11420 East Montgomery Spokane Valley WA 99202	509-248-4686
WISCONSIN			
Benjamin Zusan	ABC Seamless of Burlington	665 S. Kane St Burlington WI 53105	262-763-7884
Chad Asher	ABC Seamless of Eau Claire	2309 West Cameron Eau Claire WI 54703	715-832-7282
Joseph Mand Johnathan Pitzen	ABC Seamless of Fond du Lac	235 West Scott St Fond du Lac WI 54935-1932	920-929-8999
Brenda Calkins	ABC Seamless of Janesville	2627 S. U.S. Hwy 51 Janesville WI 53546	608-754-6668
Miles Wilkins	ABC Seamless of LaCrosse	514 Copeland Ave LaCrosse WI 54603	608-782-8877
James Lutz John Lutz	ABC Seamless of Madison	520 Business Park Circle Stoughton WI 53589	608-250-4950
Scott Westlund – 2 Units	ABC Seamless of Manitowoc	1410 South 39 th St Manitowoc WI 54220	920-682-3600
Scott Westlund	ABC Seamless Siding of Green Bay	1410 South 39 th St Manitowoc WI 54220	920-465-3600

Jay Jicinsky Dylan Jicinsky Donna Jicinsky Nick Maurer Darin Erbes	ABC Seamless of Nekoosa	2810 Swanson Road Nekoosa WI 54457	715-342-4066
Daniel Morin Brandon Morin	ABC Seamless of Rice Lake	219 W Knapp St Rice Lake WI 54868	715-859-6175
Rick Engstrom Chris Engstrom	ABC Seamless of Siren	7963 State Road 70 Siren WI 54872	715-349-5887
WYOMING			
Randy Terfehr Chuck Hall	ABC Seamless of Cheyenne WY #3	1212 Ridge Road Cheyenne WY 82001	307-634-5700

**List of Our Locations
Operated by Our Affiliates
as of December 31, 2024**

OUTLET	AFFILIATE	STATE	BUSINESS ADDRESS	PHONE NO.
ABC Seamless of Fremont	ABC Metro, Inc.	Nebraska	8032 Maple Street Omaha NE 68134	402-391-4500
ABC Seamless of Omaha	ABC Metro, Inc.	Nebraska	8032 Maple Street Omaha NE 68134	402-391-4500
ABC Seamless of Lincoln	ABCLNK, Inc.	Nebraska	4700 Cornhuskers Hwy, Ste. 1 Lincoln NE 68504	402-477-5400
ABC Seamless of Wood River	ABCWR, Inc.	Nebraska	710 Marshall Wood River NE 68883	308-583-2662

EXHIBIT C
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO TRANSFERRED
AND TERMINATED FRANCHISEES

**LIST OF FRANCHISEES THAT WERE TERMINATED OR CEASED OPERATIONS FOR
OTHER REASONS DURING THE FISCAL YEAR ENDED 12/31/2024***

Name	City and State	Phone Number
Jim Violette ABC Seamless of Yakima	Yakima, Washington	509-248-6200
Jeff Johnson ABC Seamless of Cumberland	Cumberland, Maryland	301-724-8774
Stewart Finertie ABC Seamless of Poplar Bluff	Poplar Bluff, MO	573-718-6975
David Crockett ABC Seamless of Northeast Texas	Quitman, Texas	903-763-4150

**LIST OF FRANCHISEES THAT TRANSFERRED THEIR FRANCHISE DURING THE FISCAL
YEAR ENDED 12/31/2023***

Name	City and State	Phone Number
N/A	N/A	N/A

* May still own another ABC franchise.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT D
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

ABC, INC.

FINANCIAL STATEMENTS

December 31, 2024, 2023, and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Stockholders
ABC, Inc.

Opinion

We have audited the accompanying financial statements of ABC, Inc. (an S corporation), which comprise the balance sheets as of December 31, 2024, 2023 and 2022, and the related statements of income, stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ABC, Inc. as of December 31, 2024, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ABC, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ABC, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

SHAREHOLDERS:

Marcy J. Luth
Heidi A. Ashby
Christine R. Shenk
Michael E. Hoback
Joseph P. Stump
Kyle R. Overturf
Tracy A. Cannon
Jamie L. Clemans
Travis L. Arnold

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ABC, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ABC, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

AMGL, P.C.

Grand Island, Nebraska
March 20, 2025

ABC, INC.

BALANCE SHEETS

December 31, 2024, 2023, and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
ASSETS			
CURRENT ASSETS			
Cash	\$ 227,093	\$ 550,591	\$ 189,532
Accounts receivable, net of an allowance for credit losses of \$2,636 in 2024, \$21,000 in 2023 and \$15,000 in 2022 (notes A3 and B)	349,421	367,201	187,872
Current portion of notes receivable (note F)	22,273	12,304	68,802
Inventory (note C)	582,156	648,999	817,111
Prepaid expenses	<u>5,528</u>	<u>6,584</u>	<u>8,440</u>
Total current assets	1,186,471	1,585,679	1,271,757
PROPERTY AND EQUIPMENT (note A4)			
Buildings and improvements	-	-	107,260
Vehicles	133,523	167,654	167,654
Machinery and equipment	77,235	77,235	77,235
Less: accumulated depreciation	<u>(140,654)</u>	<u>(180,520)</u>	<u>(261,975)</u>
	70,104	64,369	90,174
OTHER ASSETS			
Notes receivable, net of current portion (note F)	25,936	2,319	11,147
Notes receivable - related party (note K)	55,303	-	-
Intangibles, net of accumulated amortization of \$27,398 in 2023 and \$17,128 in 2022 (notes A5 and D)	<u>-</u>	<u>75,303</u>	<u>85,573</u>
Total other assets	<u>81,239</u>	<u>77,622</u>	<u>96,720</u>
TOTAL ASSETS	<u><u>\$ 1,337,814</u></u>	<u><u>\$ 1,727,670</u></u>	<u><u>\$ 1,458,651</u></u>

See notes to financial statements.

ABC, INC.

BALANCE SHEETS, Continued

December 31, 2024, 2023, and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
LIABILITIES AND MEMBERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable	\$ 9,880	\$ 45,712	\$ 19,985
Accrued expenses (note G)	11,041	14,336	18,204
Current portion deferred franchise fees (note B)	29,881	27,366	21,900
Notes payable - related party (note K)	-	234,288	-
Total current liabilities	50,802	321,702	60,089
LONG-TERM DEBT			
Deferred franchise fees, net of current portion (note B)	204,325	183,060	146,510
Total liabilities	255,127	504,762	206,599
STOCKHOLDERS' EQUITY			
Common stock (\$100 par value: 3,500 shares authorized, 2,600 issued and outstanding)	260,000	260,000	260,000
Additional paid-in capital	275,763	275,763	275,763
Retained earnings	546,924	687,145	716,289
Total stockholders' equity	1,082,687	1,222,908	1,252,052
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,337,814	\$ 1,727,670	\$ 1,458,651

See notes to financial statements.

ABC, INC.
STATEMENTS OF INCOME
Years ended December 31, 2024, 2023, and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
SALES (note B)			
Franchise royalties	\$ 2,042,593	\$ 1,676,851	\$ 1,546,686
Equipment sales	130,316	136,652	312,574
Material sales	378,170	397,322	373,582
Promotional item sales	31,235	2,333	14,984
Franchise fees	32,720	27,984	12,320
Total sales	<u>2,615,034</u>	<u>2,241,142</u>	<u>2,260,146</u>
COST OF SALES	<u>344,169</u>	<u>413,888</u>	<u>503,132</u>
Gross margin	2,270,865	1,827,254	1,757,014
OPERATING EXPENSES			
Salaries	350,093	556,354	254,402
Payroll taxes and benefits	29,442	43,704	29,136
Corporate cost allocation	-	-	27,000
Professional fees	144,626	97,208	109,154
Advertising (note A8)	49,537	109,212	189,437
Bad debts	-	10,879	15,000
Bank charges	26,330	10,032	4,226
Communications	76,492	64,755	43,875
Dues and subscriptions	3,311	(501)	11,223
Franchise recruitment and retention	86,488	134,745	200,987
Insurance	21,732	26,068	21,170
Miscellaneous	1,329	8,115	11,433
Office supplies	1,765	2,944	14,031
Property taxes	471	4,358	6,183
Rent (notes H and K)	209,900	181,042	100,846
Repairs	16,954	5,831	2,741
Utilities	2,298	3,951	14,212
Vehicle expense	5,177	164	6,998
Amortization (notes A5 and D)	-	10,270	10,270
Depreciation	22,559	19,821	17,085
Warranty (note A9)	(5,225)	8,180	(4,675)
Total operating expenses	<u>1,043,279</u>	<u>1,297,132</u>	<u>1,084,734</u>
Operating income	1,227,586	530,122	672,280
OTHER INCOME (EXPENSES)			
Interest expense	-	-	(3,517)
Interest income	16,827	14,612	25,919
PPP loan forgiveness (note I)	-	-	95,802
Gain (loss) on sale of assets	(73,303)	359,729	28,675
Miscellaneous income	2,530	270	15,278
Total other income (expenses)	<u>(53,946)</u>	<u>374,611</u>	<u>162,157</u>
NET INCOME	<u>\$ 1,173,640</u>	<u>\$ 904,733</u>	<u>\$ 834,437</u>

See notes to financial statements.

ABC, INC.

STATEMENTS OF STOCKHOLDERS' EQUITY

Years ended December 31, 2024, 2023, and 2022

	<u>Common Stock</u>	<u>Additonal Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at December 31, 2021	\$ 260,000	\$ 275,763	\$ 509,522	\$ 1,045,285
Net income	-	-	834,437	834,437
Shareholder distributions	-	-	(627,670)	(627,670)
Balance at December 31, 2022	260,000	275,763	716,289	1,252,052
Net income	-	-	904,733	904,733
Shareholder distributions	-	-	(933,877)	(933,877)
Balance at December 31, 2023	260,000	275,763	687,145	1,222,908
Net income	-	-	1,173,640	1,173,640
Shareholder distributions	-	-	(1,313,861)	(1,313,861)
Balance at December 31, 2024	<u>\$ 260,000</u>	<u>\$ 275,763</u>	<u>\$ 546,924</u>	<u>\$ 1,082,687</u>

See notes to financial statements.

ABC, INC.

STATEMENTS OF CASH FLOWS

Years ended December 31, 2024, 2023, and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$ 1,173,640	\$ 904,733	\$ 834,437
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	22,559	19,821	17,085
Amortization	-	10,270	10,270
Gain (loss) on sale of assets	73,303	(359,729)	(28,675)
PPP loan forgiveness	-	-	(95,802)
(Increase) decrease in:			
Accounts receivable	17,780	(179,329)	(84,588)
Inventory	66,843	168,112	(192,185)
Prepaid expenses	1,056	1,856	65,107
Increase (decrease) in:			
Accounts payable	(35,832)	25,727	7,669
Accrued interest	-	-	(17,766)
Accrued expenses	(3,295)	(3,868)	(11,652)
Deferred royalties	-	-	(10,000)
Deferred franchise fees	23,780	42,016	140,680
	1,339,834	629,609	634,580
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of assets	2,000	365,713	34,000
Purchase of property and equipment	(28,294)	-	(91,575)
Net change in notes receivable/ payable - related party	(289,591)	234,288	(172,942)
Cash paid for issuance of notes receivable	(61,065)	-	(85,000)
Cash received from notes receivable	27,479	65,326	11,512
	(349,471)	665,327	(304,005)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Stockholder distributions	(1,313,861)	(933,877)	(687,670)
	(323,498)	361,059	(357,095)
Net increase (decrease) in cash			
Cash at beginning of year	550,591	189,532	546,627
Cash at end of year	\$ 227,093	\$ 550,591	\$ 189,532
<u>Supplemental disclosures:</u>			
Interest paid	\$ -	\$ -	\$ 21,283

See notes to financial statements.

ABC, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024, 2023, and 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Nature of Operations

ABC, Inc. ("the Company") is in the business of franchising companies providing construction, application, sales, and service of seamless steel siding, roofing, gutters, soffits, fascia, and windows throughout the United States of America. The Company also manufactures and sells siding machines and related equipment to franchisees and resells clothing and other promotional products to franchisees. The Company moved its headquarters from Fargo, North Dakota to Lincoln, Nebraska during 2022. Three franchises were owned and operated by EWF, Inc. (a commonly controlled company) in Nebraska, as well as numerous independently owned franchises throughout the United States.

2. Basis of Accounting

The accounting and reporting principles followed by the Company conform with accounting principles generally accepted in the United States of America ("GAAP"), as codified by the Financial Accounting Standards Board ("FASB").

3. Receivables

The Company's trade receivables are due upon receipt and require payment within 30 days of the invoice date. Past due invoices bear interest at the rate of 18% annually. Payments on trade receivables are applied to the earliest unpaid invoices. The Company has entered into notes receivable with certain franchisees to finance the franchisees' purchase of equipment and/or past due franchise royalties.

The Company uses the allowance method in accounting for bad debts. They provide allowances for credit losses equal to the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on historical collection experience coupled with a review of the current status of existing receivables and existing economic conditions. Receivables are written off when, in management's estimation, it is probable that the receivable is worthless. Recoveries of receivables previously written off are recorded when received. As of December 31, 2024, 2023, and 2022, the Company had allowances for credit losses of \$2,636, \$21,000, and \$15,000, respectively.

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Property and Equipment

Property and equipment are stated at cost. The Company capitalizes all expenditures for new property or equipment or improvement that improve the life or production of the asset in excess of \$5,000. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. The estimated lives used in determining depreciation are:

Buildings and improvements	7–39 years
Vehicles	5 years
Machinery and equipment	5-7 years

5. Intangible Assets

Amortization expense of warranty database and website is provided using the straight-line method over the estimated useful life of 10 years. During the year ended December 31, 2024 the Company scrapped the database and website due to functionality.

6. Income Taxes

The Company, with the consent of its shareholders, has elected under the Internal Revenue Code to be an S Corporation. In lieu of corporation income taxes, the shareholders of an S Corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these financial statements. Federal income tax returns for 2021, 2022, and 2023 are open for examination by the Internal Revenue Service as of December 31, 2024.

7. Estimates

The preparation of these financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

8. Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses for the years ended December 31, 2024, 2023, and 2022 were \$49,537, \$109,212, and \$189,437 respectively.

9. Warranties

The Company shall provide a lifetime limited warranty for manufacturing defects on certain products provided to the client from the date of installation. The warranty provides for the repair or replacement of defective products on a pro-rata basis over the lifetime of the product, with terms specified in the contract. Certain product warranties are transferrable from the original owner to subsequent owners provided the guidelines within the warranty contract are followed and the Company receives notification. The Company does not consider these warranties to be separate performance obligations. Historically, warranty claims have not resulted in material costs incurred. No accrual for potential significant warranty actions is deemed necessary as of the years ended December 31, 2024, 2023, 2022, and 2021, respectively.

10. Sales Tax and Shipping

Various states impose sales taxes on the Company's sales to nonexempt customers. The Company's accounting policy is to exclude the taxes collected and remitted to the States from sales and cost of sales. Use taxes paid on inventory purchased by the Company are included in cost of sales on the statements of income.

Freight billed to customers is considered sales and the related freight cost is cost of sales.

11. Variable Interest Entities

The Company has elected to not apply variable interest entity guidance to legal entities under common control. This election applies to all current and future legal entities under common control that meet the criteria for applying the private company accounting alternative.

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE B – REVENUE RECOGNITION

The Company operates as a franchisor to companies providing primarily seamless siding and gutters throughout the United States with franchisees currently located in 22 different states. The Company enters into contracts with franchisees for ten years with options for ten year renewals. The performance obligations related to franchise fees are satisfied over time because the franchise contract is an obligation to provide a license to intellectual property, which is consumed over the life of the contract. While additional services may be provided, they are all viewed as a highly interdependent and distinct series of performance obligations that essentially represent the license allowing the franchisee to use the Company's intellectual property. As such, the Company measures the progress toward complete satisfaction of the franchise fee performance obligation ratably using a straight-line method and reports the revenue ratably over the ten-year period. As of December 31, 2024, 2023, and 2022, the Company deferred franchise fees of \$234,206, \$210,426, and \$168,410, respectively, to account for future performance obligations associated with new franchisee contracts. The Company expects to recognize the deferred franchise fees as revenue on the following schedule:

Year Ending <u>December 31,</u>	
2025	\$ 29,881
2026	29,450
2027	29,450
2028	29,450
2029	29,450
Thereafter	<u>86,525</u>
	<u>\$234,206</u>

The Company recognizes equipment sales and other supply related revenue as revenue when control of the promised good and/or service is transferred to the customer.

The Company recognizes franchise royalties as revenue for the period in which the franchisees sales occurred as reported by the franchisee to the Company, e.g. December franchisee royalties reported in January are reported as revenue in December by the Company.

Net accounts receivable and deferred franchise consists of the following at December 31:

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Accounts receivable	\$349,421	\$367,201	\$187,872	\$103,284
Deferred franchise fees	234,206	210,426	168,410	27,730

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE C - INVENTORY

Inventories of merchandise and raw materials are stated at the lower of cost, using the first-in, first-out (FIFO) method, or market.

Inventory consists of the following at December 31:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Machine and machine parts	\$470,136	\$607,484	\$735,900
Clothing and paper products	112,020	41,515	81,211
	<u>\$582,156</u>	<u>\$648,999</u>	<u>\$817,111</u>

NOTE D – INTANGIBLE ASSETS

The Company purchased a warranty database in 2019 and incurred website development costs in 2021. Amortization expense totaled \$0, \$10,270, and \$10,270 for the years ended December 31, 2024, 2023, and 2022, respectively, and is included in operating expenses on the statements of income. During the year ended December 31, 2024 the Company scrapped the database and website due to a lack of functionality. The Company is currently pursuing legal recourse against the developer; no potential outcome is accrued at December 31, 2024.

NOTE E – CONCENTRATION AND CONTINGENCIES

Due to the nature of the industry, the Company is involved in certain legal actions and claims arising in the ordinary course of business. There have been no settlements exceeding insurance coverage for the past three years.

