

FRANCHISE DISCLOSURE DOCUMENT

Paramount Franchising LLC
A Nevada limited liability company
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801-341-2300
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www.paramount.tax



The franchised business is to operate a federal and state tax return preparation, tax resolution, accounting and related accounting and financial services business under the service mark Paramount.

The total investment necessary to begin operation of a Paramount Tax & Accounting franchise is \$73,700 to \$166,000. This includes \$60,100 to \$67,000 that must be paid to the franchisor or its affiliate(s). ~~If you enter into a Multi-Unit Development Agreement (“MUDA”) to develop multiple franchises, you must commit to develop at least 2 franchises, and you are required to pay the initial franchise fee in full for each unit to be developed—\$40,000 for your first unit and \$25,000 per additional unit.~~

The total investment necessary to begin operation of 2 Paramount Tax & Accounting franchises is \$132,400 to \$317,000. This includes \$105,200 to \$119,000 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to begin operation of 3 Paramount Tax & Accounting franchises is \$191,100 to \$468,000. This includes \$150,300 to \$171,000 that must be paid to the franchisor or its affiliate(s).

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Jon Wilhelm, CPA at Jon@Paramount.tax; 12481 South Fort St., Suite 200, Draper, Utah 84020; and 801-341-2300.

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 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, 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.

Item 5 INITIAL FEES

Initial Franchise Fee

All franchisees purchasing a new Paramount Tax & Accounting franchise pay an initial franchise fee of \$40,000. This amount is due in full in a lump sum at the time of signing the franchise agreement. To honor those men and women who have served our country in the U.S. Armed Forces, we offer a 20% discount off the initial franchise fee, contingent upon verification of honorable separation.

Deposit Fee “Binder”

At least 14 days after we provide you with a copy of this disclosure document, but prior to signing the franchise agreement, you will be required to pay a \$5,000 deposit, commonly referred to as a “binder.” This binder is fully refundable if you do not purchase a Paramount Tax & Accounting franchise. After we receive your binder, we begin the search for your specified territory. When you enter into your franchise agreement, the binder is applied against the franchise fee leaving a remainder of \$35,000, which must be paid at the time of signing the franchise agreement.

Partial Refund of the Initial Franchise Fee

If (1) you fail to complete the initial training program to our satisfaction, or (2) we conclude, no more than 10 days after you complete the initial training program that you do not have the ability to satisfactorily operate your franchise, then we have the right to terminate your franchise agreement. If we do so, we will refund your franchise fee less any out-of-pocket costs we have incurred, subject to your signing a general release of our liability.

Multi-Unit Development

If you and we agree that you will develop multiple franchises, then you will be required to sign our Multi-Unit Development Agreement (“MUDA”) in the form of Exhibit C to this disclosure document. The initial franchise fee for the first franchise unit is \$40,000, and the initial franchise fee for each additional franchise to be developed is \$25,000 per franchise. You must commit to developing at least 2 franchises. You will pay all franchise fees upon signing the MUDA. These franchise fees are refundable only under the same circumstances as described above under “Partial Refund of the Initial Franchise Fee.”

Startup Package

We will supply you with a startup package that includes computers, a server (which we can require to be a cloud-based server), monitors, scanners, modem, printers, video conferencing equipment, software, branded tax folders, pens, interior office sign, and Paramount branded candy, “Paramints.” Depending on your needs and preferences, this startup package costs between \$20,000 and \$25,000. This amount must be paid in a lump sum at the time of ordering.

Supply Inventory

Your startup package will include an initial supply of tax folders and business cards. You may purchase additional ~~are required to purchase~~ folders and business cards from us at our cost. If you purchase additional items, we estimate ~~the~~ cost will range from \$100 to \$2,000.

4. Indemnification. You must indemnify us from damages and costs related to your acts, errors or omissions in the operation of your franchise business or your franchise business generally and including any allegation that you are our employee, or that we are a joint employer or otherwise responsible for the acts or omissions relating to your employees, and other laws regarding public accommodations for persons with disabilities. You are not required to indemnify us for liability caused by our willful misconduct, gross negligence, breach of fiduciary duty, strict liability, or fraud.

