

## FRANCHISE DISCLOSURE DOCUMENT



**ARCpoint Franchise Group, LLC**  
**A South Carolina limited liability company**  
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ARCpoint Franchise Group, LLC offers franchisees the opportunity, consistent with state and federal law, to operate a business which provides lab screening and testing services and other related services to commercial businesses under the ARCpoint labs trademark (“ARCpoint Labs business”).

The total investment necessary to begin the operation of a franchised ARCpoint Labs business is \$165,700 to \$310,420, which includes \$62,000 which must be paid to the franchisor or its affiliates.

If you sign a Multi-Franchise Addendum, the total initial investment necessary to begin operation of two to five ARCpoint Labs businesses is ~~\$313,900~~\$215,200 to ~~\$741,000~~\$483,420. This includes \$111,500 to \$235,000 which must be paid to the franchisor or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with or make a payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Kelly Cromptvoets, 303 Perimeter Center North, Suite 575, Atlanta, GA 30346 and (864) 271-3210.

The terms of your contract will govern your franchise relationship. Don’t rely on this disclosure document alone to understand your contract. Read all of your 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, DC 20580. You can also visit the FTC’s home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: August 8, 2025

## Special Risks to Consider About *This Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Georgia. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Georgia 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 in the franchise. This guarantee will place both your 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 or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
5. **Turnover Rate.** In the last year, a high percentage of franchised outlets were terminated, not renewed, transferred, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.
6. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you may also experience delays in opening your own outlet.
7. **Sales Performance Required.** Under the Multi-Franchise Addendum, you must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, 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.

**Lawsuits Filed Against Franchisees in 2024:**

Enforcement of Non-Compete: ARCpoint Franchise Group, LLC and ARCpoint Holdings, LLC vs. Coastal Med Labs, LLC, George Hutnik, and Maureen Hutnik, U.S. District Court for the District of South Carolina, Civil Action No. 6:24-cv-07721-DCC (December 31, 2024).

Other than these actions, 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**

**Single Unit Franchise**

You must pay us an initial franchise fee (“Initial Franchise Fee”) of \$54,500 in a lump sum when you sign the Franchise Agreement. The Initial Franchise Fee is due when you sign the Franchise Agreement. The Initial Franchise Fee is fully earned upon payment, and there are no refunds under any circumstances.

As a member of the International Franchise Association (“IFA”), we participate in the IFA’s VetFran Program. If you are a United States honorably discharged veteran, we will reduce the Initial Franchise Fee by 10%.

You also must pay the Initial Training Fee in the amount of \$7,500 in a lump sum when you sign the Franchise Agreement. The Initial Training Fee covers the tuition for the initial training program described below in Item 11 for you (or, if you are an entity, your principal owner contact), your first full-time medical assistant (or phlebotomist) and your manager (if you have hired a manager). The Initial Training Fee is fully earned upon payment, and there are no refunds under any circumstances.

During our last fiscal year, which ended on December 31, 2024, the Initial Franchise Fees paid ranged from \$39,500 (each for purchase of multiple territories) to \$54,500. The factors that influenced our decision to adjust the Initial Franchise Fee included the number of locations to be opened by the franchisee, if it’s an additional location for a franchisee, the length of time the franchisee had been associated with an affiliate of ours, and the size of the Territory (as defined in Item 12). We reserve the right to take these and other factors into consideration when offering adjustments to the Initial Franchise Fee in the future.

**Reduced Initial Franchise Fees Under the MFA**

We offer a reduced Initial Franchise Fee for franchisees that develop multiple ARCpoint Labs businesses under the MFA as follows:

<b>Business</b>	<b>Initial Franchise Fee</b>
First	\$54,500
Second	\$49,500
Third	\$44,500
Fourth and Additional	\$39,500

