

**FRANCHISE DISCLOSURE DOCUMENT
WORRIED BIRD INTERNATIONAL, LLC**

WORRIED BIRD

19500 Victor Parkway
Livonia, MI 48152
734-237-9730
www.worriedbird.com
franchisesales@worriedbird.com

We franchise the right to operate a “mobile-services” business (each, a “Franchised Business”) focused on providing window washing, gutter cleaning, power washing, screen repairs and holiday lighting, primarily for residential and commercial customers, along with any other products and services we designate or authorize for sale in the future, all while using the proprietary marks we designate (including our current proprietary mark WORRIED BIRD) and system of operations that we have developed.

The total investment necessary to begin operation of a Worried Bird Franchised Business is between \$91,285 and \$125,035. This includes \$~~7656~~,285 to \$~~8661~~,285 that must be paid to the franchisor and/or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to us 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 Michael Shinabarger at michael@phoenixfranchisebrands.com 19500 Victor Parkway, Livonia, MI 48152, 734-237-9730.

The terms of your contract will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor like a lawyer or 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 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: April 30, 2025

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 that 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 D.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation or litigation only in Delaware. Out-of-state mediation or litigation may force you accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Delaware than in your own state.
2. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (Item 21) calls into question the Franchisor's financial ability to provide services and support to you.
3. **Mandatory Minimum Payments.** You must make minimum royalty, administrative, 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. **Short Operating History.** This Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise with a longer operating history.
- 3-5. **Sales Performance Requirement.** 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.

Door Renew franchises. Door Renew International, LLC does not conduct any other business, does not offer franchises in any other line of business and does not provide any goods or services to Worried Bird franchisees.

Our affiliate, Spray Foam Genie International, LLC is a Delaware Limited Liability company with a principal address of 19500 Victor Parkway, Livonia, Michigan 48152, which offers franchises that provide residential and commercial insulation services, including crawl space encapsulation, new construction and retro attic insulation, open & closed cell foam, slow rise foam injection, and concrete lifting/leveling and has done so since October 2022. As of December 31, 2024, there were 44 Spray Foam Genie Franchises. Spray Foam Genie International, LLC does not conduct any other business, does not offer franchises in any other line of business and does not provide any goods or services to Worried Bird Franchisees.

Our affiliate, medspa810 Global, LLC is a Delaware Limited Liability Company with its principal office located at 19500 Victor Parkway, Livonia, MI 48152, which offers franchises that provide best in class aesthetic medical services and products. In May 2024, Phoenix acquired a majority interest in medspa810 Global, LLC. As of December 31, 2024, there were 4 medspa810 Global, LLC franchises. Medspa810 Global, LLC does not conduct any other business, does not offer franchises in any other line of business and does not provide any goods or services to Worried Bird franchisees.

Our affiliate, Steel Coated Floors, LLC, is a Delaware Limited Liability Company formed on May 2, 2024 and our principal office is located at 19500 Victor Parkway, Livonia, MI 48152, which offers franchises that provide proprietary epoxy flooring product and services, primarily for residential garages but also for industrial and commercial garages, with a lifetime guarantee, and other products or services, and has done so since 2018. On August 22, 2024, Phoenix acquired a majority interest in Steel Coated Floors, LLC. As of December 31, 2024, there were 8 Steel Coated Floors, LLC franchises. Steel Coated Floors, LLC does not conduct any other business, does not offer franchises in any other line of business and does not provide any goods or services to Worried Bird franchisees.

The Business We Offer

We offer, to those who meet our qualifications, the opportunity to be awarded a Worried Bird Franchised Business focused on providing our services of window washing, gutter cleaning, screen repair, power washing and holiday lighting with our proprietary equipment and processes (the “Designated WB Product”) and services, primarily for residential but also for industrial and commercial customers, and other products or services that we authorize for offer or sale at the Franchised Business (the “Approved Products” and/or “Approved Services” as applicable). In order to own and operate a Franchised Business, you must enter into our current form of franchise agreement that is attached as Exhibit A to this Disclosure Document (the “Franchise Agreement”).