The Company maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed the federally insured limits as guaranteed by the Federal Deposit Insurance Corporation (FDIC). The Company maintains its cash and cash equivalent deposits in large, well-capitalized financial institutions. The Company has not experienced any losses in such accounts nor does the Company believe it is exposed to any significant credit risk on cash and cash equivalents.

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE F – NOTES RECEIVABLE

The Company has the following notes receivable from franchisees as of December 31:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<p>The Company loaned \$61,065 to the Des Moines, IA franchise in February 2024 to purchase a gutter machine and attachments. The interest is at ten percent due in 36 monthly payments of \$1,970.</p>	\$ 45,890	\$ -	\$ -
<p>The Company loaned \$25,000 to the Willmar, MN franchise to purchase a siding machine in March 2022. The interest is at eight percent due in 36 monthly payments of \$783. The note is secured by the machine.</p>	2,319	14,623	19,949
<p>The Company loaned \$66,250 to the Spring City, NC franchise to provide operating capital in December 2022. As of December 31, 2022 only \$60,000 had been advanced. The interest is at ten percent due in 12 monthly payments of \$5,824. The note is secured by the machines and trailers purchased from ABC, Inc. in August 2022. The equipment was repossessed in 2023 to satisfy the debt.</p>	-	-	60,000
<p>Total</p>	<u>\$ 48,209</u>	<u>\$ 14,623</u>	<u>\$ 79,949</u>
<p>Current portion</p>	\$ 22,273	\$ 12,304	\$ 68,802
<p>Noncurrent portion</p>	25,936	2,319	11,147
	<u>\$ 48,209</u>	<u>\$ 14,623</u>	<u>\$ 79,949</u>

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE G - ACCRUED EXPENSES

Accrued expenses consist of the following at December 31:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accrued salaries	\$ 11,041	\$ 14,336	\$ 15,886
Accrued vacation	-	-	2,318
	<u>\$ 11,041</u>	<u>\$ 14,336</u>	<u>\$ 18,204</u>

NOTE H - LEASE COMMITMENTS

The Company leases certain office spaces and warehouses. The Company assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the balance sheet.

The Company adopted FASB ASC 842 for the year beginning January 1, 2022. New leases are the only leases required to be included on the balance sheet under FASB ASC 842. As a result, adopting FASB ASC 842 had no impact to prior year balance sheet information, and because these leases are operating leases, the adoption of this standard has no impact on our results of operations.

As of December 31, 2024, the Company is renting office and warehouse space for TLR Investments (a related party) for \$3,600 and \$12,000 per month on a month to month basis at December 31, 2024. The leases are unwritten and the Company has determined that there are no enforceable rights and obligations, so these leases meet the short-term exception in FASB ASC 842.

NOTE I – NOTE PAYABLE/PAYROLL PROTECTION PROGRAM

The Company applied for and received a loan under the Payroll Protection Program Round 2 from Bell Bank in the amount of \$95,802 on April 29, 2021. The Company was granted forgiveness of the entire PPP loan balance in March 2022 and has included the amount forgiven in other income on the accompanying statement of income for the year ended December 31, 2022.

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE J – RETIREMENT PLAN

The Company has a savings plan under Section 401(k) of the Internal Revenue Code. The Plan is available to all employees who are age twenty-one (21) and older and have been employed by the Company for one (1) year. Employees are allowed to contribute up to certain percentages of pre-tax salary subject to Internal Revenue Code limitations. The Company did not make any contributions to the plan in the years ended December 31, 2024, 2023, and 2022, respectively.

NOTE K – RELATED PARTY TRANSACTIONS

The Company has a note receivable from related parties for the year ended December 31, 2024 for \$55,303 for commissions deposited in an incorrect bank account and allocated credit card charges.

As of December 31, 2023, \$234,288 was due to related companies for allocated payroll costs and credit card charges. These amounts were repaid in the year ended December 31, 2024.

The Company has the following amounts due from related parties included in accounts receivable for the years ended December 31, 2024, 2023, and 2022:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accounts receivable			
TLR Investments	\$ -	\$ -	\$ 3,723
EWF, Inc.	21,170	11,463	16,297
Total	<u>\$ 21,170</u>	<u>\$ 11,463</u>	<u>\$ 20,020</u>

ABC, INC.

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2024, 2023, and 2022

NOTE K – RELATED PARTY TRANSACTIONS, continued

Related-party revenues and expenses consist of the following for the years ended December 31, 2024, 2023, and 2022:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Revenues:			
EWF, Inc.			
Royalties	\$ 186,790	\$203,669	\$ 138,890
Material and promotional item sales	60,115	74,739	1,581
Total revenues	<u>\$ 246,905</u>	<u>\$278,408</u>	<u>\$ 140,471</u>
Expenses:			
TLR Investments			
Rent	\$ 202,800	\$180,000	\$ 97,000
ABC Manufacturing			
Cost of sales	-	15,000	18,029
ABC Metro, Inc.			
Payroll and associated costs	360,096	627,323	353,847
Franchise recruitment and retention	-	-	37,398
Cost of sales	-	-	11,714
Related-party and shareholders			
Interest expense	-	-	21,233
Total expenses	<u>\$ 562,896</u>	<u>\$822,323</u>	<u>\$ 539,221</u>

NOTE L - SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 20, 2025, the date on which the financial statements were available for issue.

EXHIBIT E
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT
AND PERSONAL GUARANTY

ABC, INC. FRANCHISE AGREEMENT

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ABC SEAMLESS® FRANCHISE AGREEMENT

This Agreement is made this _____ day of _____, _____, by and between ABC, INC., a North Dakota corporation (hereinafter referred to as Franchisor), having its principal place of business at 8032 Maple Street, Omaha, Nebraska 68134, and _____ (hereinafter referred to as Franchisee), residing at _____.

RECITALS

WHEREAS, Franchisor has developed a system for operating a home improvement business specializing in the retail sale, manufacture and installation of seamless siding and gutters, soffit, fascia and accessories under its abc Seamless® trade name and trademark (“Franchised Business”);

WHEREAS, Franchisor owns certain valuable property rights in the abc Seamless® trade name and trademark and in other related service marks, trade names, trade secrets, copyrights and related insignia used in connection with the Franchised Business (“Names and Marks”);

WHEREAS, Franchisee desires to enter into the Franchised Business, to sell, manufacture and install seamless siding, seamless gutters, soffit, fascia and accessories and other products approved by Franchisor and identified by the Names and Marks (“Products”), to operate the Franchised Business according to the abc Seamless® system which Franchisor has developed for the Franchised Business (“System”) and to obtain the training and assistance provided by Franchisor in connection with the Franchised Business and the System;

NOW, THEREFORE, the parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby agree as follows:

1.) GRANT OF FRANCHISE. Franchisor hereby grants to Franchisee a license to operate the Franchised Business according to the System, and to use in connection therewith the Names and Marks which shall include the commercial trade names, trademarks, service marks and other symbols, including associated logos, now or hereafter selected, used or promoted by Franchisor in connection with its franchise system, as may be designated, modified, deleted or amended by Franchisor from time to time within the licensed geographical franchise area described in Schedule 1 and outlined in the area map found in Exhibit A (“Territory”).

2.) FRANCHISE FEE AND OTHER PAYMENTS. In consideration of the rights granted herein, Franchisee shall pay to Franchisor the following:

(a) An initial franchise fee of \$55,000.00 payable in one (1) lump sum at the time this Agreement is executed by Franchisee. The initial franchise fee is not refundable under any circumstances.

(b) A monthly royalty fee equal to the following (“Royalty Fee”):

- (1) For the first year of the term of this Agreement, the Royalty Fee shall be equal to three percent (3%) of Franchisee's monthly Gross Receipts (as hereinafter defined) from the Franchised Business for the prior month, or \$1,000 per month, whichever is greater. Franchisor shall invoice Franchisee after the end of each year to the extent the total Royalty Fees paid in that year were below \$12,000, with such invoice due within thirty (30) days of date of invoice.
- (2) For the second year of the term of this Agreement, the Royalty Fee shall be equal to three percent (3%) of Franchisee's monthly Gross Receipts from the Franchised Business for the prior month or \$2,000 per month, whichever is greater. Franchisor shall invoice Franchisee after the end of each year to the extent the total Royalty Fees paid in that year were below \$24,000, with such invoice due within thirty (30) days of date of invoice.
- (3) For the third year of the term of this Agreement, the Royalty Fee shall be equal to three percent (3%) of Franchisee's monthly Gross Receipts from the Franchised Business for the prior month or \$3,000 per month, whichever is greater. Franchisor shall invoice Franchisee after the end of each year to the extent the total Royalty Fees paid in that year were below \$36,000, with such invoice due within thirty (30) days of date of invoice.
- (4) Thereafter, for the remainder of the term of this Agreement (and any renewal term under any successor franchise agreement), the Royalty Fee shall be equal to three percent (3%) of Franchisee's monthly Gross Receipts from the Franchised Business for the prior month, subject to a minimum total Royalty Fee of \$48,000 per year. Franchisor shall invoice Franchisee after the end of each year to the extent the total Royalty Fees paid in that year were below \$48,000, with such invoice due within thirty (30) days of date of invoice.

“Gross Receipts” means the total amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for the sale and installation of any and all seamless siding, siding generally, seamless gutters, gutters generally, gutter protection or other gutter accessories, soffit, fascia, window trim, door trim, or any other type of exterior trim work performed by Franchisee.

Gross Receipts further means the total amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for any incidental sales or revenue connected with the sale of seamless siding, siding generally, seamless gutters, gutters generally, gutter protection or other gutter accessories, soffit, fascia, window trim, door trim, or any other type of exterior trim work performed by Franchisee. By way of example, Gross Receipts would include revenues generated from the sale and installation of any fasteners used to install gutters, or the sale and installation of wood that would be

replaced in a siding or fascia job. Gross Receipts further means the total amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for any incidental sales or revenue connected with the sale of seamless siding, siding generally, seamless gutters, gutters generally, gutter protection or other accessories, soffit, fascia, window trim, door trim, or any other type of exterior trim work performed by Franchisee regardless of whether those items were manufactured by Franchisor's designated manufacturer, another manufacturer approved in writing by Franchisor, or another manufacturer not approved by Franchisor.

Gross Receipts also include any amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for the sales of metal roofing and related products and services under a Roofing Amendment with Franchisor (if any) regardless of whether those roofing items were manufactured by Franchisor's designated manufacturer, another manufacturer approved in writing by Franchisor, or another manufacturer not approved by Franchisor. Gross Receipts under the Roofing Amendment further means the total amount of revenue the Franchisee receives in the form of cash or credit, plus the fair market value of goods delivered and services received by Franchisee or its designee, in consideration for any incidental sales or revenue connected with the sale metal roofing and related products. By way of example, Gross Receipts would include revenues generated from the sale and installation of any wood roof decking that would be replaced in a roofing job.

The term "Gross Receipts" excludes sales or other taxes which may be required by law to be collected from customers.

(c) If any sales, income, excise, use or privilege tax is imposed or levied by any government or governmental agency on account of the payment of the Royalty Fee by Franchisee under this Agreement, Franchisee shall pay to Franchisor a sum equal to the amount of such tax as an additional royalty fee (but this provision shall not apply to any federal or state income taxes imposed upon Franchisor).

(d) The Royalty Fee shall be due and payable monthly by the twenty-fifth (25th) day of each month and is based on the preceding month's Gross Receipts. If Franchisee is more than thirty (30) days late in payment of any Royalty Fee or advertising/marketing fee (as described in Section 10, below) said payment shall bear interest at the lesser of the rate of one and one-half percent (1-1/2%) per month from and after the 30th day after such payment became due or the maximum rate allowed by applicable law. If Franchisee is more than thirty (30) days late on any payment, Franchisee will also be required to furnish Franchisor with a letter of credit for a minimum of Five Thousand and no/100 Dollars (\$5,000.00) upon terms reasonably acceptable to Franchisor in addition to, and not in lieu of any other right or remedy Franchisor may have at law or in equity including Franchisor's right to terminate this Agreement pursuant to Section 12.

(e) With respect to the Royalty Fee and the advertising/marketing fee described in Section 10, below, Franchisee shall submit to Franchisor a current monthly report signed by Franchisee certifying the Gross Receipts and other information required by Franchisor. Franchisee shall also prepare and provide to Franchisor a monthly profit and loss statement and balance sheet of the Franchised Business on or before the 25th day of the month following the month to which the statement relates. All such reports must be in a form prescribed by Franchisor and submitted electronically through the ABC Franchise online dashboard or other means as may be prescribed by Franchisor.

(f) If requested by Franchisor, Franchisee agrees to pay all amounts owed to Franchisor by electronic funds transfer, or such other methods may be designated from time to time by Franchisor.

(g) Franchisee shall keep books of account in accordance with good accounting practices which accurately show the Gross Receipts of the Franchised Business and shall, at its expense, deliver to Franchisor within ninety (90) days after the end of each fiscal year reports of Gross Receipts from the year's operation and amounts expended on advertising/marketing certified by Franchisee or an officer of Franchisee. Franchisee will permit authorized personnel of Franchisor to inspect and examine its books and records, including customer contracts, invoices, and other job-related information (other than any employment records) at any reasonable time. In addition, Franchisee shall permit certified public accountants designated by Franchisor to audit its books of account at any reasonable time. If such audit discloses that the reported Gross Receipts of Franchisee have been understated, Franchisee shall immediately pay to Franchisor the amount overdue, unreported, or understated, together with interest from the date such payment was originally due at the rate of one and one-half percent (1-1/2%) per month or the maximum amount permitted by applicable law, whichever is less. In addition, if such audit discloses that the reported Gross Receipts of Franchisee have been understated to the extent of two percent (2%) or more, Franchisee shall be liable for the full cost of such examination or audit including, but not limited to, travel expenses, allocated salaries, and outside accountants', auditors' and attorneys' fees. The foregoing remedies shall be in addition to any other remedies Franchisor may have at law or in equity.

(h) Franchisee is required to attend the annual meeting and all other Franchisor-sponsored events. At Franchisor's discretion, this meeting may be either a national meeting for all abc Seamless® franchisees, or a regional meeting for franchisees who generally work in the region that includes the Territory. Franchisee shall be responsible for its travel, lodging, and meal costs and expenses incurred in attending such meetings and events.

3.) TERM OF FRANCHISE; RENEWAL.

(a) This Agreement shall be for an initial term of ten (10) years from the date first provided above, unless terminated earlier as provided herein.

(b) At the end of the initial term, provided Franchisee is not in default under this Agreement or any other agreement between Franchisor and Franchisee, then Franchisee shall have the option to renew this Agreement for one (1) additional ten (10) year term. Franchisee must give Franchisor written notice of its intent to renew at least two hundred forty (240) days before the expiration of the initial term. As a condition to renewing this Agreement, Franchisee must sign a release (in form acceptable to Franchisor) and Franchisee and its principals must sign Franchisor's then-current form of franchise agreement, together with any exhibits referenced in the franchise agreement and Franchisor's then-current Renewal Addendum; however, no new initial franchise fee will be due at the time of renewal. Franchisee's Royalty Fee during the renewal term will remain as set forth in Section 2. Franchisee acknowledges that the right of renewal set forth herein does not give Franchisee the right to renew any specific provisions of this Agreement, and Franchisee recognizes that the terms of franchise agreements utilized by Franchisor upon renewal are likely to be substantially different than the terms offered by Franchisor as of the date hereof. Franchisee further acknowledges that the failure to meet any conditions of renewal imposed by Franchisor, including those set forth herein, shall be deemed an election by Franchisee not to renew the Franchise.

(c) If Franchisee does not sign a new franchise agreement prior to expiration of the term of the franchise, and Franchisee continues to accept the benefits of this Agreement after the expiration of this Agreement, then at the option of Franchisor this Agreement shall be deemed to: (1) have expired as of the date of its stated expiration, with Franchisee then operating without a Franchise to do so and in violation of Franchisor's rights; or (2) be continuing on a month-to-month basis (the "Interim Period") until one party provides the other with written notice of such party's intention to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate the Interim Period. Notwithstanding anything set forth herein to the contrary, all obligations of Franchisee shall remain in full force and effect during the Interim Period as if the term of the franchise had not expired and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Interim Period.

4.) LICENSED GEOGRAPHIC FRANCHISE AREA.

(a) During the term of this Agreement, Franchisee is given the right to locate a Franchised Business within the Territory, subject to the terms of this Agreement. Franchisee is required to operate its Franchised Business and office and storage facility within the Territory during the term hereof. Franchisee is forbidden from operating its Franchised Business or maintaining any office and/or storage facility outside the Territory, except to the extent Franchisee purchases a franchise for another territory. Franchisor itself or through an affiliate is specifically permitted to open and operate its own businesses or grant franchises to others to open and operate a business anywhere outside the Territory. During the term of this Agreement, and provided that Franchisee is not in default under the terms and conditions of this Agreement, Franchisee shall be allowed to sell products outside of its Territory, provided Franchisor has not granted a franchise to another franchisee for the sale of Products and the operation of a Franchised

Business or Franchisor is not itself or through an affiliate currently operating in such area, and provided all such sales outside of the Territory in any twelve (12) month period is no more than ten percent (10%) of Franchisee's sales within the Territory during such twelve (12) month period. Franchisee shall be allowed to operate in such area until such time as Franchisor notifies Franchisee that it will sell the area to a franchisee or that it or its affiliate will begin operating in that area, at which time Franchisee shall immediately cease operating in such area. The parties acknowledge and agree that nothing contained herein shall prevent Franchisor, its affiliate or any of its franchisees from disseminating advertising, marketing or literature which may be distributed or received in the Territory, including without limitation, through internet, catalog sales, telemarketing or other direct marketing. If Franchisee is contacted by a customer who is located within a territory in which Franchisor or its affiliate is conducting business or any franchisee of Franchisor is operating a Franchised Business, Franchisee agrees to refer such customer to Franchisor or its affiliate or Franchisor's franchisee for such territory.