Type of Fee (Note 1)	Amount	Due Date	Remarks
Local Advertising Requirement	A total of \$15,000 for the first 12 months of Lab Operations; Beginning in the 13th month of Lab Operations, the greater of 3% of your Gross Sales per twelve month period, or \$9,000 per 12 months thereafter)	Monthly	You are required to spend this amount on local marketing, promotion and advertising of your Business. If you fail to meet the Local Advertising Requirement, then you must pay us the difference between what you spent during an applicable month and the Local Advertising Requirement, which we will contribute to the National Marketing Fund.
Advertising Cooperative/ Multi-Area Marketing	1% to 3% of Gross Revenue, if implemented in your market area	Payable monthly by ACH or check due by the 21st day of the month for the previous calendar month.	At this time, there are no Advertising Cooperatives in effect. We reserve the right to implement cooperatives and/or multi-area marketing in other markets in the future. <del>We</del> <u>Our</u> <u>affiliate-operated businesses</u> will have <del>no control on</del> <u>the same voting power as franchisee-operated businesses in</u> any <del>fees imposed by such cooperatives</del> <u>cooperative</u> . If you are not part of a cooperative/multi-area marketing, you are expected to advertise locally in your Territory (see Local Advertising Requirement).
Initial Training for Additional Persons	\$200 per person per day	As incurred	These fees are only incurred if more than three people attend the Initial Training, although we may elect to waive this fee.
Additional Assistance / Onsite Training at Your Location	\$500 per day (two day minimum) plus travel and living expenses (Note 3)	As incurred	Additional charges only incurred for at-location assistance.
Certified Professional Collector Training Fee	\$225 per person attending training, plus our travel expenses (if any)	Time of Training	If you require additional Certified Professional Collector Training or training for more than four people.
DOT Breath Alcohol Technician Training Fee	\$225 per person attending such training, plus our travel expenses (if any)	Time of Training	If you require additional DOT Blood Alcohol Technician Training, or training for more than four people.
Conference or Refresher Training Fees	\$350 per person	As incurred	Payable before you attend the conference. You are also responsible for all travel and living expenses for you and your employees who attend.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Computer and Communications Equipment Upgrades and Maintenance	No more than \$1,000 per occurrence	As incurred or as agreed	You must purchase upgrades and pay for maintenance for your computer and communications equipment, including upgrades for software, when we require you to do so.
Onsite Clinical Audit	Cost of audit and inspection (\$600 per day, plus costs and expenses)	As incurred	Payable if conditions necessitate a review to be performed, to include reasonable suspicion that violations of your Franchise Agreement(s) or any federal or state law and/or regulations are occurring or have occurred.
SOCI – Social Media and Local Directory Listings Management	Initial annual fee is \$300 (currently), although the vendor may increase this fee in the future	Annually by the end of May	Required fee for SEO directory listings management. We pay this fee to the vendor.
Liquidated Damages	Average monthly Royalty Fee owed over the 12 month period prior to termination multiplied by the lesser of 36 months or the number of months remaining in the term of the Franchise Agreement	Upon demand	Payable if we terminate the Franchise Agreement due to your default.

#### NOTES

(1) Unless otherwise noted, all of the fees or charges described in this Item derive from the Franchise Agreement and are non-refundable, payable to us, and generally are uniformly imposed on all franchisees receiving this offering. ~~However, in certain unique circumstances, we may reduce or waive a fee for a particular franchisee.~~ We require electronic withdrawal of monthly fees and payments from your bank account.

(2) “Gross Revenue” means the total of all receipts derived from services performed or products sold by the Business, wherever located and directly or indirectly related to the Business, whether through Lab Operations or Onsite/Online Operations, whether or not sold or performed at or from the Premises, whether the receipts are evidenced by cash, credit, checks, gift certificates, coupons, services, property, or other means of exchange and regardless of collection in the case of credit. Gross Revenue excludes sales tax receipts that you must by law collect from customers and that you actually pay to the government, promotional or discount coupons to the extent that you realize no revenue, and employee receipt of services or products, if free, or any portion not paid for by an employee.

(3) Upon request, trainers may be scheduled for onsite training. We will charge you this fee only if you require additional assistance at your Business location. We may increase or decrease this fee

an iPad with specifications for e-signature and a bar code scanner will be required. This estimate also includes a two-line phone system as well as two telephones with voicemail.