Each Franchised Business is operated according to a unique system we have developed through our principals which includes certain proprietary systems, methods, know how, computer software programs, and other associated trade secrets with respect to the Worried Bird Business (the “Franchise System”). We have created a general operations manual (the “Operations Manual”) which provides guidelines and details regarding the Franchise System and provides you with the information needed to establish and operate the Franchised Business. All services will be rendered in accordance with the Operations Manual.

~~The Franchised Business will operate under our then current proprietary marks, trade dress, logos and other indicia of origin we designate in writing (collectively, the “Proprietary Marks”). As of the Issuance Date, these marks include our current primary mark Worried Bird.~~

~~You will operate from an approved geographical region wherein you are awarded the right to operate the Franchised Business and provide the Approved Services and Approved Products to new and existing clientele (your “Territory”).~~

~~You may operate your Franchised Business from your home, but you will also need sufficient flex space, between 250 square feet to 1,000 square feet, to properly store and maintain the Franchised Business’s inventory and equipment.~~

Market and Competition

Worried Bird Franchised Businesses offer their services to the general public including residential and commercial property owners, residential and commercial property builders, homeowners’ associations and property managers. The Franchised Business will compete primarily with other washing providers in proximity to the location of your Worried Bird Business. The exterior cleaning industry in general is a mature and highly competitive industry and can be seasonal in nature. Your competitive advantage will be based on our unique and proprietary products, your adherence to our System standards and guidelines, as well as your entrepreneurial and managerial abilities, sales aptitude and focus on customer service.

Industry Specific Regulations

Your Worried Bird Franchised Business will be subject to laws and regulations in your state, county, or municipality regarding the operation of an exterior cleaning business, which may include laws related to licenses or certifications associated with providing handyman services. For example, your Worried Bird Franchised Business will be subject to the Department of Transportation’s requirements, and you will need to apply for and obtain a USDOT Number. Some states may have licensing, certification, registration, or training requirements applicable to some or all of the services you and your employees will be providing through your Franchised Business. You may be required to pay a fee to the state agency or association responsible for enforcing these requirements. Some states may require a minimum level of education or related work experience to obtain licenses.

Your Franchised Business will also be subject to federal, state and local Occupational Safety and Health Administration (OSHA) and Environmental Protection Agency (EPA) regulations, and you must strictly comply with all federal, state, and local regulations regarding the use, handling, transportation, and disposal of hazardous materials. You must comply with all local, state, and federal laws and regulations that apply to the operation of your Worried Bird Franchised Business, including, among others, business operations, insurance, discrimination, and employment laws. Health regulations, as well as other state and local specific safety and workplace regulations may impact the types of training, devices, and equipment you must make available to or be required to offer to your employees. Your advertising of the Franchised Business is regulated by the Federal Trade Commission. Your Franchised Business will also be subject to various federal, state, and local laws and regulations affecting the Franchised Business, including, among others, rules and regulations governing licensing, permits, zoning, environmental protection, occupational safety and health, and hazardous substances and waste disposal. You are also subject to employment laws such as the EEOC, Fair Labor Standards Act, Americans with Disabilities Act and various state laws governing such matters as minimum wage, overtime and working conditions. There may be other federal, state and local laws which affect your Franchised Business in addition to those listed here.

You will be responsible for investigating and complying with all such laws in your designated territory. You should consider both their effect on your business and the cost of compliance. You should thoroughly investigate all of the laws and requirements before purchasing a Worried Bird Franchised Business.