(b) During the term of this Agreement, Franchisee shall not change the site of the Franchised Business without Franchisor's prior written consent, which consent shall not be unreasonably withheld.

(c) During the term of this Agreement, and provided that Franchisee is not in default under the terms and conditions of this Agreement, Franchisor shall not grant any other person or entity the right to operate a Franchised Business and will not itself or through an affiliate operate a Franchised Business, within the Territory, except as set forth herein. Notwithstanding any provision in this Agreement to the contrary, (1) Franchisor shall have the right to license others to sell, and shall itself or through an affiliate have the right to sell, products other than siding, gutters, soffits and fascia and accessories, using the Names and Marks or other trade or service marks owned by Franchisor within or outside of the Territory; (2) Franchisor may sell products or services, or grant others the right to sell products or services, similar to or competitive with those sold by the Franchised Business, whether using the Names and Marks or other trade or service marks, through other distribution channels (including the Internet, catalog sales, telemarketing, or other direct marketing) both inside and outside the Territory; (3) Franchisor may acquire businesses that are similar to the Franchised Business or the ownership interests of Franchisor may be sold or Franchisor may sell substantially all of its assets, to any third party regardless whether such third party operates, or franchises the operation of, businesses similar to the Franchised Business.

5.) FRANCHISOR'S OBLIGATION TO FRANCHISEE. Franchisor covenants, contracts, and agrees:

(a) To counsel and advise Franchisee with respect to the development of Franchisee's Franchised Business. Such services shall not consist of continuous supervision but shall consist of consultation with respect to the appropriate implementation of the Franchised Business and such other matters as shall promote the efficient operation of the System as deemed appropriate by Franchisor.

(b) At all reasonable times, upon request of Franchisee, to advise and consult Franchisee in connection with the operation of the System and shall keep Franchisee advised of the new developments and improvements in the System.

(c) To use its reasonable efforts to provide all material, equipment, and parts ordered by Franchisee from Franchisor (provided Franchisor is currently supplying such material, equipment and parts) within a reasonable time after the order is placed by Franchisee.

(d) In conjunction with some of Franchisor's suppliers, to provide a warranty to Franchisee's customers for certain products or services purchased by them, subject to the terms provided by the suppliers; provided, however, that Franchisee shall provide a copy of any warranty statements required by Franchisor to Franchisee's customers for products or services purchased by them and if Franchisee fails to provide such warranty statements, Franchisor may provide the warranty statement to such customer on Franchisee's behalf and charge Franchisee its then-current warranty administrative fee.

(e) To provide an initial training program to Franchisee. The initial training program shall be held at Franchisor's headquarters, or such other site as may be designated by Franchisor, prior to the opening of the Franchised Business. Franchisee shall be responsible for all travel and living expenses incurred by Franchisee in attending Franchisor's training program. If Franchisee is a corporation, limited liability company or partnership, at least one of the principals of Franchisee are required to attend this initial training.

(f) To loan to Franchisee one or more manuals for use in the Franchised Business, which manuals may consist of brand standards, operations manuals or otherwise (collectively, the "Manuals") to assist Franchisee in the establishment and operation of its Franchised Business.

Franchisor is not required to perform any of the above-listed obligations to Franchisee's particular level of satisfaction, but will perform each such obligation based on Franchisor's experience, knowledge and judgment. If Franchisor's activities or decisions are supported by its business judgment, no court or judge or trier of fact, or any other person reviewing those activities or decisions may substitute his, her or its judgment for Franchisor's judgment, in recognition of the fact that the long-term goals of a franchise system, and the long-term interests of both Franchisor and its franchisees taken together, require that Franchisor have the latitude to exercise its business judgment in administering, managing and overseeing the System.

6.) FRANCHISEE'S OBLIGATION TO FRANCHISOR. Franchisee covenants, contracts, and agrees:

(a) To purchase or lease appropriate seamless siding and seamless gutter equipment required by Franchisor so as to adequately operate Franchisee's Franchised Business. All such equipment shall meet the quality control standards and specifications designated by Franchisor.

(b) To purchase siding and gutter coil, soffit and fascia material and such other materials or items as required by Franchisor from time to time only from Franchisor or such other suppliers as Franchisor may designate or approve.

(c) To purchase accessories for siding, gutter, soffit, and fascia only from Franchisor or such other suppliers that Franchisor may designate or approve.

(d) To purchase and utilize such signs depicting the name identification and/or business of the Franchised Business as shall be designated and approved by Franchisor. Franchisee shall use its best efforts to promote and advertise its Franchised Business under such standards and guidelines set forth by Franchisor. Franchisee shall use the name “abc Seamless®” and “The Seamless People®” or such other Names and Marks as may be designated by Franchisor from time to time in conjunction with all advertising, marketing, merchandising, and sales of Products during the term of this Agreement in the operation of its Franchised Business in such manner as shall be required and approved by Franchisor, including without limitation with respect to any Internet website or home page, social networking and/or social media website, profile, account or username relating to or making reference to the Franchised Business or Franchisor (each a “Social Media Site”). Franchisor reserves the rights to modify the Names and Marks associated with the Franchised Business, as set forth in Section 8.

(e) To not commence operation of the Franchised Business until Franchisee has satisfied all conditions set forth in this Agreement required to be satisfied by Franchisee prior to opening the Franchised Business, including successful completion of the Initial Training Program and obtaining all licenses, permits, and certifications necessary to operate the Franchised Business. Franchisee shall satisfy all condition precedents to opening required by Franchisor, and open and commence operation of the Franchised Business, within one hundred twenty (120) days after the date of this Agreement.

(f) To operate its Franchised Business in strict compliance with Franchisor’s recommendations and policies so as to maintain uniform high standards of quality and service throughout the System as set forth in the Manuals. All materials and installation practices must meet the quality control standards of the System. Franchisee shall utilize its best efforts, skill, and diligence to ensure that Franchisee and Franchisee’s employees, contractors, and agents establish and maintain high quality service to all doing business with the Franchised Business, including suppliers and customers. At all times, Franchisee shall conduct its business in a manner that will preserve and enhance the goodwill associated with the Names and Marks, and shall use its best efforts to timely respond to and resolve all customer complaints or issues. Franchisee shall not offer any products and services through the Franchised Business that are not approved by Franchisor. Franchisor shall have the right to inspect the Franchised Business at reasonable times to ensure that Franchisee is complying with Franchisor’s policies. Franchisee shall devote its best efforts to the proper operation of the Franchised Business.

(g) To respond to all customer complaints within forty eight (48) hours of receipt of the complaint, and resolve the complaint to Franchisor’s satisfaction within fourteen (14)

days of receipt of such complaint. If Franchisor receives or becomes aware of a customer complaint or if Franchisee fails to timely respond to or resolve a complaint, Franchisor may resolve the complaint or respond for Franchisee, and Franchisee shall reimburse Franchisor or its designee for its or their costs incurred to resolve or respond to a customer complaint on Franchisee's behalf. Franchisee shall participate in all customer satisfaction programs required by Franchisor. Franchisee consents to Franchisor providing Franchisee's contact information to a third party who requests such information.

(h) To establish a suitable business premises, which must include a fully enclosed and secure area for product storage and a storefront or showroom open to the public, that is located within the Territory and to thereafter keep the Franchised Business in continuous operation. The location and build-out of the business premises must be approved by Franchisor and must meet Franchisor's specifications, and Franchisee shall only sell to customers located within the Territory, except as provided in Section 4.

(i) To be responsible for all loss or damage originating in or sustained in connection with the operation of its Franchised Business and for all claims resulting therefrom, and Franchisee agrees to indemnify and hold harmless Franchisor and its former, current and future officers, directors, shareholders, employees and agents, and their successors and assigns from any such claims, loss, or damage. Franchisee shall at all times maintain comprehensive multi-risk insurance coverage, as may be reasonably required by Franchisor including, but not limited to, comprehensive motor vehicle and general liability insurance (with products liability and completed operations coverage) having limits for personal injury of at least Five Hundred Thousand Dollars (\$500,000) per person and One Million Dollars (\$1,000,000) per occurrence and property damage limits of at least One Hundred Thousand Dollars (\$100,000) per occurrence, and such insurance coverage shall be insured by insurance companies with a financial strength rating of A or better as established by A.M. Best Company or any other similar company designated by Franchisor. Franchisor reserves the right to increase the limits of such policies by providing Franchisee with notice of any increases. Franchisee shall name Franchisor as additional insured as long as Franchisee operates a Franchised Business and shall furnish Franchisor with copies of all such insurance policies prior to the beginning of the operation of its Franchised Business and shall furnish Franchisor copies of all such policies upon request.

(j) To provide a letter of credit to material suppliers to cover two (2) months of purchases or a minimum of Ten Thousand Dollars (\$10,000).

(k) To comply with all federal, state, county, city, and local statutes and ordinances and with all regulations of any governmental body which might directly or indirectly affect the operation of its Franchised Business. Franchisee will pay all taxes which may be assessed by any taxing authority in the operation of the Franchised Business or against the equipment or inventory used in connection therewith.

(l) Not to divulge any information of confidential nature conveyed to Franchisee by Franchisor, except to employees of Franchisee as may be necessary to conduct the operation of the Franchised Business.

(m) To operate under, and prominently display, the Names and Marks in the operation of Franchisee's Franchised Business. Franchisee shall use no commercial trade names, service marks or other commercial symbols, including associated logos, in the operation of its Franchised Business that do not satisfy the criteria established by Franchisor. Franchisee shall not use any of the Names and Marks in combination with other words, letters, prefixes, suffixes, logos or designs, other than in the manner authorized by Franchisor. If Franchisee uses another name or mark, Franchisee shall insure that Franchisor's Names and Marks, are the most prominent marks in its name and logos and shall submit any such use to Franchisor for approval prior to its use. Franchisee may not use all or part of the Names or Marks, or any similar name, word or symbol or variant thereof, in a domain name, account name, profile, username, or URL without Franchisor's prior written consent.

(n) To use its best efforts to operate on a continuous, full-time basis, and to use its best efforts to promote the System in the Territory.

(o) To employ such persons in the Franchised Business as Franchisee deems appropriate to fulfill its obligations under this Agreement. These people shall be the employees of Franchisee and not the employees or agents of Franchisor. It is Franchisee's obligation to determine who to employ, how many people to employ, how to compensate these people, terms of employment, scheduling employee work hours, how to assign work to these people, and when and how to discipline and terminate its employees. Franchisee is at all times required to comply with all applicable employment laws. Franchisor will not have any duty or obligation to operate the Franchised Business, to direct or supervise Franchisee's employees or to oversee Franchisee's employment policies or practices. Franchisor also will have no involvement in any employee administrative functions of the Franchised Business, such as handling payroll, providing workers' compensation insurance, providing necessary facilities and safety equipment, or providing tools or materials required for the work, all of which shall be the responsibility of Franchisee.

(p) To make all sales in compliance with Franchisor's then current policies; however Franchisee shall not be allowed to use Franchisor's forms of contracts in the sale of any non-Franchisor service or products, nor may Franchisee use Franchisor's Names or Marks in connection with sales of other services or products unless expressly authorized by Franchisor to do so by amendment to this Agreement.

(q) In the event Franchisor changes, modifies, or adds new suppliers of Products, or the suppliers modify the terms of the warranty provided for Products, to enter into the then current form of lifetime warranty agreement, in addition to the Lifetime Warranty Agreement entered into in connection with this Agreement.

(r) To have its lead salesperson and lead applicator complete Franchisor's initial training program to Franchisor's satisfaction.

(s) To obtain and maintain, at its sole expense, at all times during the term of this Agreement, a computer, the accounting software designated by Franchisor, the client retention management software("CRM") designated by Franchisor, electronic mail equipment, telephone answering equipment and such other telecommunications or information processing equipment that meet the standards and specifications as may be established from time to time by Franchisor for use in the operation of the Franchised Business. Franchisee will at all times maintain an e-mail address on the Internet as a method for communication with Franchisor in transmission of documents and other information, if requested by Franchisor. Franchisee will further, at all times, allow viewing access to the accounting software and CRM utilized by Franchisee.

(t) Franchisee acknowledges that Franchisor shall have the absolute right to take photographs, videotapes and/or digital or audio recordings of the Franchised Business and signage, to evaluate the quality of the services provided by Franchisee to customers of its Franchised Business, and to survey or interview customers of its Franchised Business. Franchisor will have the right to take photographs and make video, digital and/or audio recordings of the Franchised Business and signage and use all such photographs, video, digital or audio recordings and other information relating to Franchisee's Franchised Business for such purposes as Franchisor deems appropriate including without limitation, for training, its use in advertising, marketing and promotional materials or for litigation purposes, in any form or medium now existing or later developed. Franchisee will not be entitled to, and hereby expressly waives, any right it may have to be compensated by Franchisor or to receive attribution from Franchisor, its advertising/marketing agencies, and other franchisees of Franchisor for the use of such photographs or videotapes. Franchisor may use the foregoing without providing notice to Franchisee or receiving Franchisee's consent. Upon the request of Franchisor, Franchisee shall cooperate with Franchisor in taking and arranging for such photographs, video, digital or audio recordings and for obtaining the necessary consents of or assignments from individuals depicted in or involved in such photographs, video, digital or audio recordings. Franchisee irrevocably assigns to Franchisor all of its right, title, and interest, if any, in and to all such photographs, video, digital or audio recordings, together with all related intellectual property rights. In addition, Franchisee hereby expressly acknowledges and agrees that Franchisor shall have the right to use from time to time any financial information received from Franchisee, including without limitation, for use in its monthly newsletters and other promotional items, and for use in its Franchise Disclosure Document from time to time as long as Franchisor does not expressly identify such financial information as being that of Franchisee and Franchisee's Franchised Business.

Franchisee acknowledges and agrees that Franchisor may, in its sole discretion, require that equipment, material and supplies, and/or other items that must comply with Franchisor's specifications be purchased exclusively from approved or designated suppliers or distributors and that Franchisor is not required to approve or designate more than one supplier or distributor

for any such equipment, material and supplies, or other items, and that the exclusive supplier or distributor may be Franchisor or Franchisor's affiliate. Franchisee further acknowledges and agrees that Franchisor may, in its sole discretion, require that Franchisee change, update, or substitute computer programs, software, or other computer systems and software as the franchise system develops and the market changes.

7.) OPERATIONS MANUALS; CONFIDENTIALITY.

(a) In order to protect the reputation and goodwill of Franchisor, and to maintain operating standards under the Names and Marks and the System, Franchisee will at all times during the term of this Agreement conduct its Franchised Business in accordance with Franchisor's Manuals as modified from time to time by Franchisor, one copy of which Franchisee acknowledges having received as a loan from Franchisor.

(b) Franchisor may make the Manuals available in writing or electronically, including through a website. In either case, the Manuals loaned to Franchisee shall be marked "CONFIDENTIAL," shall not be copied in whole or in part (except for forms which bear a legend indicating that they may be copied by Franchisee), shall remain the property of Franchisor and shall always be kept in safekeeping and in the custody of Franchisee at the office of the Franchised Business. Franchisee shall at all times during the term of this Agreement and thereafter treat the Manuals, or any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained therein as secret and confidential, and Franchisee shall use all reasonable means to keep such information secret and confidential. Neither Franchisee nor any employee of Franchisee shall make any copy, duplication, record or reproduction of the Manuals, or any portion thereof, available to any unauthorized person. Franchisee shall not use the Manuals or any information contained therein in connection with the operation of any other business or for any other purpose other than in conjunction with the operation of the Franchised Business.

(c) Franchisor may from time to time add to or modify the Manuals, and create additional manuals to supplement or to improve the System or the Franchised Business. Franchisee agrees to operate its business in conformance with all mandatory provisions of the Manuals, as amended from time to time. Franchisee acknowledges that the Manuals are designed to protect Franchisor's standards, systems, Names and Marks, and not to control the day to day operation of Franchisee's Franchised Business. The Manuals, and all supplements, changes and modifications to the Manuals will remain the sole and exclusive property of Franchisor. Franchisee will at all times keep the Manuals current and up-to-date, by inserting any additions or making any modifications in accordance with Franchisor's instructions. In the event of any dispute regarding the Manuals, the terms of the master copy of the Manuals maintained by Franchisor will be controlling in all respects.

(d) Franchisor and Franchisee expressly understand and agree that Franchisor will be disclosing and providing to Franchisee certain confidential and proprietary information concerning Franchisor's System and the procedures, operations and data used in

connection with the System. Franchisee will not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any person or entity any such confidential or proprietary information, knowledge or know-how concerning the System or methods of operation of the Franchised Business or other confidential or proprietary information, knowledge or know how of Franchisor which may be communicated to Franchisee, or of which Franchisee may be apprised by virtue of this Agreement or its operation of its Franchised Business. Franchisee will divulge such confidential and proprietary information only to its employees who must have access to it in order to operate the Franchised Business. Any and all information, knowledge and know-how, including without limitation, drawings, client lists, materials, equipment, technology, methods, procedures, know-how, specifications, techniques, teaching methods, computer programs, system and other data which Franchisor copyrights or designates as confidential or proprietary will be deemed confidential and proprietary for the purposes of this Agreement.

(e) Upon written request of Franchisor, all of Franchisee's employees who have access to the Manuals, or any other confidential or proprietary information, will sign agreements in the form attached as Exhibit B to this Agreement, or such other form as may be designated from time to time by Franchisor, agreeing to maintain the confidentiality, during the course of their employment and thereafter, of all information copyrighted or designated by Franchisor as confidential and proprietary. Copies of all such executed agreements shall be submitted to Franchisor upon request.

(f) Franchisee recognizes that the provisions contained in this Article are necessary for the protection of Franchisor and of the other franchisees of Franchisor. If Franchisee violates any provision of this Article, or if any employee of Franchisee violates his or her confidentiality agreement executed pursuant to this Article 7, then Franchisor shall have the right to: (1) terminate this Agreement (as provided for herein); (2) seek injunctive relief from a court of competent jurisdiction; (3) commence an action or lawsuit against Franchisee for damages; and (4) enforce all other remedies against Franchisee that are available to Franchisor under common law, in equity, and/or pursuant to any federal and state statutes in an action or lawsuit against Franchisee.