- (8) Testing Equipment. You will be required to purchase various testing equipment, including, without limitation, a Breath Alcohol Testing Instrument. All testing equipment must be purchased from an approved supplier.
- (9) Insurance. You must obtain and maintain, at your own expense, the insurance coverage we require in your Franchise Agreement, and satisfy other insurance-related obligations. Please note that if you have had prior issues or claims from previous operations unrelated to the operation of an ARCpoint Labs business, your rates may be significantly higher than those estimated above. The estimate contemplates insurance costs for six months.
- (10) Signage. Signage will vary from location to location based upon local ordinances and standards set by your landlord and the type of unit you operate. The costs include, but are not limited to, exterior signs. All signs must be pre-approved by us prior to your purchasing them for the lab.
- (11) Legal & Accounting Fees. These fees will be paid by you in order to hire an attorney and an accountant to assist with the formation of your legal entity, to review this disclosure document and to review your proposed lease agreement.
- (12) Initial Inventory. You must purchase various initial inventory, including, without limitation, certain test kits and personal protective equipment. All initial inventory must be purchased from our approved suppliers.
- (13) Dues and Subscriptions. You, your Designated Manager, or, if you are an entity, your Managing Owner, must become members of the National Drug & Alcohol Screening Association (“NDASA”) for at least the first year you operate your Business. We also strongly recommend joining your local Chamber of Commerce, the Society for Human Resource Management, and/or other local business networking organizations. These expenses are typically not refundable.
- (14) Additional Funds. This is estimate of your additional initial start-up expenses for the first six months of your Lab Operations. These expenses include rent and lease deposits, payroll costs, local advertising, fees paid to us such as Royalty Fees, Technology Fees, and National Advertising Fund contributions, and other operating costs but not any draw or salary for you. We estimate that most, if not all, of these expenses will not be incurred until after you begin your Lab Operations.
- (15) Totals. We relied on more than 18 years of experience in the laboratory services business to compile these estimates. ~~You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not provide financing arrangements for you. If you obtain financing from others to pay for some of the expenditures necessary to establish and operate your Business, the cost of financing will depend on your creditworthiness, collateral, lending policies, financial condition of the lender, regulatory environment, and other factors~~ We do not provide financing arrangements for you.

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Breath Alcohol Technician and Certified Professional Collector Training and Certifications	4 (per owner/staff per certification training) *	0	Conducted virtually when all prerequisites are completed
Business Planning, B2B Proposals, and Operations	24	16+	At our corporate headquarters in Atlanta, Georgia or via telephone and/or web-based methods + At your Business during your operations visit
Sales and Marketing	8	0	At our corporate headquarters in Atlanta, Georgia or via telephone and/or web-based methods
<b>Totals</b>	<b>66</b>	<b>20+</b>	

Certified Professional Collector (“CPC”) Training. You and all of your employees providing specimen-collection services must complete the CPC training and certification, including exams, as well as mock collections and proficiency demonstrations for DOT collections, to our satisfaction before being qualified to commence operating your Business. The Initial Training Fee covers the CPC training and certification for four people and is typically completed during the initial training program. Additional employees must be scheduled to be CPC trained and certified at another time and at our then-current fee per additional employee (which is currently \$225), plus any travel expenses incurred by us, if applicable.

Breath Alcohol Technician (“BAT”) Training. You and all of your employees providing services must complete the BAT training and certification, including exams, as well as the mock collections and proficiency demonstrations for DOT collections to our satisfaction before being qualified to commence operating your Business. The Initial Training Fee covers BAT training and certification for four people and is typically completed during the in-person initial training program or by interactive, web-based methods. Additional employees must be scheduled to be BAT trained and certified at another time and you must pay our then-current fee per additional employee (which is currently \$225), plus any travel expenses incurred by us, if applicable

Our trainers include the following:

NAME	TITLE	YEARS OF TRAINING EXPERIENCE WITH US	YEARS OF TRAINING EXPERIENCE WITH OTHER BUSINESSES
Kelly Cromptvoets	Interim President	4 months	<del>25</del> years
Anna Vanhooose	Director of Operations and Administration	<del>5</del> years	<del>4</del> years
Kisty Lee	Marketing Manager	<del>4</del> years	<del>80</del>
Crissy McDowell	HR and Marketing	<del>1.5</del> years	15
Jamie Welch	VP of Strategic Initiatives	<del>3</del> years	5

NAME	TITLE	YEARS OF TRAINING EXPERIENCE WITH US	YEARS OF TRAINING EXPERIENCE WITH OTHER BUSINESSES
Yvette Grace	Accounting Operations Manager	<del>2</del> years	<del>0</del> years
Kethania Glenn	Clinical Operations Manager	<del>1</del> year	<del>3</del> years
Kyler Welch	Franchise Business Coach	<del>0</del> years	8

Existing franchisees of ARCpoint Labs businesses may also participate in providing training to new franchisees.

### *Initial Training*

Initial Training, which will occur prior to beginning your Onsite/Online Operations, includes: 1) Online Training; 2) Orientation; 3) In Person Training; and 4) Owner Lab Shadowing. Online Training typically begins within ten days of you signing the Franchise Agreement and concludes with New Owner Lab Shadowing, which typically occurs within about 60 days before you begin Onsite/Online Operations of your ARCpoint Labs business. The overall timing and length of training can vary depending on your background, specific needs, etc.

Online Training – This is a combination of self-paced online and/or video training and live webinars that generally focuses on drug, alcohol, and DNA testing and collection procedures and associated methodologies, marketing, sales, accounting, and business operation software/tools, and an overview of our clinical program. You may be required to complete online exams for the topics covered to our satisfaction prior to moving on to the next portion of the training. You and your employees may watch and review this comprehensive segment of training at your leisure, and do so as many times as you like, both now and in the future.