Name of Fee	Amount	Due Date	Remarks
	the minimum royalty payment, whichever is greater. In Year 1, the weekly minimum royalty is \$175 per week; in Year 2, the weekly minimum royalty is \$249 per week, in Year 3, the weekly minimum royalty is \$415 per week, and \$524 per week in Year 4 and after.		seven-day period between Sunday and Saturday. A late fee of \$100 per week plus interest at the rate of 1.5% per month or 18% per annum on the unpaid balance will be charged on any payments not received by the due date. A fee of \$50 per occurrence will be charged on any ACH or automatic virtual check debits that are returned or refused for processing.
Technology Fee	Currently, \$595 per month (subject to reasonable increase if costs to us increases)	Monthly	This fee is for access to and use of certain technology, including CRM Tools, training, LMS systems, emails, Microsoft package, and other training materials, as well as, and access to the local marketing library and digital service depot. <u>The fee is subject to increase, should the cost to us increase, but shall not exceed an increase of 10%.</u>
Autosist Charge	Currently, \$100 per month	Monthly	This fee is for access to and use of the GPS system and preventive maintenance system required for all vehicles. <u>The fee is subject to increase, should the vendor increase the fee, but shall not exceed an increase of 10%.</u>
Sales & Marketing Center Fee	5% of Gross Revenue	Payable weekly as outlined in the Operations Manual.	Should you elect to utilize the Sales & Marketing Center services, this fee may be payable through automatic debit processes and at different times as outlined in the Operations Manual.
Brand Fund Contribution	1% of weekly Gross Revenues <u>for the preceding week</u> , with a minimum of \$50 per week in Year One and \$100 per week in Year 2 and beyond.	Thursday of each week	Brand Fund Contributions are paid directly to the National Brand Development Fund. This also helps to support the in-house marketing staff.
Local Advertising Requirement	A minimum of \$2,500 per month for the first vehicle operated by the Franchised	Monthly, as incurred	To our approved marketing vendor. This fee is for SEO costs, digital advertisements, social media marketing, etc. We require you to spend this amount within your Territory to promote

Name of Fee	Amount	Due Date	Remarks
	Business, plus an additional \$1,000 per month for each additional vehicle		your Franchised Business. It is encouraged in the beginning of your business to spend additional funds on grass roots marketing, local home shows, etc.
Administrative Fee	4% of Gross Revenue, with a minimum of \$120 per week.	Monthly	This includes accounting needs, tax filings, payroll facilitation, sales support, marketing support, dedicated operations and support team.
Late Fees	\$100 per week	As incurred	A late fee of \$100 per week must be paid on any payment to us that is not paid when due.
Interest	1.5% per week or 18% per annum	As incurred	If you fail to pay us any amount when due, we may charge you interest at the rate of 1.5% per month or 18% per year on the unpaid balance until the payment is received.
Credit card processing fee	3.5% of total amount debited	Not specified	Fee will apply if we debit your credit card for royalty or certain other fees.
Insurance	Amount of premium paid by Worried Bird International, LLC plus 20%	Upon demand	If you do not purchase insurance coverage as required, you must reimburse us this amount to secure insurance coverage.
Additional Training	\$300 per day plus reasonable travel expenses	Upon your registration for the program or meeting	For training beyond the initial training, you must pay the current training fee per employee sent to training. <u>This training fee is currently \$300 but shall increase no more than 10%. You will be responsible for all costs, including transportation, lodging, meals, and wages, if applicable.</u>
Transfer Fee	\$10,000	Prior to the transfer of a franchise	A transfer includes any sale, assignment, conveyance, giving away, pledging, mortgaging, or otherwise encumbering any interest in ownership in the Franchised Business or Franchise Agreement, assets outside of the normal course of business or ownership rights.
Renewal Fee	\$10,000	Upon signing a new franchise agreement	In addition to the payment of a renewal fee, you must satisfy our other renewal conditions, including signing of our then- current form of franchise agreement, the terms of which may materially differ from the terms of your initial franchise agreement.
Interim Franchise	Franchisor's then-current Royalty Fee	Thursday of each week when	An Interim Franchise Fee applies if your Franchise Agreement expires, no renewal franchise agreement is signed, and you