8.) NAMES AND MARKS. From time to time, upon reasonable notice to Franchisee, Franchisor may elect to discontinue the use of certain Names and Marks and to commence the use of new Names and Marks. Franchisee shall pay all expenses incurred in connection with discontinuing the use of existing Names and Marks in the Franchised Business and commencing the use of the new names and marks therein. Franchisee acknowledges that its right to use the Names and Marks is derived solely from this Agreement and any amendment thereto and that all such usage and any goodwill established thereby shall inure to the exclusive benefit of Franchisor. Franchisee agrees that upon termination, expiration, or assignment of this Agreement for any reason whatsoever, Franchisee shall forthwith discontinue the use of the Names and Marks, and thereafter shall no longer use, or have any right to the use of, the Names and Marks. Franchisee shall immediately notify Franchisor of any infringement of or challenge to Franchisee's use of present and future Names and Marks and shall not communicate with any other person in connection with any such infringement, challenge or claim. Franchisor shall

have the sole discretion to take such action as it deems appropriate, including the exclusive control of any litigation or any patent and trademark office or other administrative proceeding arising out of any such infringement, challenge or claim relating to the Names and Marks.

Franchisee shall take all actions reasonably necessary to maintain the integrity of the Names and Marks and preserve and protect the goodwill associated with the Names and Marks. These actions shall include, without limitation the following:

(a) Franchisee shall operate the Franchised Business in accordance with the standards and requirements of quality, appearance, cleanliness and service that are associated with premium home repair businesses and in accordance with Franchisor's specifications.

(b) Franchisee shall use the Names and Marks in compliance with Franchisor's specifications as set forth in the Manuals or otherwise in any advertising, marketing, public relations, telemarketing, or promotional programs or campaigns, including but not limited to any Social Media Site, signage, vehicles, checks, stationery, paper supplies, business cards and other materials. Franchisee shall not use any brochure, advertisement or other promotional material bearing the Names and Marks without the prior written approval of Franchisor. In addition, Franchisee may not establish or maintain, or have established or maintained on its behalf, either alone or in concert with others, any Social Media Site, except as Franchisor may approve, in its sole discretion. Any Social Media Site approved by Franchisor must be operated and maintained by Franchisee in compliance with all provisions of this Agreement, including those regarding the use of confidential and proprietary information, as well as any and all operating procedures, policies, standards and requirements as Franchisor may specify from time to time. Franchisee must also maintain any Social Media Site approved by Franchisor in compliance with all applicable laws, rules, and regulations, including but not limited to, those applicable to copyrights and trademarks, privacy, anti-defamation, and advertising and endorsements. Franchisor reserves the right at any time, in its sole discretion, to require Franchisee to remove, delete or modify any Social Media Site, or any information, content or post thereon. Franchisor will retain sole ownership of any Social Media Site, as well as any domain name related thereto and all content thereon, which includes all or a portion of any of the Names and Marks, or any word, phrase or symbol confusingly similar thereto or variant thereof, as part of the domain name, username, account name, profile or page reference (an "abc Seamless[®] Social Media Site").

(c) At least ten (10) days prior to the display or distribution, as applicable, Franchisee shall provide Franchisor with copies or accurate depictions of any and all signs, brochures, advertisements and other promotional materials relating to the Franchised Business. If Franchisor disapproves of the use of any such signs, brochures, advertisements or other promotional materials in connection with the Franchised Business, Franchisee agrees not to use the same. Franchisor may make available, without charge or for purchase, certain templates and form marketing materials which Franchisee may use to promote the Franchised Business, subject to Franchisor's approval.

(d) Franchisee shall refrain from using the Names and Marks in any lewd, scandalous, obscene, libelous, or defamatory manner.

(e) Franchisee shall be specifically prohibited from using any of Franchisor's Names and Marks, or names or marks similar to the Names or Marks in its corporate, limited liability company or partnership charter documents.

(f) The operation of the Franchised Business shall in all respects comply with all applicable local, state and federal laws, rules and regulations.

9.) COMPETITIVE BUSINESS.

(a) During the term of this Agreement neither Franchisee, nor any shareholders, members or partners of Franchisee, nor any member of their immediate families may have any interest whatsoever as an owner, investor, partner, director, officer, employee, consultant, representative, agent or in any other capacity, directly or indirectly, in any other business which is engaged in the home improvement business specializing in the retail sale of siding and gutters, soffits or fascia. The term "Immediate Family" shall refer to a person's spouse and a person's children, parents and in-laws.

(b) The restrictions contained in this Section 9 do not apply to the ownership for investment purposes of securities listed on a stock exchange or traded on the NASDAQ system that represent less than five percent (5%) of that class of securities.

(c) Franchisee acknowledges and agrees that violation of this non-competition covenant will result in immediate and irreparable injury to Franchisor for which no adequate remedy at law will be available. Therefore, in addition to being responsible for any damages caused to Franchisor arising from Franchisee's violation of this non-competition covenant, Franchisee hereby consents to the entry of an injunction prohibiting any conduct by Franchisee in violation of the non-competition covenants contained herein. Franchisee specifically agrees to pay any and all costs and attorneys' fees of Franchisor in connection with enforcement of this Section 9.

10.) ADVERTISING/MARKETING.

(a) Franchisee will be required to spend a minimum of five percent (5%) of Gross Receipts per month on local and regional advertising and marketing utilizing newspaper, direct mail, television, radio, billboard, and other recognized mass media advertising and marketing which bears the abc Seamless® name or mark or other Names and Marks and which is approved by Franchisor. In determining the amount Franchisee has spent on local and regional advertising and marketing, Franchisee may not include amounts spent on cooperative advertising and marketing with Franchisor or other franchisees of Franchisor.

(b) In addition to the amount Franchisee is required to spend on advertising and marketing under subparagraph (a) above, Franchisee shall pay to Franchisor monthly by the 25th day of each month, an advertising/marketing fee of one percent (1%) of Gross

Receipts, based on the preceding month's Gross Receipts. If Franchisee is more than thirty (30) days late in payment of the advertising/marketing fee, the payment shall bear interest at a rate equal to the lesser of the highest rate allowed by the applicable law, or one and one-half percent (1-1/2%) per month, from and after the date such payment became due.

(c) The advertising/marketing fee payable under subparagraph (b) above shall be placed in Franchisor's Advertising and Marketing Fund (Advertising and Marketing Fund). The Advertising and Marketing Fund shall be used for national, regional or local advertising, marketing and promotional programs, and for marketing training for Franchisor's franchisees if Franchisor, in its sole discretion, determines such training to be appropriate. The Advertising and Marketing Fund shall be managed by Franchisor. Reasonable expenditures from the Advertising and Marketing Fund shall be made for the payment of expenses incurred in connection with the general promotion of the Names and Marks and the abc Seamless[®] System, including: (i) the cost of formulating, developing and implementing media, advertising, marketing and public relations campaigns, telemarketing, the establishment and maintenance of Internet sites promoting the Franchised Business, including social networking and social media sites; (ii) at the option of Franchisor, reimbursement of all or part of each franchisee's cost of purchasing promotional materials used in connection with promotional and public service programs authorized by Franchisor; (iii) the cost of preparing marketing materials and marketing training programs for abc Seamless[®] franchisees, (iv) the reasonable cost of administering the Advertising and Marketing Fund, including accounting expenses and the actual cost of salaries and fringe benefits paid to Franchisor's employees engaged in the administration of the Advertising and Marketing Fund, and (v) the actual cost of salaries and fringe benefits paid to Franchisor's employees engaged in providing services to the Advertising and Marketing Fund. There shall be no requirement that all or any part of the Advertising and Marketing Fund be expended within any accounting period. Losses sustained, or gains accrued, in the Advertising and Marketing Fund shall carry over to subsequent fiscal years. Interest, if any, accruing to the Advertising and Marketing Fund shall be utilized for payment of the foregoing expenses before the application of principal to those expenses. Franchisor shall provide Franchisee an annual statement of the financial condition of the Advertising and Marketing Fund, certified by an officer of Franchisor, upon the written request of Franchisee. The advertising/marketing fees payable under subparagraph (b) above are not refundable under any circumstances.

(d) Methods of advertising and marketing, media employed and contents, terms and conditions of advertising and marketing campaigns and promotional programs for which Advertising and Marketing Funds are used shall be within the sole discretion of Franchisor. Franchisee understands that advertising and marketing for which Advertising and Marketing Funds are used is intended to maximize the public's awareness of the System, to assist Franchisee in marketing its Franchised Business and to assist in educating franchisees in how to market their Franchised Businesses, and Franchisor accordingly undertakes no obligations to ensure that any individual franchisee benefits directly or on a pro rata basis from the placement, if any, of such advertising and

marketing in its local market. Franchisor reserves the right to engage the professional services of an advertising or marketing agency which is owned by, or is an affiliate of, Franchisor or any affiliate of Franchisor.

11.) PRE-TERMINATION OPTIONS.

(a) Prior to the termination of this Agreement, if Franchisee fails to pay any amounts owed to Franchisor or its affiliates, Franchisee receives three (3) or more customer complaints which are escalated to Franchisor in any six (6) month period, or Franchisee fails to comply with any term of this Agreement, then in addition to any right Franchisor may have to terminate this Agreement or to bring a claim for damages, Franchisor shall also have the option:

- (1) to suspend the listing of Franchisee's Franchised Business from Franchisor's list of franchisees;
- (2) to cease including Franchisee's Franchised Business in advertising and marketing generated by Franchisor, and to require Franchisee to remove or disable any abc Seamless[®] Social Media Site;
- (3) to cease all product sales to Franchisee;
- (4) to have any designated or approved supplier from which Franchisor purchases Products add a 20% surcharge to the cost of Products sold by such supplier to Franchisee, if Franchisee's default is a monetary default;
- (5) to suspend all services provided to Franchisee under this Agreement or otherwise, including but not limited to training, marketing assistance, and the sale of marketing materials and other products and supplies; and
- (6) to increase the Royalty Fee referred to in Section 2(b) above to the greater of seven percent (7%) of Franchisee's monthly Gross Receipts from the Franchised Business for the prior month or the applicable minimum Royalty Fee for that month, whichever is greater.

Franchisor's actions as outlined in this section may continue until Franchisee has brought its accounts current, cured any default, and complied with Franchisor's requirements, and Franchisor has acknowledged the same in writing.

(b) Franchisee acknowledges and agrees that the taking by Franchisor of any of these actions shall not deprive Franchisee of a substantial portion of the benefits provided to it under this Agreement and therefore the taking by Franchisor of any of the actions permitted in Section 11(a) shall not suspend or release Franchisee from any obligation that would otherwise be owed to Franchisor or its affiliates under the terms of this Agreement or otherwise, nor shall Franchisee assert that the taking of any such actions shall act as an actual or constructive termination of this Agreement. Franchisor may take the actions outlined in Section 11(a) in addition to any right Franchisor may have to

terminate this Agreement, or to bring a claim for damages or to take any other action or seek any other remedy available to Franchisor at law or in equity.

12.) TERMINATION.

(a) In addition to the right of Franchisor to terminate this Agreement in accordance with the terms of this Agreement, Franchisor may terminate this Agreement effective immediately if Franchisee:

- (1) Voluntarily abandons the franchise relationship;
- (2) Is convicted in a court of competent jurisdiction of an offense directly related to the business conducted pursuant to this Agreement;
- (3) Fails to cure a default under this Agreement which materially impairs the goodwill associated with the Names and Marks within seventy two (72) hours after Franchisee has received written notice of the default;
- (4) Makes an assignment for the benefit of creditors or an admission of its inability to pay its obligations as they become due;
- (5) Files a voluntary petition in bankruptcy or any pleading seeking any reorganization, arrangement, composition, adjustment, liquidation, dissolution or similar relief under any law, admits or fails to contest the material allegations of any such pleading filed against it, or is adjudicated bankrupt or insolvent;
- (6) Commits repeated, material violations of any health, safety, sanitation or other regulatory law, ordinance or regulation or operates the Franchised Business in a manner that presents a health or safety hazard to its employees, customers, or the general public;
- (7) Makes an unauthorized assignment or transfer of this Agreement, the Franchised Business or the rights granted hereunder;
- (8) Fails to open and commence operation of the Franchised Business within one hundred twenty (120) days after the date of this Agreement;
- (9) Submits to Franchisor, two (2) or more royalty reports, financial statements, other information or supporting records in any period of twelve (12) consecutive months, which understate by two percent (2%) or more the Gross Receipts of the Franchised Business or materially distorts any other material information;
- (10) Fails to submit when due royalty reports or financial statements to Franchisor on three (3) or more occasions in any 12-month period or five (5) or more occasions in any 36-month period;

- (11) Fails to pay when due any royalties, advertising/marketing fees or other payments due to Franchisor, and such failure continues for a period of ten (10) days after notice to Franchisee;
- (12) Fails to remit when due payments to suppliers or other creditors of the Franchised Business on three (3) or more occasions in any 12-month period or five (5) or more occasions in any 36-month period;
- (13) Loses possession of the site of the Franchised Business and fails to secure, within five (5) months thereafter, a new site approved by Franchisor;
- (14) Receives three (3) or more customer complaints which are escalated to Franchisor in any six (6) month period, whether or not such customer complaints are cured;
- (15) Otherwise breaches this Agreement or any other agreement with Franchisor or its affiliates, or fails to comply with any provision of this Agreement or any other agreement with Franchisor or its affiliates or any specification, standard or operating procedure prescribed by Franchisor, and does not correct such failure within thirty (30) days after notice to Franchisee; or
- (16) Has made material misrepresentations on its application for the franchise granted by this Agreement.

(b) The foregoing notwithstanding, to the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, nonrenewal, transfer or the like other than in accordance with applicable law, such provisions shall, to the extent such are not in accordance with applicable law, be superseded by said law, and Franchisor shall comply with applicable law in connection with each of these matters.

(c) Franchisee agrees, upon termination or expiration of this Agreement, to immediately:

- (1) return to Franchisor all copies of all Manuals given or loaned to Franchisee by Franchisor and all other documents, software or other graphic, written, audio or video depiction of all or any part of the System, and any material marked or claimed by Franchisor as Franchisor's property or as confidential information of Franchisor;
- (2) pay to Franchisor such royalties and other periodic charges as have or will thereafter become due hereunder and are then unpaid and all amounts due for printed materials, forms, advertising/marketing material, samples, supplies, products and services supplied by Franchisor; and

(3) notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use the telephone numbers and classified and other directory listings, including any domain name listings, associated with or that include any portion of the Names and Marks and any abc Seamless® Social Media Site, and authorize the telephone company and listing agencies to transfer to Franchisor all such telephone numbers and directory listings. Franchisee acknowledges that, as between Franchisor and Franchisee, Franchisor has the sole right to and interest in all telephone numbers, directory listings, and domain names associated with the Names and Marks, including any abc Seamless® Social Media Site, as well as any content thereon, and Franchisee will take any and all actions as may be necessary to assign and transfer access to and registrations for any abc Seamless® Social Media Site to Franchisor. Franchisee authorizes Franchisor, and appoints Franchisor its attorney-in-fact, to direct the telephone company, all listing agencies and internet service providers to transfer telephone numbers, domain names and listings to Franchisor, as well as provide access to Franchisor to any such account, registration or profile.

(d) Within five (5) business days following termination or expiration of this Agreement, Franchisee shall take such action as may be required to properly cancel all assumed names or equivalent registrations relating to the use of the Names and Marks.

(e) After the termination or expiration of this Agreement, Franchisee shall not indicate directly or indirectly, in any manner, that it is or ever was affiliated with Franchisor in any capacity, identify itself or any business as an abc Seamless® business or as a franchisee of, or otherwise associated with, Franchisor, or use, in any manner or for any purpose, any of the System concepts and methods of promotion, or any Names and Marks, or any other indicia of the Franchised Business. Upon termination or expiration of this Agreement, Franchisee immediately shall cause all exterior and interior signs denoting the business as an abc Seamless® business, including those affixed to the building, vehicles or on a pylon, to be removed. If Franchisee fails to remove the sign(s) within five (5) days of the termination or expiration of this Agreement, Franchisor shall be entitled to remove the sign(s), without prior notice to Franchisee and Franchisee shall remain liable for the costs of removal.

(f) Upon the termination or expiration of this Agreement, Franchisor shall have the first option, exercisable for thirty (30) days, to purchase from Franchisee at fair market value all approved equipment, fixtures, furniture, signs, supplies, inventory, materials and leasehold improvements owned by Franchisee and used in the operation of the Franchised Business. If Franchisor and Franchisee cannot agree on the fair market value of any such item, such value shall be determined as follows: Equipment, fixtures, furniture and signs shall be valued at cost less depreciation at the rate of two percent (2%) per month for the first year following the purchase of each such item and one percent (1%) per month thereafter, and all materials, supplies and inventory shall be valued at cost. Franchisee acknowledges that all good will associated with the Names and Marks belongs to

Franchisor, and Franchisee therefore is not entitled to any compensation for any goodwill of the Franchised Business.

(g) Upon termination or expiration of this Agreement all licensed rights revert to Franchisor.

For a period of two (2) years after expiration, termination or assignment of this Agreement, neither Franchisee, nor any shareholder, member, or partner of Franchisee, nor any member of any of their immediate families may have any interest whatsoever as an owner, investor, partner, director, officer, employee, consultant, representative, agent or in any other capacity, directly or indirectly, in any business which sells or installs siding and gutters, soffits or fascia or any home improvement business engaged in the retail sale of siding and gutters, soffits or fascia or any business that is granting franchises or licenses for the foregoing:

- (1) within the Territory or within a radius of ten (10) miles of the Territory;
- (2) within any territory that Franchisor has granted to any other business operating under the Names and Marks at the time of the termination, expiration or assignment of the Agreement; or
- (3) within ten (10) miles of any business location of any business or franchise operating under the Names and Marks at the time of termination, expiration or assignment of this Agreement.