In-Person Training – This training consists of four to five mandatory days of training in our corporate headquarters or online via our virtual training program. Depending on need, we typically conduct our In-Person Training over the course of one week every other month. Though it may vary depending on the specific needs of the new franchisee, In-Person Training generally consists of “hands-on” instruction and practice in various areas, to include “mock” toxicology collections, franchisee/client role-play, business proposal templates, and the use business and accounting software/tools, as well as live observation of our affiliate ARCpoint Labs business(es) and CPC certifications for attendees. Typically, franchisees attend In-Person Training within about 60 days before you begin Onsite/Online Operations of your ARCpoint Labs business. You must pay for all travel, lodging, and related expenses for Required Trainees to attend In-Person Training.

### *Additional Training*

#### Operations Training Visit

One member from our operations team will visit the site of your ARCpoint Lab Business in-person to assess, train, and advise on your operational organization. Typically, this training visit will occur within 30 days prior to beginning Lab Operations. During this visit, the Required Trainees will perform mock collections training, which will certify attendees as ARCpoint-certified BAT and CPC. You must purchase, and have available at this training, a franchisor-approved Breath Alcohol Device, and will only be certified

anti-virus systems, multi factor authentication and use of backup systems. (See Section 12.16 of the Franchise Agreement.)

## ITEM 12 TERRITORY

We will provide a geographic area around your Business (“Territory”) as described below. The Territory in which you are authorized to operate your ARCpoint Labs business will be based on a number of factors, including geographic size and population of people and businesses. Generally, a Territory consists of approximately 10,000 businesses as of the date you sign your Franchise Agreement. However, we cannot guarantee that your Territory will have 10,000 businesses. In certain densely populated metropolitan areas, a Territory may be considerably smaller, while ARCpoint Labs businesses operating in more rural areas may have a significantly larger Territory.

You may operate your Business through your Onsite/Online Operations only within your Territory and through your Lab Operations conducted only at the Premises within your Territory. You must receive our permission before relocating. We will grant approval to relocate if you are in compliance with the Franchise Agreement, you have paid all money owed to us, and the proposed location meets our site selection criteria as specified in the Manual. You will not receive an exclusive territory. [under the Franchise Agreement.](#) You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

If you sign multiple Franchise Agreements at the same time, you will also sign a MFA that outlines the Territory for each ARCpoint Labs business to be developed under the Franchise Agreements and the development deadlines for such ARCpoint Labs business. The Territories will be determined on a case-by-case basis. ~~Your Territories will not be exclusive.~~ [You will not receive an exclusive territory under the MFA. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.](#) Except as provided in the MFA, we will not grant you options, rights of first refusal, or similar rights to acquire additional franchises. [Under the MFA, you must meet the following minimum performance requirements: \(1\) beginning 24 months after you commence Lab Operations at the first bricks and mortar Premises approved by us in a Territory \(“First Opening Date”\), you must have a minimum of \\$150,000 in annual Gross Revenues from Onsite/Online Operations for each additional non-brick and mortar Territory \(“Minimum Revenue Threshold”\). Beginning 36 months after the First Opening Date, the Minimum Revenue Threshold shall increase by five percent \(5%\) for each 12-month period over the preceding 12-month period; \(2\) unless otherwise expressly agreed to by us, if you fail to meet the Minimum Revenue Threshold during any 12-month period for any Territory without a brick and mortar Premises for Lab Operations, then you will have 180 days following written notice from us of such failure to commence Lab Operations at a brick and mortar Premises approved by us within the relevant Territory \(“Brick and Mortar Opening Deadline”\); and \(3\) if you fail to meet any Brick and Mortar Opening Deadline, then we may terminate the Franchise Agreements for any of your ARCpoint Lab Businesses that have not commenced Lab Operations at brick and mortar Premises approved by us at the time of the breach.](#)

Provided you are in compliance with the Franchise Agreement, we will not operate an ARCpoint Labs permanent “brick and mortar” business within your Territory, but we have the right to do so anywhere outside your Territory. Clients in your Territory may already be serviced by another ARCpoint Labs business, either directly or as a TPA Account, or be serviced by another ARCpoint Labs business pursuant to a TPA Account in the future due to the location of the client’s headquarters. You may not be able to provide services to those clients. Though we strive to keep an accounting of clients, we may not be aware of all clients being serviced within a Territory, including TPA Accounts.