Name of Fee	Amount	Due Date	Remarks
Royalty Fees	plus 3.5%	applicable	continue to opearte operate the Franchised Business.
Relocation Fee	\$1,000	When applicable	If you relocate your franchise business, you must pay us this amount for the cost and expense we incur in connection with your relocation.
Step-In Right Expenses ³	Amounts will vary	As incurred	15% of gross revenue. See footnote 3 for more information.
Audit Fees	Amounts owing plus interest at prime (as stated in the Wall St. Journal) plus 3% per year plus the cost of the audit in some circumstances. The range of cost for the audit is from \$1,500 to \$4,500	At the time of audit.	Audit shall be conducted upon our belief that your reported figures are not accurate. If the audit finds an understatement in any payment of 2% or more, franchisee shall pay <u>the amounts underpaid to the franchisor with interest at Prime plus 3% per year, plus the costs and expenses of the audit. The total amount owed to the Franchisor will depend on the underpayment to the Franchisor as well as the length of time that you have failed to pay Franchisor. The range of cost for the audit is from \$1,500 to \$4,500.</u>
Sales outside of Territory Fee	Up to 100% of any revenue generated from one client.	As set by us periodically. Currently 10 days after notice from us	Imposition of any fee is at our sole discretion.
Cost of Enforcement	Our actual costs, including attorney fees	As incurred	You must reimburse us for all costs to enforce obligations under the Franchise Agreement if we prevail.
Indemnification ⁴	Our actual costs, including attorney fees	As incurred	You must defend suits at your cost and hold us harmless against suits involving damages resulting from your operation of the Franchised Business. Payable as incurred by us.
Taxes	Amount of taxes	When incurred	You must reimburse us for any taxes that we must pay to any taxing authority on account of either the operation of your Franchised Business or payments that you make to us, including, but not limited to any sales taxes or income taxes imposed by any authority.
System Standard Violation	All costs of inspection and audit	As incurred	If you fail to adhere to the System Standards, you must reimburse us for any, and all costs and expenses associated with counsel, inspection, support, assistance, travel

Name of Fee	Amount	Due Date	Remarks
			enforcement rendered to and against Franchisee regarding said System Standards violation and/or non-compliance.
Annual Convention Fee	Then-current fee we determine to charge to System franchisees. Currently, we expect that this fee will be between \$1,000 and \$1,5000 (per attendee)	At least 30 days prior to Convention	We reserve the right to conduct an annual conference and/or convention for all System owners and operators, including System franchisees, and we may require that you and any Designated Manager you have in connection with your Franchised Business attend and participate in this annual event for a period of up to five (5) business days.
Post-Term Compliance	The amounts you will need to Actual costs and expenses you will incur to de-identify and otherwise comply with post term obligations upon expiration or termination of your Franchise Agreement	As incurred post-term	Please see Item 17 and our current form of Franchise Agreement for additional information regarding these obligations. <u>You shall be responsible to pay us for any costs and expenses that are owed to us under the Franchise Agreement, as well as any third parties you engage to provide services on your behalf to comply with your post-term obligations.</u>
Legal Fees and Expenses in Connection with Default(s)	Actual costs and expenses incurred	As incurred	You shall pay us for any costs and expenses we incur if you fail to pay amounts when due or if you fail to comply with the Franchise Agreement in any way. These costs and expenses include but are not limited to attorneys' fees.

Notes: All fees are nonrefundable and uniformly imposed on all new franchisees. Some franchisees under future versions of our franchise agreement may be obligated to pay more, less, or different fees than what is listed here.

1. The term “Gross Revenues,” as used in this Agreement, shall mean all sales and other income (recognized on an accrual basis), whether cash or credit or barter for exchange (regardless of the collection in the case of credit), arising from the operation of the Franchised Business, less (i) all refunds and discounts made to customers in good faith and in accordance with Franchisor’s policies, and (ii) any sales or excise taxes that are separately stated and that Franchisee may be required to and does collect from customers and pays to any federal, state, or local taxing authority.