Franchisee (and its shareholders, members, partners and members of their immediate families) expressly agree that the time and geographical limitations set forth in this provision are reasonable and necessary to protect Franchisor and its franchisees and businesses if this Agreement expires, is assigned, or is terminated, and that this covenant not to compete is necessary to permit Franchisor the opportunity to resell and/or develop a new abc Seamless® business within the Territory.

Franchisee also acknowledges and agrees that if Franchisee should violate this provision, then the period for which the prohibition stated herein shall be applicable shall be extended until two (2) years following the date Franchisee ceases all activities that are in violation of this provision.

(h) All obligations of Franchisor and Franchisee which expressly or by their nature survive the expiration, termination or assignment of this Agreement shall continue in full force and effect subsequent to and notwithstanding the expiration, termination or assignment of this Agreement until they are satisfied in full or by their nature expire.

13.) TRADE SECRETS. Franchisee acknowledges that subject only to the rights granted under this Agreement, the materials, systems, customer information and jobs and any other information now and hereinafter furnished and/or revealed to Franchisee under and pursuant to the terms of this Agreement by Franchisor, constitute trade secrets owned by Franchisor revealed in confidence hereunder, and that no right is hereby given or acquired to use or duplicate the System or any of the materials or information provided or furnished to

Franchisee other than in its operation of the Franchised Business. Franchisee covenants and agrees to keep and respect the confidence herein reposed.

14.) RIGHT OF FIRST REFUSAL. If, at any time during the term hereof, Franchisee (or its owners) receives a bona fide offer to purchase, the Franchised Business or any of the seamless siding and gutter machines or related equipment or machines purchased from Franchisor, which offer Franchisee (or its owners) is willing to accept, Franchisee shall first communicate in writing to Franchisor the full terms of the offer and the name of the offeror. Franchisor or Franchisor's designee may elect to purchase or lease the Franchised Business or such machines or equipment on the terms set forth in the offer. If Franchisor or Franchisor's designee elects to purchase the Franchised Business or such machines or equipment, it shall give Franchisee written notice of the election within thirty (30) days after Franchisor receives Franchisee's communication of the offer (the "Option Period"). If Franchisor or Franchisor's designee fails to give written notice of election within the Option Period, Franchisee may sell to the offeror on the terms offered, subject to the provisions hereof relating to assignment or transferring the Franchised Business or this Agreement. If, however, the sale to the offeror is not completed within sixty (60) days after the termination of the Option Period, then Franchisee must give Franchisor an additional notice and an additional option period during which Franchisor may elect to purchase prior to any such transfer. If Franchisor or Franchisor's designee elects to purchase or lease the Franchised Business or machines or equipment, it shall have the right to substitute equivalent cash for any noncash consideration included in the bona fide offer to purchase the Franchised Business or the machines or equipment.

15.) TRANSFER.

(a) This Agreement is fully assignable by Franchisor, and shall inure to the benefit of any assignee or other legal successor in interest of Franchisor.

(b) If Franchisee desires to assign this Agreement to a corporation, partnership, or limited liability company, it must first obtain the prior written consent of Franchisor. No Franchisee, partner (if the Agreement is assigned to a partnership), or shareholder (if the Agreement is assigned to a corporation) or member (if Franchisee is assigned to a limited liability company), without the prior written consent of Franchisor, by operation of law or otherwise, shall sell, assign, transfer, convey, give away, or encumber to any person, firm or entity, its interest in this Agreement or its interest in the franchise granted by this Agreement or its interest in any entity which owns any interest in Franchisee. Any purported assignment not having the necessary consent shall be null and void and shall constitute a material default hereunder.

(c) Franchisor shall not unreasonably withhold its consent to any assignment provided the following conditions and requirements shall first be satisfied:

(1) If Franchisee desires to assign and transfer its rights to a corporation, partnership, or limited liability company controlled by Franchisee:

- a. the transferee shall be newly organized and its charter shall provide that its activities are confined exclusively to operating the Franchised Business;
 - b. Franchisee shall be and shall remain the owner of not less than two-thirds (2/3) of the voting interest of the transferee;
 - c. the individual Franchisee shall be and shall remain the principal executive officer of the transferee;
 - d. the transferee shall enter into a written assignment with Franchisee and Franchisor, in a form satisfactory to Franchisor, assuming all of Franchisee's obligations hereunder;
 - e. all the owners of more than ten percent (10%) of the transferee shall enter into a written agreement in a form satisfactory to Franchisor jointly and severally guaranteeing the full payment and performance of the transferee's obligations to Franchisor and agreeing to be personally bound by all covenants and restrictions imposed upon the transferee under the terms of this Agreement;
 - f. each certificate evidencing ownership of the transferee corporation or limited liability company, or the partnership agreement of the transferee partnership, shall have conspicuously endorsed upon it a statement that it is held subject to, and that further assignments or transfers of interest therein are subject to, all restrictions imposed upon assignments by this Agreement;
 - g. no new voting or equity interest in the transferee shall be issued without obtaining Franchisor's prior written consent;
 - h. all accrued money obligations of Franchisee to Franchisor and its affiliates shall be satisfied prior to assignment or transfer.
- (2) If an assignment (other than an assignment as set forth in Section (1) above), alone or together with other previous simultaneous or proposed transfers, would have the effect of transferring control of the Franchised Business or Franchisee:
- a. the transferee shall be of good moral character and reputation and shall have a good credit rating, financial capabilities and competent business qualifications reasonably acceptable to Franchisor. Franchisee shall provide Franchisor with such information as it may reasonably require to make a determination concerning each proposed transferee;

- b. the transferee shall execute a written assignment in a form satisfactory to Franchisor assuming all of Franchisee's obligations, and the transferee, including all shareholders, members and partners of the transferee, shall jointly and severally execute a new franchise agreement with Franchisor, on the terms then offered by Franchisor to new franchisees, except that all pre-opening obligations of the parties, other than the obligation of the transferee to complete the initial training to Franchisor's satisfaction, shall be waived, including the obligation of the transferee to pay a new initial franchise fee;
- c. if the transferee is a corporation, partnership, or limited liability company, each certificate evidencing ownership interest or the partnership agreement shall have conspicuously endorsed upon it a statement that it is held subject to, and further assignments or transfers of interest therein are subject to, all restrictions imposed upon assignments by this Agreement;
- d. if the transferee is a corporation, partnership, or limited liability company, no new voting or equity interest in the transferee shall be issued without obtaining Franchisor's prior written consent;
- e. Franchisee shall have fully paid and satisfied all of Franchisee's obligations to Franchisor and Franchisee shall fully pay to Franchisor a transfer fee of \$25,000 plus the reasonable attorney fees Franchisor incurs in connection with the transfer;
- f. if the transferee is a corporation, partnership, or limited liability company, all owners of more than ten percent (10%) of the transferee shall enter into a written agreement in a form satisfactory to Franchisor jointly and severally guaranteeing the full payment and performance of the transferee's obligations to Franchisor and agreeing to be personally bound by all covenants and restrictions imposed upon the transferee under the terms of this Agreement;
- g. if the assignment or transfer is caused by the death or incapacity of Franchisee (or in the case of a partnership, corporation, or limited liability, by the death or incapacity of one owning more than one-third (1/3) of the voting interest of Franchisee) the provisions of this subparagraph (2) must be met with regard to the heir or personal representative of Franchisee succeeding to Franchisee's interest under this Agreement; provided, however, if the heir or assigns, transfers or sells its interest under this Agreement within ninety (90) days after the death or incapacity of Franchisee as herein provided, the person to whom the interest is assigned,

transferred, or sold, and not the heir or personal representative, must comply with the provisions of this subparagraph as transferee.

h. Franchisee shall have executed an agreement in form satisfactory to Franchisor in which it agrees to release all claims it has against Franchisor.

(d) Franchisee consents to Franchisor releasing to any proposed transferee any information concerning Franchisee or Franchisee's Franchised Business which Franchisee has reported to Franchisor.

16.) RELATIONSHIP OF THE PARTIES. The relationship of Franchisee to Franchisor is that of independent contractor. The parties hereto are completely separate entities, not partners, general partners, limited partners, joint venturers, not in any employer-employee relationship nor agents for each other in any sense whatsoever, and neither has the power to obligate or bind the other. Franchisee agrees to state in advertising and marketing and on all printed materials, including but not limited to all invoices, orders, vouchers, letterheads and similar materials, that Franchisee's abc Seamless® business is independently owned and operated and if requested by Franchisor to post a sign so stating at the Franchised Business location. Franchisee agrees to inform investors, lenders, employees, customers and any other person with whom Franchisee has a relationship, that no legal relationships exists between Franchisor and Franchisee except that of franchisor and franchisee. It is acknowledged that the Franchisor has no control over Franchisee's employees or the day-to-day conduct of the Franchisee's Franchised Business but is limited to attempting to assure compliance with Franchisor's minimum standards.

17.) NOTICES. All notices required to be given hereunder to one party by the other shall be in writing and shall be deemed received (i) three days after sent by certified or registered mail, (ii) one business day after sent by a commercial delivery service providing next day service, (iii) when sent by electronic mail (followed up by mail original), or (iv) when actually delivered to the other party, whichever is earlier. All notices sent by mail or commercial delivery service shall be sent to Franchisor at the address set forth below or such other address as Franchisor may designate from time to time, or to Franchisee at the address set forth below, or such other address as Franchisee may designate from time to time:

(a) To Franchisor at:
Abc, Inc.
8032 Maple ST
Omaha, NE 68134

(b) To Franchisee at:

18.) NON-WAIVER. The waiver by either party of any default by the other in the performance of any of the terms, covenants, and conditions of this Agreement shall not constitute a waiver of the right of the non-defaulting party to insist upon the full performance of all the terms, covenants, and conditions hereof, and a waiver by either party of a breach or a series of breaches of this Agreement by the other party shall not constitute a waiver of any subsequent breach(es) of similar or dissimilar nature. Except as otherwise provided in this Section 18, neither party will be deemed to have waived any obligation of the other, or to have agreed to any modification of this Agreement, unless the parties have done so in writing, and the writing is signed by the party giving the waiver or agreeing to the modification. However, Franchisee agrees that Franchisee will give Franchisor immediate written notice of any claimed breach or violation of this Agreement as soon as possible after Franchisee has knowledge, or determines, or is of the opinion, that there has been a breach or violation by Franchisor of this Agreement. If Franchisee fails to give written notice to Franchisor of any claimed misrepresentation, violation of law, or breach of this Agreement within one (1) year from the date Franchisee has knowledge, determines, is of the opinion, or becomes aware of facts and circumstances reasonably indicating, that Franchisee may have a claim against Franchisor or against any affiliate of Franchisor, under any state law, federal law, or common law, then the misrepresentation, violation of law, or breach will be considered to have been condoned, approved and waived by Franchisee, and Franchisee will be barred from beginning any legal action against Franchisor, or any affiliate of Franchisor, from instituting any counterclaim against Franchisor or any affiliate of Franchisor, for the misrepresentation, violation of law, or breach, or from using the alleged act or omission as a defense to any action Franchisor may maintain against Franchisee.

19.) ENFORCEMENT

(a) Franchisor and Franchisee shall each have the right to seek injunctive relief to prevent or remedy a breach of this Agreement if such breach could materially impair the goodwill associated with their respective businesses, including but not limited to, the enforcement of obligations upon termination of this Agreement and the enforcement of the non-compete provisions of this Agreement. The parties may seek the entry of temporary restraining orders, and temporary and permanent injunctions enforcing the aforementioned provisions.

(b) Except insofar as either party elects to enforce this Agreement by judicial process and injunction as hereinabove provided, all disputes and claims arising out of or relating to this Agreement, or the breach thereof, or to any specification, standard or operating procedure of Franchisor or to the breach thereof (including, without limitation, any claim that this Agreement, any provision thereof, any specification, standard or operating procedure or any other obligation of Franchisee or Franchisor is illegal, unenforceable or voidable under any law, ordinance or ruling) shall be settled by.

(1) Except with respect to matters for which either party may elect to enforce this Agreement by judicial process and injunction as hereinabove provided, Franchisee and Franchisor shall be required to enter into mediation of all disputes involving this Agreement or any other aspect of

the relationship between them, for a minimum of four (4) hours, prior to the initiation of any litigation.

- a. Upon written notice by either party to the other of the initiating party's desire to mediate, the party receiving the notice shall select an independent entity that regularly provides mediation services to franchisors and franchisees to serve as mediator in the proceeding. If the party receiving the notice of intent to mediate does not provide the name of such an organization within ten (10) business days from the date the notice of intention to mediate is received, then the other party may forego mediation of the issue(s) and commence litigation, at its option, make the selection of the organization to provide mediation services. If one party selects an organization that is unwilling to serve as mediator or does not meet the requirements of this paragraph, then the other party may select the organization. Once the organization is designated and agrees to accept appointment as mediator, the organization shall be directed to schedule a mediation proceeding at a time mutually convenient to Franchisor and Franchisee. The mediation shall be held within thirty (30) days following receipt by the mediation organization of notification that its services shall be retained. If the parties cannot agree on a date for mediation, then the mediation organization shall select a date it believes is reasonable for the parties, given all of the alleged conflicts in dates. The actual mediator shall either be a retired judge, or a person who has had at least five (5) years of experience as either franchisee or franchisor (or as an officer of such an entity), or in franchise law.
- b. The parties shall equally share the cost of the mediator. The mediator shall select the location for the mediation, giving due consideration to the location that will minimize the total expenses of the mediation.
- c. If either party initiates litigation without complying with their obligation to mediate in accordance with this paragraph 19(b)(1) (unless the other party has failed to respond on a timely basis or has indicated it will not engage in mediation in accordance with the provisions of this paragraph), then upon petition of any party named as a defendant in such litigation, the court shall dismiss the action without prejudice, and award attorneys' fees and costs to the party seeking dismissal in an amount equal to such party's attorneys' fees and costs incurred in seeking dismissal. If the arbitrator or court refuses for any reason to dismiss the action, then regardless of the outcome of such action, or of any award given by the arbitrator or court in such action, the party initiating the action shall be responsible for all attorneys' fees and costs incurred

throughout the action by the other party as damages for failing to comply with the provisions of this paragraph.

(2) All litigation will be individual proceedings between Franchisor and Franchisee, and will not be conducted on a “class” basis, or include any other franchisees as named parties unless Franchisor and Franchisee each agree.

(c) Franchisor and Franchisee (and Franchisee’s owners and guarantors) hereby waive, to the fullest extent permitted by law, any right to, or claim for, any punitive or exemplary damages against one another and any affiliates, owners, employees or agents of the other and agree that in the event of a dispute between or among any of them, each shall be limited to the recovery of any actual damages sustained by it and any equitable relief to which it might be entitled.

(d) Franchisor and Franchisee (and Franchisee’s owners and guarantors) each agree that if litigation is commenced, the sole forum for resolving disputes under this Agreement or any aspect of the relationship between the parties shall be the state and federal courts of Nebraska. Such actions shall be exclusively venued in the District Courts of Nebraska, County of Douglas, or the United States for the District of Nebraska, and the parties waive any objections they may have to either the jurisdiction or the venue in such courts and hereby consent to personal jurisdiction and venue in such courts. The only exception to the foregoing shall be: (1) if the courts of Nebraska would have no jurisdiction over a named party in the litigation, and such party’s involvement in the litigation is integral to the underlying claims and not principally for the purpose of circumventing the intent of the parties to name Nebraska as the exclusive venue for any actions, then the action may be venued in any court having jurisdiction over all the parties and a significant nexus to the parties; and (2) to the extent that either party believes it is necessary to seek injunctive relief against the other, the party seeking relief may initiate that action in the county in which the other party has its principal office (which in the case of an action against Franchisee, shall be the county in which Franchisee is domiciled, or the county in which the Franchised Business is located).

(e) The parties agree they should each be able to settle, mediate, litigate, or compromise disputes in which they are involved with third parties, without having the disposition of such disputes directly affect the contract or relationship between Franchisor and Franchisee. Franchisor and the Franchisee therefore each agree that a decision of a court of law in a dispute to which one of them is not a party shall not in any manner prevent the person that was a party to such action from making similar arguments, or taking similar positions, in any subsequent action between Franchisor and Franchisee. The parties therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action between them as a result of such party having lost a similar claim or defense in another action.

(f) Franchisor shall be entitled without bond to the entry of temporary restraining orders and temporary and permanent injunctions enforcing its rights hereunder. However, if a court determines that no bond is contrary to public policy, then the parties hereby agree that the amount of the bond shall be \$5,000. If Franchisor secures any injunction against Franchisee, or any other relief by litigation against Franchisee, or is successful in defending a claim brought against it by Franchisee in litigation, Franchisee shall pay Franchisor an amount equal to the aggregate of Franchisor's costs of obtaining such relief and defending such claim, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses.

20.) GOVERNING LAW/CONSTRUCTION.

(a) Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1050 *et seq.*), as amended this Agreement and the parties relationship hereunder shall be governed by the laws of the State of Nebraska provided, however, the provisions of Sections 9 and 12(h) (Non Competition) of the Agreement shall be governed by the laws of the State where Franchisee's Franchised Business is located at the time this Agreement is executed, and if the Franchised Business is located in more than one State, then it shall be the State where the principal office of Franchisee is located at the time this Agreement is executed.

(b) The introduction and recitals hereto are a part of this Agreement, which together with any exhibits and schedules constitutes the entire agreement of the parties, and at the time of this Agreement, there are no other oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement. Nothing in this Agreement is intended to require the Franchisee to waive reliance on the representations made in the disclosure document.

(c) The headings of the several sections above are for convenience only and do not define, limit or construe the contents thereof. The term "Franchisee" as used herein is applicable to one (1) or more persons, a corporation, partnership, or limited liability company, as the case may be, and the singular usage includes the plural and the plural usage includes the singular and the masculine and feminine usages include the other and the neuter. References to "Franchisee" applicable to any individual shall mean the principal owner or owners of the equity or operating control of the Franchisee if Franchisee is a corporation, limited liability company or partnership. If there is more than one signatory as "Franchisee," all of Franchisee's obligations hereunder and under any other agreement with Franchisor shall be joint and several in each and every respect and fully enforceable against each signatory.