5. Uniformity. These fees are applied uniformly to all our franchisees.

Item 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial franchise fee (see Note 1)	\$40,000 - \$40,000	Check or wire transfer	Upon signing the franchise agreement	Us
Real Estate / Rent (see Note 2) (3 months of rent, plus a security deposit)	\$0 - \$12,000	Check	Upon signing lease	Landlord
Utilities (initial setup plus 3 months) (see Note 2)	\$0 - \$3,000	Check, debit, and/or credit	Upon ordering service	Utility providers
Leasehold Improvements (see Note 3)	\$0 - \$10,000	Check	As incurred or when billed	Contractors
Initial Marketing (see Note 7)	\$0 - \$5,000	Check, debit, and/or credit	As incurred or when billed	Suppliers
Startup Package (see Note 4)	\$20,000 - \$25,000	Lump sum	Upon ordering	Us
Furniture, Fixtures, and Equipment (see Note 8)	\$0 - \$5,000	Check, debit, and/or credit	As incurred	Suppliers
Insurance	\$500 - \$3,500	Check, debit, and/or credit	Upon ordering	Insurance company
Signage (see Note 5)	\$0 - \$3,000	Check, debit, and/or credit	Upon ordering	Suppliers

Type of expenditure	Amount		Method of payment	When due	To whom payment is to be made	
Office Expenses (see Note 8)	\$0	-	\$2,000	Check, debit, and/or credit	As incurred	Suppliers
Additional Supply Inventory (see Note 4)	\$0	-	\$2,000	Check, debit, and/or credit	Upon ordering	Us
Licenses and Permits (see Note 8)	\$0	-	\$1,000	Check	Upon application	Government
Dues and Subscriptions	\$700	-	\$2,000	Check, debit, and/or credit	As incurred	Suppliers, trade organizations
Professional Fees (lawyer, accountant, etc.) (see Note 8)	\$0	-	\$3,000	Check, debit, and/or credit	As incurred or when billed	Professional service firms
Travel, lodging and meals for initial training (see Note 6)	\$2,500	-	\$4,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first 3 months) (see Note 79)	\$10,000	-	\$45,500	Varies	Varies	Employees, suppliers, utilities
Total (Note 810)	\$73,700	-	\$166,000			

Notes

1. **Initial Franchise Fee.** The initial franchise fee is refundable only as described in Item 5. Additionally, at least 14 days after we provide you with a copy of this disclosure document, but prior to signing the franchise agreement, you will be required to pay a \$5,000 deposit, commonly referred to as a "binder." This binder is fully refundable if you do not purchase a Paramount Tax & Accounting franchise. After we receive your binder, we begin the search for your specified territory. When you enter into your franchise agreement, the binder is applied against the franchise fee leaving a remainder of \$35,000, which must be paid at the time of signing the franchise agreement. To honor those men and women who have served our country in the U.S. Armed Forces, we offer a 20% discount off the initial franchise fee, contingent upon verification of honorable separation. Veteran ID cards, DD-214, and other documentation will be required to provide proof of honorable discharged status. If you enter into a multi-unit development agreement with us, you will be required to pay the initial franchise fee for each franchise to be developed at the time of signing the multi-unit development agreement. We expect multi-unit developers to generally commit to open between 2 and 5 franchise units. Your lease security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. None of the other expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment.