2. We may offer mandatory and/or optional additional training programs from time to time. If we require it, you must participate in additional training, including attendance at a national business meeting or annual convention, at a location we designate. ~~We reserve the right to impose a reasonable fee for all additional training programs, including the national business meeting or annual convention.~~ You are responsible for any

TYPE OF EXPENDITURE	ACTUAL OR ESTIMATED AMOUNT (LOW)	ACTUAL OR ESTIMATED AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Additional Funds – 3 Months ¹²	\$10,000	\$15,000	As Incurred	After opening	Approved Supplier; other third-party suppliers; possibly a lessor of third party space; various other parties
Total Estimate(s)¹⁵	\$ 91,285	\$125,035			

Explanatory Notes to Item 7 Chart Above

Generally. The Chart above relates to the operation of the Approved Location from a home office. If you have a quiet and organized workspace at home, then you may launch and operate your Franchised Business from the dedicated workspace. You will need approximately 250 to 1,000 square feet of secure storage for inventory and equipment. If you have such storage capabilities at home, then you do not need to acquire dedicated storage. If you do not have sufficient storage capabilities at home, you are permitted to rent storage space, but you are expected to do so in a public storage facility or private garage. If you choose to operate your Worried Bird Franchised Business from a location other than from your home and/or rent storage space, you will incur additional expenses, such as lease payments and leasehold improvements. We reserve the right, but not the obligation, to review, inspect and approve your proposed rented storage space that you will dedicate for the operation of your System Business.

All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. Actual costs will vary for each franchise location depending on a number of factors, including market condition and the geographic location of your Worried Bird Business.

1. Initial Franchise Fee. The Initial Franchisee Fee is described more fully in Item 5 of this Disclosure Document.

2. Rent; Lease Deposit. Franchisor anticipates you operating your Franchised Business from a home office; therefore, you would not incur any costs associated with rent or a lease deposit. If you do not have a quiet organized space at home to be your office and/or do not have 250 to 1,000 square feet of storage space, you will need to secure a retail office premises and/or commercial storage space for the Franchised Business. The low estimate assumes you will not need to lease office and/or storage space, and the high estimate assumes you will lease a total of 1,000 square feet at a cost of around \$1 per square foot. It is extremely difficult to estimate lease acquisition costs because of the wide variation in these costs depending upon location. Lease costs will also vary based upon variance in square footage, cost per square footage, local market commercial lease rates, and required maintenance costs. This estimate covers your cost for the security deposit. The remainder of the rent expense during the first three months is covered under Additional Funds. The amounts paid are typically not refundable except for a security deposit, which may be refunded.

3. Leasehold Improvements. Franchisor anticipates you operating your Franchised Business

from a home office; therefore, you would not incur any costs associated with leasehold improvements. However, franchisees may have additional costs if they do not work out of a home office or need to lease storage space. Your cost for leasehold improvements to an existing building will vary depending upon the size of your Approved Location, the condition of the premises, and its geographic location. If you are converting an existing office space into an Approved Location, your costs may be higher or lower depending on the available assets, fixtures and conversion costs. Construction costs in some areas of the country may exceed these estimates. Your landlord may provide some or all of these improvements at no additional cost. You may also be provided free rent for a period of time by your landlord.

4. Starter Kit: Initial Inventory and Equipment Package. You must purchase from us a “Starter Kit” that includes the Initial Inventory of materials and equipment. The Equipment Package includes the supplies necessary to provide the Approved Services. You are required to purchase this equipment only through our approved vendors with approved financing vendors. You must also purchase an Equipment Package that includes all electrical and plumbing equipment, tools, and supplies including hand tools, screen repair tools, ladders, cleaning solutions, etc. That are necessary to perform the Approved Services. All equipment must be purchased through our approved vendors and, if financing is needed, through our approved financing sources.

5. Vehicle, Trailer, and Other Equipment. You must have a vehicle that meets our specifications. It is necessary to have the vehicle wrapped with our trade dress. The range we have estimated is for the purchase or financing of a new vehicle and trailer (“Gig Rig”); however, the amount you will owe is dependent on many factors, including your financial and credit history. The estimated range also includes the equipment that will be inside the trailer.