(d) Franchisor and Franchisee agree that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, the provision shall have the meaning which renders it valid and enforceable.

The language of all provisions of this Agreement shall be construed simply according to its fair meaning and not strictly against Franchisor or Franchisee.

(e) It is the desire and intent of Franchisor and Franchisee that the provisions of this Agreement be enforced to the fullest extent possible under the laws and public policies applied in each jurisdiction in which enforcement is permitted. Accordingly, if any provision of this Agreement is adjudicated to be invalid or unenforceable, such adjudication shall apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made. All provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid and unenforceable provisions were not contained herein and partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. Franchisor and Franchisee shall substitute a valid and enforceable provision for any specification, standard, operating procedure, rule or other obligation of Franchisee or Franchisor which is determined to be invalid or unenforceable and is not waived by the other. If any applicable law or rule requires a greater prior notice than is required hereunder for the termination of, or election not to renew, this Agreement, or the taking of some other action hereunder, the prior notice required by such law or rule shall be substituted for the notice requirements hereunder.

(f) Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any franchisee based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such franchisee's business. Franchisee shall not complain on account of any variation from standard specifications and practices granted to any other franchisee and shall not be entitled to require Franchisor to grant Franchisee a like or similar variation hereunder.

21.) BINDING EFFECT OF AGREEMENT. This Agreement shall bind and inure to the benefit of the parties hereto, their representatives, successors, and assigns. Franchisor may not modify this agreement except by independent written agreement between it and Franchisee. Franchisee may not modify this agreement except by independent written agreement between it and Franchisor.

22.) RIGHT TO REVISE SYSTEM. Franchisor expressly reserves the right to revise, amend, and to change from time to time its System, or any part thereof. Any and all improvements in the System developed by Franchisee, Franchisor, and other franchisees shall be and become the sole and absolute property of Franchisor, and Franchisor may incorporate the same into the System and shall have the sole and exclusive right to copyright, register, or patent such improvements in Franchisor's own name, and Franchisee shall have no right to copyright, register, or patent such improvements nor to use such improvements except as licensed by Franchisor.

23.) ACKNOWLEDGEMENTS. Franchisee acknowledges that:

(a) It has conducted an independent investigation and financial assessment of the business contemplated by this Agreement and the market in which the business is located and recognizes that it involves business risks making the success of the venture largely dependent upon the business abilities of Franchisee as well as other variables.

(b) Neither Franchisor nor any of its agents has guaranteed that Franchisee will succeed in the operation of the Franchised Business, and Franchisee recognizes and acknowledges that Franchisee's likelihood of doing so is dependent on its own efforts and the manner in which it operates the business, as well as outside factors like competition and the market for the goods and services Franchisee will offer.

(c) It has received Franchisor's Franchise Disclosure Document for the state in which the franchise is located at least fourteen (14) calendar days prior to the execution of any agreements or payment of any consideration. It has also received the final franchise agreements at least seven (7) calendar days prior to the execution of any such agreements or the payment of any consideration to Franchisor.

(d) It is aware of the fact that some present and future franchisees of Franchisor may operate under different forms of agreements, and consequently, that Franchisor's obligations and rights in respect to its various franchisees may differ materially in certain circumstances.

(e) 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.

24.) PATRIOT ACT REPRESENTATIONS. Franchisee further represents and warrants to Franchisor that to Franchisee's actual and constructive knowledge: (i) neither Franchisee (including its directors and officers), nor any of its affiliates or any funding source for Franchisee, is identified on the list of the United States Treasury's Office of Foreign Access Control (OFAC); (ii) neither Franchisee nor any of its affiliates is directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States Government; and (iii) neither Franchisee nor any of its affiliates is acting on behalf of the government of, or is involved in business arrangements or other transactions with, any country that is subject to such an embargo. Franchisee agrees to notify Franchisor in writing immediately upon the occurrence of any act or event that would render the foregoing representation incorrect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

FRANCHISOR:
ABC, INC.

FRANCHISEE:

BY: _____

BY: _____

Its: _____

Its: _____

Schedule 1

1. Date of franchise agreement: _____
2. Expiration date of franchise agreement: _____
3. Initial franchise fee: \$ _____
4. Type of organization of franchisee: (limited liability company, corporation, partnership, limited partnership, or individual).
5. Owners of Franchisee: _____
6. Number of Single Family Homes in Territory: _____
7. Description of Territory: _____

EXHIBIT A
TERRITORY

(MAP)

EXHIBIT B
CONFIDENTIALITY AGREEMENT

This Agreement is entered into this ___ day of _____, 20__ . For good and valuable consideration, the undersigned, an employee of _____ (the "Employer"), a franchisee of ABC, INC. ("ABC"), hereby agrees that the undersigned employee (the "Employee") will, at all times during the term of his or her employment and thereafter, treat the manuals and any other materials (including, but not limited to, videotapes, films, drawings, diagrams and computer programs) created for or approved for use in the operation of an abc Seamless® business ("Manuals"), and the information contained therein, as secret and confidential and as the sole and absolute property of ABC. The Employee will use all reasonable means to keep them secret and confidential. The Employee will not:

- 1.) Communicate, divulge or use for the benefit of himself/herself personally or any other person or entity, any information contained in the Manuals or other materials deemed confidential by ABC;
- 2.) Copy, duplicate, videotape, photograph, record or otherwise reproduce the Manuals or any other materials, in whole or in part. Neither the Manuals nor other materials created for or used in the abc Seamless® business will be borrowed or removed from the ABC location or business premises without the express written approval of the Employer. The Employee will not make any ABC materials available to any unauthorized person or entity, or allow them access to the Manuals or other materials; and
- 3.) Use any ABC materials or any information, knowledge, methods or techniques contained or described herein for any purpose other than the performance of his or her duties as an employee of the Employer. The Employee will respect the confidentiality of the Manuals and all other materials as it relates to concurrent and future employment.

The Employee and the Employer acknowledge and agree: (a) that ABC is a third-party beneficiary of the rights and obligations set forth in this Agreement; (b) that ABC will suffer irreparable harm in the event of any breach or violation of this Agreement; (c) that ABC shall have the right to enforce the provisions of this Agreement in its own name in the event of any breach or violation, or threatened breach or violation, of this Agreement; and (d) that ABC shall have the right to obtain specific performance, temporary restraining orders, preliminary injunctions, injunctions and other equitable relief to the extent reasonably necessary to protect its interests in the ownership and confidentiality of the Manuals or any other confidential information from any court of competent jurisdiction or Arbitrator, subject to and in accordance with the confidentiality and enforcement provisions of the Franchise Agreement between the Employer and ABC.

The undersigned Employer and Employee understand and accept the obligations set forth herein and agree to be bound by them.

EMPLOYER:

EMPLOYEE:

By _____
Its _____

EXHIBIT F
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT
ROOFING AMENDMENT

ROOFING AMENDMENT TO FRANCHISE AGREEMENT

abc Seamless® Franchise System

THIS AMENDMENT TO FRANCHISE AGREEMENT (“Amendment”), is made as of the ____ day of _____, 20____, by and between ABC, Inc., a North Dakota corporation (“Franchisor”), and _____, who resides at _____ (“Franchisee”).

RECITALS

A. WHEREAS Franchisor and Franchisee (or Franchisee’s predecessor in interest) have entered into that certain Franchise Agreement dated _____ (“Franchise Agreement”) pursuant to which Franchisee operates an **abc Seamless®** home improvement business specializing in the sale, manufacturing and installation of seamless siding and gutters, soffit and fascia within the Territory (the “Franchised Business”).

B. WHEREAS, Franchisor and Franchisee desire to amend the Franchise Agreement in order to permit Franchisee to offer and sell and install through the Franchised Business certain metal roofing and related products identified by the composite mark **abc Roofing®** and design and/or any related marks (hereinafter defined as the “Roofing Marks”) in accordance with the terms of this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Franchisor and Franchisee hereby agree as follows:

1. Definitions. Capitalized terms used but not defined in this Amendment have the meanings ascribed thereto in the Franchise Agreement.

2. Amendment to Franchise Agreement. Notwithstanding any provision of the Franchise Agreement to the contrary, Franchisor hereby authorizes Franchisee to offer and sell and install through the Franchised Business certain metal roofing and related products as set forth in Exhibit A to this Amendment (the “Roofing”) identified by the Roofing Marks to customers located within and outside of the territory granted to Franchisee under the Franchise Agreement (the “Territory”) in accordance with the terms of this Amendment. Franchisor will, in its sole discretion, determine the Roofing which may be identified by, and sold under, its Roofing Marks and will designate the supplier(s) for the Roofing. Franchisor may designate an exclusive supplier for any Roofing, which may be Franchisor or an affiliate of Franchisor. Franchisee agrees to purchase all Roofing from the supplier(s) designated by Franchisor. Until the termination of this Amendment, the offer and sale and installation of Roofing (the “Roofing Business”) shall be treated as part of the Franchised Business and shall be subject to all the terms and conditions of the Franchise Agreement relating to the Franchised Business, subject to the following:

(a) The definition of “Gross Receipts” in the Franchise Agreement is expanded to include all revenues received by the Franchisee from the sale of roofing and related

products and services and all other revenues received by Franchisee from the Roofing Business, regardless of the brand of roofing or related products and services.

(b) Franchisee's right to conduct the Roofing Business shall not be restricted to the Territory. Franchisee may advertise or promote the Roofing Business outside the Territory. However, if a customer of Franchisee's Roofing Business who is located outside of the Territory desires to purchase any siding, gutters, soffit and/or fascia, regardless of brand, and if either another **abc Seamless®** franchisee has the rights for the territory in which such customer resides or if Franchisor or its affiliate is operating in that area, Franchisee will not sell the same to such customer but will refer such customer to Franchisor's **abc Seamless®** franchisee for the area in which such customer resides, or if there is no such franchisee and Franchisor or its affiliate is operating in that area, then to Franchisor or its affiliate.

(c) Franchisee may sell other brands of roofing from the Franchised Business; however, Franchisee agrees that whenever a customer contacts Franchisee regarding the purchase of any brand of roofing, Franchisee will use its best efforts to promote and sell the Roofing over other brands of roofing available for sale from the Franchised Business. Franchisee may only sell metal roofing and related products identified with the Roofing Marks or any other name or mark permitted by Franchisor that have been purchased from Franchisor's designated supplier.

(d) Franchisee's obligation to purchase advertising under any provision of the Franchise Agreement shall apply only to advertising for **abc Seamless®** siding, gutters, soffit and/or fascia and the related business, and expenses incurred by Franchisee, if any, for advertising of the Roofing Business may not be applied by Franchisee in satisfaction of Franchisee's obligation for advertising under any such provision.

(e) Franchisor may from time to time produce brochures for use in connection with the Roofing Business and make such brochures available for purchase by Franchisee; however, Franchisor shall have no obligation to provide advertising, training, Manual(s) or other support or services to Franchisee in connection with the Roofing Business.

3. License of Marks. Franchisor hereby grants to Franchisee the right to use the mark **abc Roofing®** in combination with the duck design as set forth in Exhibit B to this Amendment and any additional marks as may be authorized by Franchisor from time to time, to identify Roofing and in connection with the Roofing Business. All such marks are referred to herein, and shall be defined, as the "Roofing Marks." All Roofing Marks shall also be subsumed within the definition of the Marks (or any similar definition of the Franchisor's trademarks) under the Franchise Agreement. Upon the termination of this Amendment, Franchisee shall immediately cease all use of the Roofing Marks; provided that if Franchisor elects not to repurchase the remaining Roofing inventory from Franchisee in accordance with Paragraph 4 of this Amendment, then Franchisee may continue to use the Roofing Marks in connection with the liquidation of the inventory used in the Roofing Business, as set forth in Paragraph 4, for the period set forth therein.

4. Repurchase of Inventory. Upon termination of this Amendment, Franchisor shall have the option to repurchase from Franchisee at Franchisee's cost, any or all of Franchisee's remaining inventory of Roofing. If Franchisor elects not to repurchase any or all such remaining inventory, Franchisee shall have the right, for ninety (90) days following termination of this Amendment, to sell such inventory to customers or to other franchisees of Franchisor, and to use the Roofing Marks in connection with the liquidation of such inventory.

5. Manuals. Franchisor may loan to Franchisee such Manual(s), if any, as Franchisor may develop for use in connection with the Roofing Business. Such Manual(s) may be provided in tangible or in electronic form. Any such Manual(s) shall be subject to all the terms and conditions of the Franchise Agreement relating to other Manuals made available by Franchisor to Franchisee in connection with the Franchised Business, including but not limited to, the obligation of Franchisee to maintain the confidentiality of such Manuals and to return the Manuals to Franchisor upon the termination or expiration of this Amendment and/or the Franchise Agreement.

6. Warranty. Notwithstanding any provision in the Franchise Agreement to the contrary, Franchisee shall offer in connection with the sale of the Roofing such warranty, but only such warranty, as is provided by the supplier of the Roofing. In addition to all other remedies available to Franchisor under the terms of the Franchise Agreement, Franchisee specifically agrees to hold Franchisor and its affiliates, agents, and assigns harmless against any claim or liability of whatsoever nature arising as a result of Franchisee's breach of this Paragraph 6.

7. Term of Amendment. This Amendment shall become effective as of the date hereof. This Amendment shall terminate upon the termination or expiration of the Franchise Agreement unless earlier terminated in accordance with the provisions of Paragraphs 8 or 9 of this Amendment.

8. Termination by Franchisor. Notwithstanding any provision of the Franchise Agreement to the contrary, Franchisor may terminate this Amendment as follows:

- (a) At any time, with or without cause, upon ninety (90) days prior written notice to Franchisee;
- (b) Immediately upon notice to Franchisee if Franchisee breaches any provision of this Amendment, and fails to cure such breach within thirty (30) days following notice from Franchisor;
- (c) Immediately without notice to Franchisee if under the terms of the Franchise Agreement, Franchisor would be entitled to terminate the Franchise Agreement immediately without notice;
- (d) Immediately upon notice to Franchisee upon the termination of any other agreement between Franchisor and Franchisee.

Franchisee acknowledges that because this Amendment is simply an amendment to, and a part of, the Franchise Agreement, this Amendment will also terminate upon expiration or termination

of the Franchise Agreement. However, Franchisee specifically acknowledges the relationship created by this Amendment is not, in and of itself, a franchise relationship and that termination of this Amendment will not affect Franchisee's ability to continue to operate under the Franchise Agreement (unless that agreement is also terminated in accordance with the provisions thereof). If Franchisor elects to terminate only this Amendment and not the Franchise Agreement, all provisions of the Franchise Agreement relating to termination and post-termination obligations shall apply to the termination of this Amendment, except that the franchise business being terminated shall mean only the Roofing Business operated by Franchisee pursuant to the terms of this Amendment and the post-termination non-competition restrictions shall not apply to the Roofing business.

9. Termination by Franchisee. Franchisee may terminate this Amendment at any time, with or without cause, upon thirty (30) days prior written notice to Franchisor. If Franchisee terminates this Amendment pursuant to this Paragraph 9, all provisions of the Franchise Agreement relating to termination and post-termination obligations, shall apply to the termination of this Amendment, except that the franchise business being terminated shall mean only the Roofing Business operated by Franchisee pursuant to the terms of this Amendment.

10. Original Document. This Amendment may be executed in any number of counterparts, and delivered via facsimile or electronic process, confirmation, or transmission, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11. Authority. Franchisee hereby represents and warrants that the individual signing this Amendment has the necessary authority and legal capacity to execute this instrument and represent Franchisee hereunder.

12. Effect on Franchise Agreement. The terms of this Amendment are expressly made subject to and governed by the Franchise Agreement. Except as specifically amended hereby or by any other Amendment thereto, the Franchise Agreement shall continue in full force and effect. In the event of a conflict between the terms of the Franchise Agreement and this Amendment, this Amendment shall control.

IN WITNESS WHEREOF, ABC, Inc. and Franchisee execute this Amendment effective as of the date hereof.

ABC, Inc.:

FRANCHISEE

By: _____
Name: _____
Its: _____

Exhibit A

Licensed Roofing Products

Exhibit B

Names and Trademarks



Words only: abc Roofing™

4869-2167-6096, v. 1

EXHIBIT G
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT
RENEWAL ADDENDUM

RENEWAL ADDENDUM

THIS RENEWAL ADDENDUM is made and entered into as of the _____ day of _____, 20____, by and between ABC, INC., a North Dakota corporation whose principal address is 8032 Maple Street, Omaha, Nebraska 68134 (“Franchisor”), and _____, a(n) _____ whose principal address is _____ (“Franchisee”).

INTRODUCTION

Franchisor and Franchisee have been parties to a franchise agreement dated _____ (“Expiring Franchise Agreement”) under which Franchisee has operated an “abc Seamless” business manufacturing, selling and installing seamless siding, seamless gutters, soffit and fascia on new and existing residential and commercial properties, and multiple dwellings in _____ (the “Territory”), under a franchise agreement that expires on _____. Pursuant to the terms of the expiring franchise agreement, Franchisee has the right to renew that franchise upon meeting certain conditions. One of the conditions for renewal is that Franchisee sign Franchisor’s then current Franchise Agreement and any ancillary agreements used at the time of renewal. However, Franchisor’s current Franchise Agreement contains a number of pre-opening obligations on the part of both parties that are not applicable on renewal, and it requires payment of an initial franchise fee that is not required upon renewal. Therefore, the parties have executed Franchisor’s Franchise Agreement as of the date hereof (the “Franchise Agreement”), but wish to amend that agreement as set forth in this Renewal Addendum.

NOW, THEREFORE, the parties hereto agree to amend the Franchise Agreement as follows:

1.) Effective Date. The Franchise Agreement, as amended by this Renewal Addendum, shall be effective _____ (the “Effective Date”), provided Franchisee meets the following additional obligations prior to such effective date:

If the foregoing obligations have not been met prior to the Effective Date, then the Franchise Agreement shall not become effective and all franchise rights of Franchisee, including their rights under the Expiring Franchise Agreement, shall expire on _____.