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
u	Dispute resolution by arbitration	Section 16 of the Franchise Agreement	Except for certain claims, all disputes must be arbitrated.
v	Choice of forum	Section 16 of the Franchise Agreement	Arbitration must be held where we have our principal place of business at the time the arbitration demand is filed (currently, Fulton County, Georgia) (subject to applicable state law); for claim not subject to arbitration, claims must be brought in the district where we have our principal place of business at that time.
w	Choice of law	Section 16.05 of the Franchise Agreement	Georgia law applies (subject to applicable state law)

**ITEM 18  
PUBLIC FIGURES**

We do not use any public figures 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.

**2024 Gross Revenues  
Minus Clinical Program Sales Analysis  
Franchised Businesses Open at Least 1 Year**

After August 2024, new ARCpoint Labs businesses will not participate in clinical programs, which include the offer of clinical products and services in addition to COVID-related clinical services directly to consumers. Therefore, the table below represents Gross Sales data minus all sales from clinical programs of 95 franchised ARCpoint Labs businesses that: (a) reported clinical program sales data for each of the 12 months in 2024; and (b) were in business 12 months or more as of December 31, 2024. Of the ~~115~~108 franchised ARCpoint Labs businesses that had been in business for 12 months or more as of December 31, 2024, ~~20~~13 were excluded because they did not report the clinical program sales data for each of the 12 months in 2024.

<b>Segment</b>	<b>Top 20%</b>	<b>Middle 60%</b>	<b>Bottom 20%</b>
No. of Franchised Businesses	19	57	19
Average Gross Sales Minus Clinical Program Sales	\$544,193	\$154,694	\$29,551

Segment	Top 20%	Middle 60%	Bottom 20%
Median Gross Sales Minus Clinical Program Sales	\$498,697	\$148,191	\$25,694
Range of Gross Sales Minus Clinical Program Sales	\$328,701 - \$1,163,454	\$59,494 - \$297,660	\$234 - \$57,469
# and % of Franchised Businesses that Met or Exceeded Average Gross Sales Minus Clinical Program Sales	4 / 21%	25 / 44%	8 – 42%

Notes

1. “Gross Revenue” means the total of all receipts derived from services performed or products sold by the Business, wherever located and directly or indirectly related to the Business, whether through Lab Operations or Onsite/Online Operations, whether or not sold or performed at or from the Premises, whether the receipts are evidenced by cash, credit, checks, gift certificates, coupons, services, property, or other means of exchange and regardless of collection in the case of credit. We obtained this Gross Revenue information from unaudited franchisee reports submitted to us consistent with our reporting requirements.

2. Gross Revenues Minus Clinical Program Sales is calculated by removing all sales from clinical programs from the Gross Revenues of the ARCpoint Labs business.

4. As of December 31, 2024, there were ~~123~~124 franchised and 5 affiliate-owned ARCpoint Labs businesses. The data below in this financial performance representation only applies to the franchised ARCpoint Labs businesses. From January 1, 2024 to December 31, 2024, there were ~~15~~26 franchised ARCpoint Labs businesses that closed, none of which had been open for less than 12 months. These closed outlets are not included in this data.

5. Written substantiation of the data used in preparing the figures in the tables will be made available to you on reasonable request.

**6. Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will sell and/or earn as much.**

~~7. You should conduct an independent investigation of the expenses you will incur in operating your Franchise. Franchisees or former Franchisees listed in this Franchise Disclosure Document may be one source of information.~~

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 our management by contacting Kelly Cromptvoets at 303 Perimeter Center North, Suite 575, Atlanta, GA 30346 or the Federal Trade Commission, and the appropriate regulatory agencies.

**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NO. 1  
Systemwide Outlet Summary  
For Years 2022 to 2024  
(As of December 31 of each year)**

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2022	110	128	+18
	2023	128	138	+10
	2024	134	124	-10
Affiliate-Operated	2022	5	5	0
	2023	5	5	0
	2024	5	45	+40
Total Outlets	2022	115	133	+18
	2023	133	143	+10
	2024	139	129	-10

**TABLE NO. 2  
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)  
For Years 2022 to 2024  
(As of December 31 of each year)**

STATE	YEAR	NUMBER OF TRANSFERS
California	2022	1
	2023	0
	2024	1
Florida	2022	1
	2023	2
	2024	2
Illinois	2022	1
	2023	0
	2024	0
Nevada	2022	0
	2023	0
	2024	1
North Carolina	2022	0
	2023	1
	2024	0
Oklahoma	2022	0
	2023	1
	2024	0
South Carolina	2022	0
	2023	1
	2024	0