6. Grand Opening Advertising and Initial Marketing Spend. You must spend a minimum of \$20,000 on your Grand Opening Advertising to develop and implement an opening advertising campaign that you must implement prior to the initial launch of your Franchised Business through your first few weeks of operation (the “Grand Opening Advertising”). All promotional activities must be approved in advance by us. The amounts you spend for initial marketing and advertising are typically not refundable. Your Grand Opening Advertising includes an Initial Marketing Spend of \$3,000 per month for the first three months of operation (\$9,000 on your Initial Marketing Spend). The Initial Marketing Spend must also include a Marketing Kit containing the printed collateral used for the business such as business cards, door hangers, and yard signs.

7. Training Expenses. This estimate is for the cost for you plus 2 (two) to attend the initial training program held in Livonia, MI or other areas we deem appropriate. Your costs will depend on the number of people attending training, their point of origin, method of travel, class of accommodation and living expenses (food, transportation, etc.). This estimate does not include any wages or salary for you or your trainee(s) during training.

8. Computer Equipment. You must use a computer and POS system meeting our standards and specifications, including hardware and software. The low-end estimate assumes that you have a personal computer and related equipment that meets our standards and specifications. The high estimate assumes that you will need to purchase a computer or laptop, and/or related computer hardware or software.

9. Signage. Franchisor anticipates you operating your Franchised Business from a home office; therefore, you would not incur any costs associated with signage. If you secure a third-party space for your home office, you may, but are not required to, obtain exterior or interior signage for your Franchised Business.

10. Licenses and Professional Services. You may need the assistance of an attorney, accountant or other consultants to assist in establishing your Franchised Business. These fees may vary from location to location depending upon the prevailing local rate of attorneys’, accountants’ and consultants’ fees. These fees

services from any other suppliers. We may designate new or different approved suppliers, including designating ourselves or one of our affiliates as an approved supplier of any goods or services. The criteria for designating approved suppliers include a supplier's ability to meet quality standards, availability, and consistency of the products or services. The criteria for designating and approving suppliers are not published and are not made available to franchisees. Franchisees may not contract with alternative suppliers for designated products or services. As of the date of this disclosure document, none of our officers own any interest in any of our approved suppliers other than in us and our Affiliates.

To approve a supplier, we require a sample of the product(s), information regarding the product or service's quality standards, availability, terms and conditions of purchase, and other information as we may request. If desired, we may request a physical inspection of the supplier's place of business or manufacturing facility. Upon submission of samples and information required for approval, we will provide notification within 30 days of our approval or disapproval of a supplier. As a condition of approval, we require the reimbursement of any costs or expenses we incur in approving the supplier. We may revoke the approval of any supplier upon 30 days' written notice to franchisees.

We estimate that assuming the estimated minimum initial costs to begin operations and other financial obligations are within the ranges described in Item 7 of this disclosure document, the proportion of your purchases and leases of goods and services from approved suppliers or of products that meet our specifications to be approximately 50% to 60% of all the purchases and leases in establishing your Worried Bird Franchised Business and approximately 10% to 25% of your ongoing costs of operating your Worried Bird Franchised Business.

We and/or our affiliates expect to receive revenue from franchisees purchases and leases from our designated or approved suppliers for marketing, software, financing and equipment. In our most recently concluded fiscal year ending December 31, 2024, neither we nor our affiliates received any such revenue, as we did not offer franchises.

Worried Bird has a formal, mandatory purchasing requirement for equipment with our approved suppliers.

We do not provide a material benefit to franchisees based on a franchisee's purchases of particular products or services or the use of particular suppliers.

Once you have your Initial Starter Kit Package, we expect that you will purchase additional Designated Washings Product and the recurring inventory/supplies directly from our Approved Supplier (which, as of the Issuance Date, is a third party).

The Site of the Franchise Business.

The site for your Franchised Business is a flex heated warehouse space ("Site") and mobile vehicle and must be located within your Territory. We provide standards for the Site and the mobile vehicle. We currently don't review the Site ~~but reserve the right to do so.~~

Supplies, Fixture, Equipment, and Inventory

All the equipment, supplies, fixtures, inventory, products for your Franchised Business must comply with Worried Bird Standards and specifications.