2.) Pre-Opening Obligations. Because the business is already operating, all obligations of either party that are required to be performed prior to the opening of the business are hereby waived.

3.) Refresher Training. Franchisor shall make available to Franchisee a refresher training program in Franchisor’s home office, within six (6) months following execution of this Renewal Addendum. Franchisee is not required to attend such training, but Franchisee

acknowledges Franchisor has strongly urged Franchisee to do so and has advised Franchisee that completion of that training could be an important factor in the successful future operation of the business. Franchisee will not be charged for such training, but Franchisee must pay the costs incurred for travel, lodging, meals, compensation, etc.

4.) General Release. In consideration of the agreement of Franchisor to renew Franchisee's abc Seamless® franchise, Franchisee shall execute a General Release (in a form acceptable to Franchisor).

5.) Fees.

A. The provisions of Section 2(a) of the Franchise Agreement are hereby deleted.

B. Notwithstanding Section 2(b) of the Franchise Agreement, the monthly Royalty Fee due under the Franchise Agreement shall be three percent (3%) of Franchisee's monthly Gross Receipts (as defined in the Franchise Agreement) for the prior month, subject to a minimum total Royalty Fee of \$48,000 per year. Franchisor shall invoice Franchisee after the end of each year to the extent the total Royalty Fees paid in that year were below \$48,000, with such invoice due within thirty (30) days of date of invoice.

6.) Ratification. Except as specifically amended by this Renewal Addendum, the parties hereby ratify and reaffirm their obligations under the Franchise Agreement. All capitalized terms used in this Renewal Addendum will have the same meaning as provided for in the Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Renewal Addendum as of the date first above written.

FRANCHISOR:
ABC, INC.

FRANCHISEE:

By: _____
Its:

By: _____
Its:

EXHIBIT H
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

INSTALLMENT AGREEMENT, PROMISSORY
NOTE AND GUARANTY

INSTALLMENT AGREEMENT

This Agreement is made this _____ day of _____ 20____ by and among
ABC, Inc. (“ABC”) and _____ and _____
(Date) (Month) (Year) (Individual) (Company)
_____ (“Franchisee”).

WHEREAS, Franchisee desires to lease with the option to purchase certain equipment more specifically described on Exhibit A (the “Equipment”);

WHEREAS, Franchisee has made a deposit of \$ _____ on the Equipment and Franchisee has agreed to make payments for the Equipment totaling \$ _____ for a term of _____ months under the terms and conditions of this Agreement; and

WHEREAS, Franchisee has agreed to execute a promissory note dated this date with regard to the remaining amount to be paid under this Agreement (“Promissory Note”).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

- (1) Use of Equipment – During the Term of this Agreement, ABC hereby allows Franchisee to use the Equipment and Franchisee hereby agrees to make payments to ABC for the Equipment during the term of this Agreement.
- (2) Term – The Term of this Agreement shall commence on the date hereof and shall continue until _____, 20____ unless earlier terminated.
(Month) (Date) (Year)
- (3) Payment – The monthly payments owed under this Agreement shall be \$ _____.
(Payment Amount)

All payments shall be due and owing on the first day of each month. The first payment shall be due and owing on _____, 20____ and continue monthly thereafter _____
(Month) (Date) (Year) (Month)

_____, 20____. Interest on the amounts owing hereunder shall start accruing on _____
(Date) (Year) (Month)
_____, 20____.
(Date) (Year)

Any payments not received within thirty (30) days of their due date will accrue a finance charge on the amount past due at the lower of 1.5% per month, or the highest rate allowed by applicable law from the original date due. The finance charges shall be due on demand. This shall be in addition to any other right or remedy available at law, in equity or under this Agreement.

- (4) Damages. ABC warrants to Franchisee that the equipment is in good working condition as of the date of this Agreement. Franchisee is required to reimburse ABC for any repairs deemed necessary by ABC to return equipment to good working condition.

(5) Returned Check. Franchisee will pay to ABC a \$35.00 fee for every check returned to ABC for non-sufficient funds.

(6) Location and Right of Inspection. The Equipment at all times shall be principally located at the address of Franchisee specified herein or such other place as shall be mutually agreed upon between ABC and Franchisee. ABC shall at any and all times during business hours have the right to enter into and upon the premises where the Equipment may be located for the purpose of inspecting the same or observing its use. Franchisee shall not move the Equipment from outside Franchisee's Territory (as defined in the Franchise Agreement between Franchisee and ABC), except with the prior written consent of ABC. Franchisee shall promptly advise ABC of any circumstances which may in any manner affect any item of Equipment or in any manner affect ABC's title thereto.

(7) Title and Use. Title to all of the Equipment shall at all times be solely in ABC or its assignee, and Franchisee shall have no interest or claims thereto or therein except as herein provided. Franchisee shall, however, unless default shall occur as hereinafter provided, have the right to possession of said Equipment and the quiet enjoyment thereof. Franchisee shall at all times use the Equipment in a careful and proper manner and shall comply with all laws, ordinances and regulations in any manner relating to the possession, use or maintenance of the Equipment, and shall if directed by ABC affix to the Equipment in a prominent place and maintain thereon any labels, plates or other identifying markings indicating that the Equipment is the property of ABC. Franchisee will not sublet, mortgage, pledge, sell or otherwise encumber or dispose of Equipment or its interest therein. Franchisee shall keep the Equipment free from any and all liens and claims, and shall not do or permit anything whereby ABC's title or rights may be encumbered or impaired. Franchisee agrees to list ABC, Inc., 3001 Fiechtner Drive, Fargo, ND 58103 as the lien holder on any titles of the equipment until the promissory note is paid in full. Upon payment in full of all obligations hereunder, and the Promissory Note and all obligations hereunder, Franchisee shall have the right to purchase the Equipment for the sum of One Dollar (\$1.00).

(8) Operation of Equipment. Franchisee will use the Equipment only in the normal course of its business and only for the purposes for which the Equipment was designed. Franchisee assumes all risks and liability for the Equipment and for the use, possession, operation, maintenance, storage and condition thereof, and for injuries or death resulting to persons and damage resulting to property arising from or incident to such use, operation, possession, maintenance, storage and condition, whether such injuries, death or damage be to agents or employees of Franchisee or their property, or to third parties or their property. Franchisee will save and hold ABC harmless from all losses, damages, claims, penalties, liabilities and expenses, including attorney's fees, of whatsoever nature arising or incurred because of or incident to the use, possession, operation, maintenance, storage and condition of the Equipment.

(9) Repairs and Alterations. ABC shall not be obligated to service the Equipment or make any repairs or replacements. Franchisee shall not incur for ABC's account or liability any expense for service, repairs, or replacements without ABC's prior written consent. Franchisee shall effect and bear the expense of all necessary repairs, maintenance, operation and replacements required to be made to maintain the Equipment in good condition, normal wear and

tear accepted. Any addition, improvements and replacements shall become the property of ABC and shall be deemed to be a part of the financed Equipment.

(10) Insurance. Franchisee shall (a) keep the Equipment Insured against all risks of loss or damage from every cause whatsoever for not less than the full replacement value thereof, as determined by ABC; (b) maintain public liability and property insurance, in an amount determined by ABC, but in which the limits of public liability shall not be less than One Million (\$1,000,000) Dollars per person and One Million (\$1,000,000) Dollars, per accident and in which the property damage liability shall not be less than One Million (\$1,000,000) Dollars, unless other limits are agreed to in writing between ABC and Franchisee, protecting and indemnifying ABC against any injury to person or any damage to property arising by reason of the use, operation or maintenance of the Equipment; and (c) if requested by ABC, maintain such other insurance, including products liability insurance in such an amount as shall be required by ABC, and maintain in full force and effect at all times worker's compensation insurance which shall cover any and all claims for injury to any worker, employee, or agent of Franchisee arising out of use, operation or maintenance of the Equipment. All such insurance shall be in form and amount and with companies approved by ABC, and shall name ABC and any assignee as lender's loss payee and additional insured. Franchisee shall pay the premiums therefor and deliver the policies or evidence thereof, to ABC. Each insurer shall agree by endorsement upon the policy or policies issued by it or by independent instrument furnished to ABC, that it will give ABC thirty (30) days' written notice before the policy in question shall be altered or cancelled. As to ABC's interest in such insurance, no act or omission of Franchisee or any of its officers, agents, employees or representatives shall affect the obligations of the insurer to pay the full amount of any loss. The proceeds of insurance shall, at the option of ABC, be applied (a) toward the replacement, restoration or repair of the Equipment, or (b) toward payment of the obligations of Franchisee hereunder. Franchisee hereby appoints ABC as Franchisee's attorney-in-fact to make claim for, receive payment of, and execute and endorse all documents, checks or drafts for loss or damage or returned or unearned premiums under any insurance policy. In case of failure of Franchisee to procure or maintain insurance as herein specified, ABC shall have the right, but shall not be obligated, to effect such insurance, and in such event, the cost thereof shall be repayable to ABC with the next installment due hereunder, and failure to repay the same shall carry with it the same consequence, including the late charge and interest provided herein.

(11) Taxes. Franchisee shall keep the equipment free and clear of all levies, liens and encumbrances and shall promptly pay or reimburse ABC for all license fees, registration fees, assessments, charges and taxes (municipal, state and federal), including personal property taxes and any sales, use, or other transactional tax which may now or hereafter be imposed in connection with the Agreement, possession or use of the Equipment, and including any penalties, interest, or delinquency charges accruing by reason of Franchisee's nonpayment. In addition, Franchisee shall pay all expenses including legal fees where, with Franchisee's consent, the validity or amount of any tax or assessment shall be challenged.

(12) No Assignment by Franchisee. Without the prior written consent of ABC, Franchisee shall not (a) assign, transfer, pledge or hypothecate this Agreement, the Equipment or any part thereof, or any interest therein, or (b) sublet or rent the Equipment or any part thereof or permit the Equipment or any art thereof to be used by anyone other than Franchisee or Franchisee's

employees. Consent to any of the foregoing prohibited acts applies only in the given instance and is not a consent to any subsequent like act by Franchisee or any other person. The conditions hereof shall bind any permitted successors and assigns of Franchisee.

(13) ABC's Assignment. Franchisee acknowledges and agrees that ABC may assign this Agreement to a bank, other financial institution, or any other person, and that such assignee shall be entitled to all of the benefits of this Agreement including all credit and financial information that Franchisee shall have theretofore or thereafter submitted to ABC. In connection therewith, Franchisee agrees (a) to recognize any such assignment upon receipt of written notice thereof; (b) to accept the directions, demands or consents of such assignee in place of those of ABC; (c) to make all payments hereunder as directed by such assignee; (d) not to terminate this Agreement; and (e) not to set up against such assignee any defenses, setoffs or counterclaims which it may have against ABC in regard to the payment of rent hereunder.

(14) Default – If Franchisee is in default under the terms and conditions of its Franchise Agreement with ABC, then Franchisee shall also be in default under the terms and conditions of this Agreement. In addition, if Franchisee is in default under the terms and conditions of this Agreement, it shall also be in default under the terms and conditions of its Franchise Agreement. In the event Franchisee is in default hereunder, ABC shall have the right to immediate possession of the Equipment.

(15) Miscellaneous – This Agreement shall be governed and construed in accordance with the internal laws of the State of Nebraska without regard to its principles of conflicts of law. The Franchisee hereby consents to the jurisdiction of the courts of Nebraska. If any party shall institute any action or proceeding to enforce this Agreement or any provisions hereof, or for damages by reason of any alleged breach of this Agreement or of any provision hereof, or for the declaration of rights hereunder, the prevailing party to any such action or proceeding shall be entitled to receive from the other party all costs and expenses, including reasonable attorneys' fees incurred by the prevailing party in connection with such action or proceeding. This Agreement may be executed in one or more counterparts, each of which individually shall be deemed to be an original and all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

FRANCHISOR: ABC, Inc.

By: _____
Its: President

By: _____
Its: Vice President

FRANCHISEE:

(Company Name)

BY: _____
(Sign)

Individually: _____
(Sign)

Exhibit A

Equipment:

PROMISSORY NOTE

Exhibit "B" to Installment Agreement dated _____, 20__ (Agreement)
(Month) (Date) (Year)

\$ _____ Omaha, Nebraska
(Promissory Note Amount) _____
(Date)

FOR VALUE RECEIVED, the undersigned _____ (Company Name)
and _____ (Individual) ("Borrower") agrees and promises to pay to the order of ABC, INC., a
North Dakota corporation, its endorsees, successors and assigns ("Holder"), in lawful money of the United
States of America, at its principal office located in Omaha, Nebraska, or such other place as the Holder may
from time to time designate, the principal sum of _____

_____ (Promissory Note Amount)
(\$ _____), together with interest on
(Promissory Note Amount)
the unpaid principal balance hereof at an annual rate of interest of _____ per cent (____%) per annum.
(Interest Rate) (Interest Rate)

The unpaid principal balance of this Note and accrued interest thereon shall be due and payable in
monthly installments of \$ _____ on the _____ day of each month for _____
(Amount) (Date) (Number)
months (subject to Holder's right to accelerate the payment obligations, as set forth herein), commencing
_____, 20__ and running until _____, 20__ (the "Maturity Date"), on
(Month) (Date) (Year) (Month) (Date) (Year)
which Maturity Date all remaining unpaid principal and accrued interest shall be due and payable in full.

Interest hereunder shall be calculated based on the actual number of days elapsed over a year of 360
days. All payments hereunder shall be applied first to accrued and unpaid interest and then to reduction of
principal.

Borrower is entitled to prepay all or part of this Note without any premium or penalty. Any partial
pre-payment made by Borrower will not excuse or reduce any later scheduled payment until this Note is paid
in full.

This Note is made and issued pursuant to the laws of the State of Nebraska.

This Note is referred to in Agreement dated of even date herewith between Borrower, as debtor, and
the Holder.

In the event that (i) Borrower fails to make any payment of principal or interest under this Note when
due, or (ii) Borrower fails to make any other payment of any kind owing to Holder under any loan, lease or
other agreement or arrangement between Borrower and Holder, or (iii) an event of default shall occur and be
continuing under the Franchise Agreement between Holder and Borrower or under any other loan, lease or
other agreement or arrangement between Holder and Borrower, or (iv) any of the Collateral which is the
subject matter of the Agreement is sold, leased or otherwise disposed of by Borrower, as the case may be,
other than in the ordinary course of Borrower's business, or (v) Borrower fails to make any payment or is
otherwise in default on any other indebtedness and the respective lender has demanded or has the right to
demand immediate payment of the indebtedness and any cure period under such agreements has expired, or
(vi) any material judgment shall be entered against Borrower, or (vii) Borrower shall (a) be or become

insolvent (however defined), or (b) voluntarily file a petition under the United States Bankruptcy Code or any similar law, or (c) have filed against it involuntarily a petition under the United States Bankruptcy Code or any similar law, and such a petition shall not have been dismissed within 90 days of such filing, or (d) be dissolved or liquidated, or (e) cease doing business, or (viii) Borrower shall make a general assignment for the benefit of its creditors, or (ix) all or any material part of the Collateral which is the subject matter of the Agreement shall be seized or otherwise lost involuntarily; provided that this shall not apply if such Collateral is lost or destroyed and the proceeds of insurance are used by Borrower to replace such lost or destroyed Collateral with replacement collateral of equal or greater value, or (x) Holder in good faith believes that the prospect for due and punctual payment of Borrower's obligations, is impaired, unless any such default is waived or cured within any applicable grace or cure period (singularly or collectively a "Default"), the Holder may accelerate the entire unpaid indebtedness evidenced by this Note and declare the same immediately due and payable in full, and may proceed to enforce any and all remedies that the Holder may have under this Note, the Agreement or any applicable law.

Prior to any Default hereunder, the unpaid principal of this Note shall bear interest at the rate provided in this Note. In the event of any Default under this Note, which Default is continuing, at the option of the Holder hereof, interest shall thereafter be payable on the whole of the unpaid principal sum of this Note at the lesser of four percent (4%) over the interest rate provided herein or the highest maximum rate permitted by law, whether or not the Holder hereof has exercised its option to accelerate the maturity of this Note and declare the entire unpaid principal indebtedness due and payable in full.

Time is of the essence. No delay or omission on the part of the Holder in exercising any right hereunder shall operate as a waiver of such right or of any other remedy under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right or remedy on a future occasion.

In the event of any Default hereunder, Borrower agrees to pay all costs of collection including reasonable attorneys' fees.

Presentment for payment, protest and notice of non-payment are waived. Consent is given to any extension or alteration of the time or terms of payment hereof, any renewal, and any release of, or resort to, any party liable for payment hereof.

(BORROWER – COMPANY NAME)

BY: _____
(Sign)

Individually: _____
(Sign)

GUARANTY

THIS GUARANTY, is effective as of this ____ day of _____, 20__, by the undersigned in favor of ABC, Inc., a North Dakota corporation (the "Lender").

RECITALS

As an inducement to Lender to enter into that certain Installment Agreement (Installment Agreement") by _____ and _____ between Lender and _____ (the "Borrower") dated _____, 20__ and as a condition of the Lender's acceptance of the Promissory Note executed by Borrower in favor of the Lender pursuant to the Installment Agreement (the "Note"), the undersigned have agreed to execute and deliver this Guaranty.

NOW, THEREFORE, in consideration of the foregoing and the Lender's acceptance of the Note, the undersigned agrees as follows:

1.) The undersigned, jointly and severally, hereby absolutely and unconditionally guarantee to the Lender (1) the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the Note and each installment thereof (and interest thereon) and any extensions, renewals, performance of the terms and provisions the Installment Agreement and (2) prompt payment, when due, of the Note and any and all sums of money at any time owing by the Borrower to the Lender by reason of, or in connection with, or arising out of, the financing transaction described in the Installment Agreement (the foregoing being collectively referred to as "Guaranteed Indebtedness").