2. **Real Estate / Rent.** This estimates the cost to rent a commercial office space. Your cost could be \$0 if you operate from an approved home office. We allow our franchisees to work from a home

office, so long as the home office is a separate office space closed off from the remainder of the home, the office space is at least 10' x 10', the office space is quiet and professional looking, and the office is equipped with all the necessary equipment and technology to provide clients with the same quality services as if the franchisee were leasing a commercial space. Our estimates in this table range from a home office to leasing commercial space. If you lease commercial space, the above table assumes you pay a security deposit equal to one-month's rent and that you begin paying rent when (or shortly before) you open for business. For this to occur, you would need to negotiate a "free rent" period for the time it takes to build out your business. You may be able to negotiate additional free rent or reduced rent periods after opening as well. If you choose to purchase real estate instead of renting, your costs will be significantly different. We have not included an estimate for the cost to purchase and build a location in the table above, but we estimate the cost of your buildout to range between \$200 and \$300 per square foot, depending on your market. You will also need to budget for setting up utilities in your name as well as a few months of utility costs. However, if you operate from a home office, you likely will not incur any additional utility costs.

3. Leasehold Improvements. This estimates the cost to build out a commercial office space. Your cost could be \$0 if you operate from an approved home office. If you choose to operate from a commercial space, you may incur costs build out your location according to our specifications. Costs of improvements vary widely based on location, terms of the lease, the total area of your space, as well as construction and material costs. Your landlord may provide you with a tenant improvement allowance as part of your lease, which has not been included as part of these estimates. You should review these costs with a local contractor, commercial real estate agent and other professionals. We do not provide standard design plans and specifications for construction and improvements. If you locate your center to a newly constructed space, the landlord may require significantly greater additional expenditures to cover leasehold improvements. You are not required to lease newly constructed space.

4. Startup Package. We will supply you with a startup package that includes computers, a server (which we can require to be a cloud-based server), monitors, scanners, modem, printers, video conferencing equipment, and software. This amount must be paid in a lump sum at the time of ordering. The startup package also includes folders, business cards, mints, and pens. This is only an initial supply and will require replenishment on a regular, on-going basis depending on your volume of sales. You may purchase additional folders, business cards, etc., from us at our cost. If you purchase additional items, we estimate the cost will range from \$100 to \$2,000.

5. Signs. At least 1 exterior sign displaying the trademark (when possible) and 1 interior sign is required. You will receive 1 interior sign with your startup package, so if you operate from a home office, you likely will not need to purchase additional signage to what is already provided in your startup package. These signs may be made locally. All signs must conform to our specifications. All purchase agreements or leases must be negotiated with your suppliers.

6. Initial Training. We will pay for 1 hotel room for up to 5 nights during the initial training. However, you are responsible for all other costs associated with attending the initial training, including travel, lodging (to and from training, if applicable), extra hotel rooms, food, and other expenses for your attendees during training, and you must pay these expenses directly to the supplier (hotels, airlines, restaurants, rental car companies, etc.). We estimate that you will have two people attend training. These costs will vary widely as a function of the distance traveled and the choice of accommodations, meals and transportation.

7. Initial Marketing. We encourage but do not require that you spend a specific amount on your initial marketing. By initial marketing, we mean marketing for your opening.

8. Existing Business. If you already operate a tax and accounting business that you are converting to become a Paramount Tax & Accounting business, you may not need to spend any additional amounts on furniture, fixtures, equipment, office expenses, professional fees, or licenses and permits.

97. Additional Funds. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as payroll, additional inventory, rent, and other operating expenses in excess of income generated by the business. In formulating the amount required for additional funds, we relied on: the development experience of a Paramount Tax & Accounting business by our affiliates since 2008, our experience in franchising since 2016, and the experience of our 90 franchisees that were in operation as of the end of 2024, and our general knowledge of the industry.

§10. Total. Other than the initial franchise fees, the figures listed in the table above are estimates for the development of a single franchise unit territory, and we cannot guarantee that you will not have additional expenses starting your franchise business. If you enter into a multi-unit development agreement, then you can expect similar costs for each unit to be developed, but we anticipate you will develop your units over time according to the development schedule rather than all at once. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us or an affiliate, we require immediate payment. We do not offer direct or indirect financing for any item. All fees and payments payable to us or an affiliate are non-refundable. You should verify with any third-party payee whether such payments, deposits, or fees are refundable or not.