Computer System

You must buy and use a computer with Windows 10 or greater operating system, smartphone, printer, and

\$100,000; and Medical Payments coverage in the minimum amount of \$5,000. (ii) Business Automobile Liability Insurance, including owned, leased, non-owned and hired automobiles coverage in an amount not less than \$1,000,000 combined single limit, and (iii) Workers' Compensation and Employer's Liability Insurance with a minimum limit of \$1,000,000 or higher if your state law requires. Policy must include a blanket waiver of subrogation endorsement; (iv) (v) Umbrella Liability in the minimum amount of \$1,000,000 in excess of all other policies; (vi) such insurance as necessary to provide coverage under the indemnity provisions set forth in the Franchise Agreement.

We must approve all insurance carriers in advance and in writing. All insurance policies must be issued by insurance companies with a rating of A-VII or better as reported in the most recent edition of A.M. Best's Insurance Reports. Our acceptance of an insurance carrier does not constitute our representation or guarantee that the insurance carrier will be capable of meeting claims during the term of the insurance policy. You must carry insurance required by the lease of your Approved Location or by any of your lenders or equipment lessors and such workers compensation insurance as may be required by applicable law. You must deliver a certificate of insurance to us at least 20 days before opening your Franchised Business and 10 days before any renewal of the required policies as evidence that all insurance requirements have been met. All insurance policies you hold will be primary to any policy or policies held by us or our affiliates.

You must add us and any other parties we may choose to all insurance contracts as additional insureds under the insurance policies (except Workers' Compensation Insurance) at your expense. All insurance policies will contain a waiver of subrogation in our favor and anyone we select. If you do not purchase insurance coverage as required and, at our option, we purchase insurance coverage on your behalf, you must reimburse us the amount of the premium paid by Franchisor plus 20%.

The insurance shall not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in the franchise agreement. The policy or policies will ensure against our vicarious liability for actual and (unless prohibited by applicable law) punitive damages assessed against you.

~~We reserve the right to require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom.~~

Your insurance policies must insure us, you, and our respective affiliates, subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death, or property damage that may accrue due to your operation of your Business Operations.

~~There are no purchasing or distribution cooperatives at this time.~~

ITEM 9 **FRANCHISOR'S OBLIGATIONS**

This table lists your principal obligations under the franchise 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.

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~~The Section references are to those in the Franchise Agreement and unless otherwise noted.~~

Obligation	Section in Franchise Agreement	Item in This Disclosure Document
a. Site selection and acquisition/lease	Article IV	Items 6 and 11
b. Pre-opening purchase/leases	Section VI(B)	Item 8
c. Site development and other pre-opening requirements	Article IV	Items 6, 7, and 11
d. Initial and ongoing training	Article V	Item 11
e. Opening	Article IV	Item 11
f. Fees	Article III	Items 5 and 6
g. Compliance with standards and policies/operating manual	Article VI and Article VIII	Item 11
h. Trademarks and proprietary information	Article XII	Items 13 and 14
i. Restrictions on products/services offered	Section VI(D)	Item 16
j. Warranty and customer service requirements	Section VII(G)	Item 11
k. Territorial development and sales quotas	Section VII(C)	Item 12
l. Ongoing product/service purchases	Article IX, Article VI	Item 8
m. Maintenance, appearance, and remodeling requirements	Section VI(H)	Item 11
n. Insurance	Article XI(B)	Items 6 and 8
o. Advertising	Article XIV	Items 6 and 11
p. Indemnification	Article XI and XX	Item 6
q. Owner's participation/management/staffing	Section VII(A)	Items 11 and 15
r. Records and reports	Article X	Item 6
s. Inspections and audits	Section X(B)	Item 17
t. Transfer	Article XV	Item 17
u. Renewal	Section II(B)	Item 17

by us that we require you to participate in (Section VI of the Franchise Agreement).

12. We shall approve any replacement Designated Manager of your Franchised Business. We do not select or hire your employees. (Section VIII of the Franchise Agreement).