2.) The undersigned agree, jointly and severally, to pay all costs, expenses, and attorneys' fees paid or incurred by the Lender in endeavoring to collect any of the Guaranteed Indebtedness and in enforcing this Guaranty.

3.) The undersigned warrant to Lender that the undersigned have access on a continuing basis to information concerning the financial condition of Borrower and are not relying on Lender to provide such information either now or in the future. The undersigned hereby waive: (i) presentment, demand for payment, and notice of nonpayment, or protest of any of the Guaranteed Indebtedness; (ii) notice of the acceptance of this Guaranty by the Lender and of the creation and existence of any of the Guaranteed Indebtedness; (iii) notice of any default by Borrower under its obligations to Lender; and (iv) any and all acts or things by the Lender to be done to establish the liability of the undersigned hereunder.

4.) No act or thing, except payment, which but for this provision could act as a release of the liabilities of the undersigned hereunder, shall in any way affect or impair this Guaranty, and this shall be a continuing, absolute, and unconditional guaranty and shall be in force and be binding upon the undersigned, jointly and severally, until the Guaranteed Indebtedness is fully paid.

5.) The liability of the undersigned shall not be affected or impaired in any way (and the Lender is expressly authorized to do the following acts and things from time to time without notice to anyone): (i) by any assignment, sale, pledge, surrender, compromise, settlement,

release, renewal, extension, indulgence, alteration, substitution, exchange, change in, modification, or other disposition of any of the Guaranteed Indebtedness, or any collateral therefor; (ii) by any acceptance of collateral for, or other guarantors of, any of the Guaranteed Indebtedness; (iii) by any failure, neglect or omission to realize upon or protect any of the Guaranteed Indebtedness or perfect a security interest in or preserve any collateral therefor, or to exercise any lien upon or right of appropriation of any moneys, credits, or property toward the liquidation of any of the Guaranteed Indebtedness; (iv) by any application of payments or credits upon any of the Guaranteed Indebtedness; (v) by any other change in the Guaranteed Indebtedness including Lender's consent to a change in the business or organizational structure of Borrower; or (vi) by any failure, neglect, or omission by Lender in the administration of the Guaranteed Indebtedness.

6.) The Lender shall not be required to first resort for payment of any of the Guaranteed Indebtedness to the Borrower or other persons or corporations, their properties or estates, or to any collateral, property, liens, or other rights or remedies whatsoever before enforcing this Guaranty.

7.) Whenever, at any time or from time to time, the undersigned shall make any payment to the Lender hereunder, the undersigned shall notify the Lender in writing that such payment is made under this Guaranty for such purpose.

8.) No payment by the undersigned pursuant to this Guaranty shall entitle the undersigned, by subrogation to the rights of the Lender or otherwise, to any payment by the Borrower or out of the property of the Borrower until all of the Guaranteed Indebtedness (including interest) and all costs, expenses, and attorneys' fees paid or incurred by the Lender in endeavoring to collect the Guaranteed Indebtedness and enforcing this Guaranty have been fully paid.

9.) If any payment applied by Lender to reduction of the Guaranteed Indebtedness is thereafter set aside, recovered, rescinded, or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency, or reorganization of Borrower or any of the undersigned or any other obligor of the Guaranteed Indebtedness), the Guaranteed Indebtedness to which such payment was applied shall, for the purposes of this Guaranty, be deemed to have continued in existence regardless of such payment, and this Guaranty shall be enforceable as to the Guaranteed Indebtedness as fully as if such payment had never been made, notwithstanding the cancellation of the Note or any other agreement evidencing the Guaranteed Indebtedness.

10.) Neither this Guaranty nor any rights, interests or obligations hereunder shall be assigned by the undersigned without the prior written consent of the Company. The undersigned hereby consent to any assignment of the Note in whole or in part, that the Lender may make. This Guaranty shall be binding upon the heirs, legal representatives, successors, and assigns of the undersigned, and shall inure to the benefit of the successors and assigns of the Lender.

11.) Any invalidity or unenforceability of any provision or application of this Guaranty shall not affect the validity and enforceability of the remaining provisions of this Guaranty, which shall remain in full force and effect.

12.) This Guaranty sets forth the entire understanding between Lender and the undersigned and supersedes and replaces all prior or contemporaneous communications and agreements of the parties, written or otherwise, concerning the subject matter of this Guaranty. No course of dealing, course of performance, or trade usage shall be used to supplement or alter the terms of this Guaranty. No alteration, modification, or amendment of this Guaranty shall be effective except by a writing signed by the undersigned and Lender.

13.) This Guaranty shall be enforceable against each person signing this Guaranty, even if only one person signs and regardless of the failure of any other person to sign this Guaranty. All agreements and promises contained in this Guaranty are joint and several in each and every particular and are fully binding upon and enforceable against any or all of the undersigned. The release by Lender at any time of any of the undersigned from liability under this Guaranty shall not affect the liability of any of the undersigned who were not so released, and the undersigned waive any right to notice of such release by Lender.

14.) This Guaranty shall be governed by and construed in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the undersigned have executed this Guaranty as of the day and year first above written.

Name: _____

Signature

Address: _____

Name: _____

Signature

Address: _____

Name: _____

Signature

Address: _____

EXHIBIT I
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

LIFETIME PRODUCT WARRANTY



LIFETIME PRODUCT WARRANTY

This agreement is made on the _____ day of _____ 20__ by ABC, Inc. dba/ABC Seamless (“Franchisor”) and _____ (“Franchisee”);

Whereas, the parties are parties to that certain franchise agreement dated the date hereof (“Franchise Agreement”);

Whereas, the parties desire to enter into this agreement to evidence their obligations under the warranty provided to Franchisee’s customers;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

In the event there is a product failure covered under the terms of the warranty provided by Arrowhead Products, then Arrowhead Products agrees at their option to repair or replace the defective materials and the Franchisee agrees to perform the labor portion of the warranty to repair or replace the defective materials at an agreed to cost with Arrowhead Products. Notwithstanding the foregoing, during the lifetime of the products, the Franchisee shall be solely responsible for any defects caused by its installation of the product, including, without limitation, materials and labor, and reasonable costs and expenses (such as attorney’s fees) incurred by Franchisor or its designee as a result of such defects. The terms of the warranty shall be as set forth in the Manuals (as defined in the Franchise Agreement), and shall be subject to the conditions adopted from time to time by Franchisor and Arrowhead Products. This agreement shall terminate upon the termination of the Franchise Agreement, provided, the obligations of the parties hereunder for warranties issued prior to the termination of the Franchise Agreement shall survive such termination.

The parties have caused this agreement to be executed as of the day and year first above written.

FRANCHISOR, ABC, INC.

FRANCHISEE:

BY: _____
Name: _____
Title: _____

BY: _____

BY: _____
Name: _____
Title: _____

EXHIBIT J
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

RELEASE

GENERAL RELEASE

In consideration of the agreement of ABC, INC. (“Franchisor”) to allow _____ (“Franchisee”) to [RENEW OR TRANSFER] its Franchise Agreement dated _____ between Franchisee and Franchisor (“Agreement”), Franchisee hereby releases and forever discharges Franchisor, its members, directors, officers, employees and agents, in their corporate and individual capacities, and their respective heirs, personal representatives, successors and assigns (the “Released Parties”), from any and all claims Franchisee may have against such parties, from the beginning of time to the date hereof, known or unknown, whether in law or in equity, including, but not limited to, any claims arising out of the offer or sale of any franchise to Franchisee, and any matters arising under the Agreement. If this Release is being executed in connection with a transfer of the Agreement, Franchisee acknowledges that transfer of the Agreement shall terminate Franchisee’s interest in the Agreement, but Franchisee will continue to be bound by all post-termination provisions of the Agreement, including but not limited to the obligations of confidentiality and the covenant not to compete contained in the Agreement.

NOTWITHSTANDING THE FOREGOING, THIS RELEASE DOES NOT RELEASE ANY CLAIMS THE UNDERSIGNED MAY HAVE THAT MAY NOT BE RELEASED PURSUANT TO THE FRANCHISE LAWS WHERE THE UNDERSIGNED IS A RESIDENT OR WHERE THE STORE IS LOCATED, TO THE EXTENT REQUIRED BY APPLICABLE LAW. SPECIFICALLY, THIS RELEASE DOES NOT APPLY WITH RESPECT TO CLAIMS ARISING UNDER THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT, RCW 19.100, AND THE RULES ADOPTED THEREUNDER.

DATE: _____

EXHIBIT K
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA TO FRANCHISE
DISCLOSURE DOCUMENT AND FRANCHISE
AGREEMENT

EXHIBIT K

STATE SPECIFICA ADDENDA

CALIFORNIA ADDENDUM

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a Disclosure Document, approved by the Department Of Business Oversight, 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 OFFERING CIRCULAR.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF BUSINESS OVERSIGHT NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

Neither franchisor nor any person or franchise broker in Item 2 of this 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 persons from membership in that association or exchange.

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

2. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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 binding arbitration. The arbitration will occur in West Palm Beach, FL, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

3. The following paragraph is added at the end of Item 19 of the Disclosure Document:

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Paramount business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

MINNESOTA ADDENDUM

Notwithstanding anything to the contrary set forth in the ABC, Inc. Franchise Disclosure Document or Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all abc Seamless® franchises offered and sold in the state of Minnesota:

The Minnesota Addendum is only applicable if you are a resident of Minnesota or if your business will be located in Minnesota.

1. Minn. Stat. Section 80C.21 and Minn. Rule Part 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the FDD can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, form or remedies provided for by the laws of the jurisdiction. Those provisions also provide that no condition, stipulation or

provision in the Franchise Agreement will in any way abrogate or reduce any of your rights under the Minnesota Franchises Law, including, if applicable, the right to submit matters to the jurisdiction of the courts of Minnesota.

2. We will comply with Minn. Stat. Section 80C.14, subds. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure), 180 days' notice for non-renewal of the Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.

3. Item 13 is revised to include the following language:

“To the extent required by the Minnesota Franchise Act, we will protect your rights to use the trademarks, service marks, trade names, logo types or other commercial symbols related to the trademarks or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the trademarks, provided you are using the names and marks in accordance with the Franchise Agreement.”

4. Item 17(c) and 17(m) are revised to provide that we cannot require you to sign a release of claims under the Minnesota Franchise Act as a condition to renewal or assignment.

5. We are prohibited from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.

6. No statement, questionnaire, or acknowledgement 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.

7. Each provision of this Addendum shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of Minnesota Statutes, Chapter 80C are met independently without reference to this Addendum.

8. In compliance with Minnesota Statute 80C.17 Subd. 5, no action may be commenced more than three years after the cause of action accrues.

9. Item 10 and Installment Agreement Section 5 are revised to amend the \$35.00 service charge to be \$30.00 in accordance with Minnesota Statute Section 604.113.

NORTH DAKOTA ADDENDUM

Notwithstanding anything to the contrary set forth in the ABC, Inc. Franchise Disclosure Document or Franchise Agreement, the following provisions shall supersede any inconsistent

provisions and apply to all abc Seamless® franchises offered and sold in the state of North Dakota:

The North Dakota Addendum is only applicable if you are a resident of North Dakota or if your business will be located in North Dakota.

1. The North Dakota Securities Commissioner has determined that it is unfair and unequitable under the North Dakota Franchise Investment Law for the franchisor to require the franchisee to sign a general release upon renewal of the Franchise Agreement. Therefore, the requirement that the franchisee signs a release upon renewal of the Franchise Agreement is deleted from Item 17c. and from any other place it appears in the Disclosure Document or in the Franchise Agreement.
2. Item 17r. is revised to provide that covenants not to compete, such as those mentioned in Item 17r. of the Disclosure Document are generally considered unenforceable in the state of North Dakota.
3. Any references in the Disclosure Document and in the Franchise Agreement and to any requirement to consent to a waiver of exemplary and punitive damages are deleted.
4. Any references in the Disclosure Document and in the Franchise Agreement to any requirement to consent to a waiver of trial by jury are deleted.
6. Any claims arising under the North Dakota franchise law will be governed by the laws of the State of North Dakota.
7. The prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees.
8. Any references in the Disclosure Document and in the Franchise Agreement requiring franchisee to consent to termination penalties or liquidated damages are deleted.
9. The North Dakota Securities Commissioner has determined that it is unfair, unjust, or inequitable under the North Dakota Franchise Investment Law for the franchisor to require the franchisee to consent to the jurisdiction of courts located outside of North Dakota or to arbitration or mediation at a site that is remote from the site of the franchisee's business. Therefore, any references in Item 17(v) of the Disclosure Document and any requirement in Section 19 of the Franchise Agreement that the franchisee consents to the jurisdiction of courts located outside of North Dakota or to arbitration or mediation at a site located outside of North Dakota are deleted.
10. No statement, questionnaire, or acknowledgement 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.

VIRGINIA ADDENDUM

Notwithstanding anything to the contrary set forth in the ABC, Inc. Disclosure Document or Franchise Agreement, the following shall supersede and apply to all abc Seamless® franchises offered and sold in the Commonwealth of Virginia:

The Virginia Addendum is only applicable if you are a resident of Virginia or if your business will be located in Virginia.

In recognition of the restrictions contained in Section 13.2-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for ABC, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

No statement, questionnaire, or acknowledgement 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 ADDENDUM

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

RCW 19.100.180 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 or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder 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 or 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.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Section 23 of the Franchise Agreement does not apply.

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.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR FRANCHISEE

This addendum may also be used as a rider to the Franchise Disclosure Document.

WISCONSIN ADDENDUM

Notwithstanding anything to the contrary set forth in the ABC, Inc. Franchise Disclosure Document or Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all abc Seamless® franchises offered and sold in the state of Wisconsin:

The Wisconsin Fair Dealership Law applies to most franchise agreements in the state and prohibits termination, cancellation, non-renewal or substantial change in competitive circumstances of a dealership agreement without good cause. The law further provides that 90 days prior written notice of the proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is so cured the notice is void. The Disclosure Document and Franchise Agreement are hereby modified to state that the Wisconsin Fair Dealership Law, to the extent applicable, supersedes any provision of the Franchise Agreement that are inconsistent with the law Wis.Stas.Ch.135, the Wisconsin Fair Dealership Law, § 32.06(3), Wis. Code.

EXHIBIT L
TO
ABC SEAMLESS
FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE GUIDEBOOK
TABLE OF CONTENTS

Total Pages: Approximately 52

TABLE OF CONTENTS
ABC SEAMLESS FRANCHISE
Guidebook

1. Introduction

- 1.1. Letter from the President
- 1.2. Mission statement
- 1.3. Code of conduct
- 1.4. Meet the Owner
- 1.5. The ABC Seamless Brand

2. Pre-opening information

- 2.1. Relationship between franchisors and franchisee
- 2.2. Site Selection
- 2.3. Checklist for a New or Transfer Franchise
- 2.4. Start-up Kit and Contents

3. Accounting

- 3.1. Accounting system
- 3.2. Payroll
- 3.3. Job Costing for Profit
- 3.4. Accounting Procedures

4. Personnel/Training/New Employee Checklist/New Hire Paperwork

- 4.1. Employee positions, Job Descriptions/Posts, and Interviewing
- 4.2. Training - ABC University
- 4.3. New Employee Checklist
- 4.4. New Hire Paperwork
- 4.5. General Safety Rules
- 4.6. Answering the Telephone
- 4.7. Corporate Charter
- 4.8. Personnel policy
- 4.9. Annual Meetings – Regional Meetings
- 4.10. Insurance
- 4.11. Workers Compensation
- 4.12. Handling Termination

5. Company Policies

- 5.1. Client interactions
- 5.2. Quality and standards of service
- 5.3. Handling complaints and problems
- 5.4. Following your Franchise Agreement
- 5.5. Audit and Compliance
- 5.6. Business Coach
- 5.7. Transferring and/or selling your franchise (Succession Planning)

6. Marketing

- 6.1. Overall marketing strategy
- 6.2. Branding guidelines

7. Arrowhead

- 7.1. Account Set-up/Credit Application/Guaranty
- 7.2. Ordering Material
- 7.3. Trip Credits
- 7.4. Warranty Claims – Information coming from Edco. We will send when we receive it.
- 7.5. Contact list
- 8. **Warranty System and Royalties**
- 9. **Duck Store**
- 10. **Financing**
- 11. **Production/Installation**
 - 11.1 Equipment Needed
 - 11.2 Measuring/Sales/House
 - 11.3 Materials Needed for a Siding Job
(Installation manual PDF)
- 12. **Sales**
 - 12.1. Software
 - 12.2. Training

State Effective Dates

The following states have franchise laws that 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 document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Illinois	Pending
Indiana	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Washington	Pending
Wisconsin	Pending
Virginia	Pending

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.

RECEIPT

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 ABC offers you a franchise, ABC 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 sale (or sooner if required by applicable state law). **New York requires that we give you this 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. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.**

If ABC 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is ABC, Inc., located at 8032 Maple Street, Omaha, Nebraska 68134. Its telephone number is 800-732-6577. ABC authorizes the respective parties identified on Exhibit A to receive service of process for us in their state.

Issuance Date: June 11, 2025

The name, principal business address, and telephone number of the franchise seller offering this abc Seamless® franchise is _____ [insert name, business address and telephone number].

I have received a Disclosure Document dated June 6, 2025. See page entitled "State Specific Effective Date" for state specific effective dates. This Disclosure Document included the following exhibits:

- | | |
|---|--|
| A. List of State Agencies | H. Installment Agreement, Promissory Note and Guaranty |
| B. List of Current Franchisees | I. Lifetime Product Warranty |
| C. List of Franchisees Who Transferred and Terminated Franchisees | J. Release |
| D. Financial Statements | K. State Specific Addenda |
| E. Franchise Agreement and Personal Guaranty | L. Franchise Guidebook Table of Contents |
| F. Roofing Amendment | |
| G. Renewal Addendum | |

Please return one signed copy of this Receipt to the attention of Melissa Allen at ABC, Inc., 4700 Cornhusker Hwy, Lincoln Ne 68504.

Date Disclosure Document Received: _____ By: _____
Date Receipt Signed: _____ Print Name: _____

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