**YOUR ESTIMATED INITIAL INVESTMENT
(2 to 3 Unit Development)**

If you enter into a multi-unit development agreement with us, you must commit to develop at least 2 franchises. And although multi-unit developers are expected to develop their units over time rather than all at once, we have included the total estimated costs to develop 2 to 3 franchise units below.

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
2-Unit Development ^{1,3}	\$132,400 - \$317,000	As incurred	Part upon signing the multi-unit development agreement and the remainder paid as the second unit is developed	Us and suppliers
3-Unit Development ^{2,3}	\$191,100 - \$468,000	As incurred	Part upon signing the multi-unit development agreement and the remainder paid as each unit is developed	Us and suppliers

NOTES

¹ 2-Unit Development. The range is the estimate to build out 2 units based on the Item 7 table.

² 3-Unit Development. The range is the estimate to build out 3 units based on the Item 7 table.

³ Total. These figures are estimates for the development of 2 or 3 units, and we cannot guarantee that you will not have additional expenses starting your development business. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us or an affiliate, we require immediate

Item 21
FINANCIAL STATEMENTS

Exhibit F contains our audited financials dated December 31, ~~2023~~2024, our audited financials dated December 31, ~~2022~~2023, and our audited financials dated December 31, ~~2021~~2022. We have also included unaudited interim financials dated May 31, 2025. Our fiscal year ends December 31.

Item 22
CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

- B. Franchise Agreement
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- J. State Addenda to Franchise Agreement
- M. Deposit Receipt Letter

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last 2 pages of this disclosure document.

Attachment 5 to Franchise Agreement

STARTUP PACKAGE

Paramount Tax and Accounting Startup Equipment List:

Full Customized Paramount Franchisee Website

Initial Digital Marketing Set Up

3-Month Pay-Per-Click Marketing Campaign for First Tax Season

1 (one) Computer Workstation

1 (one) Networked Server Computer or a Cloud-based Server with a 1-year Subscription for Up to Two Licenses

1st Year of Drake Tax Software

1st Year of Antivirus Software

QuickBooks Online Accounting Software Tax Software Compatible Scanner at Each Workstation

Employee Payroll Tracking Software

Tax Software Compatible Laser Jet Printer for Every Two Preparers

Paramount Franchise Interior Office Signage

Paramount Branded Candy – “Paramints”

Paramount Branded Tax Folders

Paramount Branded Business Cards

Paramount Branded Blue Gel Pens

1 (one) Large Screen Wall-Mounted Monitor (40 to 60 inches)

Wall Mount for Large Screen Monitor

2 (two) Desktop Monitors

1 (one) Mouse

1 (one) Keyboard

1 (one) Webcam

1 (one) Microphone

Computer, Monitor and Peripheral Cables

Microsoft Office Suite

**ADDENDUM TO THE FDD
FOR THE STATE OF ILLINOIS**

Illinois law governs the franchise agreement(s).

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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.

~~By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the Franchisor and its affiliates.~~

**ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF FOR THE STATE OF ILLINOIS**

Illinois law governs the franchise agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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.

IN WITNESS WHEREOF, the Franchisor and Franchisee have respectively signed and sealed this Franchise Agreement as of _____.

FRANCHISEE:

FRANCHISOR:

By: _____
(Signature)

By: _____
(Signature)

Name: _____

Name: _____

Title: _____

Title: _____

**ADDENDUM TO THE MULTI-UNIT DEVELOPMENT AGREEMENT
FOR THE STATE OF FOR THE STATE OF ILLINOIS**

Illinois law governs the Multi-Unit Development Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Multi-Unit Development Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Multi-Unit Development Agreement may provide for arbitration to take place outside of Illinois.

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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.

IN WITNESS WHEREOF, the Franchisor and Franchisee have respectively signed and sealed this Multi-Unit Development Agreement as of _____.

FRANCHISEE:

FRANCHISOR:

By: _____
(Signature)

By: _____
(Signature)

Name: _____

Name: _____

Title: _____

Title: _____