Advertising.

At your request, we will provide marketing consultation, general advertising strategy, promotional planning, and budgeting. We are not obligated to conduct advertising or spend any amount of money on advertising in your Territory or area.

All your Worried Bird advertising in any medium must be conducted in a dignified manner, be completely accurate and truthful and conform to all applicable laws and regulations relating to consumer advertising and Worried Bird System Standards. You must submit to us and obtain our prior approval for all advertising and promotional plans and materials and all other materials displaying the Worried Bird Marks. You may not use your advertising materials unless we issue you written approval to do so. Post submission to us, we shall within fifteen (15) days notify you of approval or disapproval of advertisements. You may not establish or maintain a domain name, an internet website, webpage, or Social Media site that relates to or advertises your Worried Bird Franchised Business or displays the Marks, as we reserve the exclusive right to control any websites, web pages or Social Media concerning Worried Bird Franchised Businesses and the Marks. We have the right to use and have ownership of any Franchisee developed advertising.

Local Digital Advertising.

~~We require you to spend at least \$2,500 per month on the first trailer rig operated by the Franchised Business, for local advertising within your Territory to solicit new clients and to maintain existing relationships. These amounts will cover SEO costs, digital advertisements, social media marketing, Google My Business, etc. We reserve the right to require you to direct some or all of your Local Advertising expenditure to marketing vendor(s) we designate (which may be us or our affiliates) who will implement Local Advertising on your behalf.~~

Grand Opening Advertising.

~~We require you to spend at least \$20,000 on advertising and promotional activities during the 3 months prior to the opening of your Franchised Business. This is in addition to the above Local Digital advertising. We encourage you to participate in local home shows and networking events as part of your Grand Opening Advertising to build the local brand in your community. You may choose to spend more. Factors that may affect your decision on the actual amount to spend include local media cost, the location of the Franchised Business, and customer demographics in the surrounding area. We reserve the right to require you to direct some or all your grand opening advertising expenditures to marketing vendor(s) we designate (which may be us or our affiliates) who will implement grand opening campaign activities on your behalf.~~

Regional Advertising Cooperatives.

Currently, you are not required to participate in any Regional Advertising Cooperatives or funds. ~~However, we reserve the right to establish a regional fund or cooperative in the future, and require you to participate, at our sole discretion.~~ A regional cooperative will be comprised of all franchised Worried Bird outlets in a designated geographic area. Our affiliate-owned outlets may participate in a regional cooperative, at our sole discretion. Each Worried Bird outlet will have one vote in the cooperative. However, no cooperative will be formed or maintained that result in our affiliate-owned outlets having controlling voting power. We will determine in advance how each cooperative will be organized and governed. We have the right to form, dissolve, merge or

change the structure of cooperatives. If a cooperative is established during the term of your Franchise Agreement, you must sign all documents we request and become a member of the cooperative according to the terms of the documents. There are no current cooperative documents available for you to review.

If we establish a regional advertising fund or cooperative, each Worried Bird outlet, whether franchise-owned or affiliate-owned, must contribute amounts equal to each outlet's pro-rata share of cooperative advertising costs. Your contributions to a regional advertising fund or cooperative will be in addition to your required contributions to the Brand Development Fund and required expenditures for local advertising.

Brand Development Fund.

We ~~reserve the right to have not~~ established a systemwide brand fund (the "Brand Development Fund"), ~~and but~~ once established, you are required to contribute to the Brand Development Fund 1% of weekly Gross Revenue generated by the Franchised Business, subject to a minimum of \$50 per week in Year 1 and a minimum of \$100 per week beginning in Year 2 and continuing thereafter ("Brand Development Fund Contribution"). Each Worried Bird franchise operated by our affiliates or us may, but is not obligated to, contribute to the Brand Fund on the same basis as System franchisees.

All Worried Bird Brand Development Fund Contributions are maintained in a separate account and may be used for maintaining, administering, researching, directing, and preparing advertising and/or promotional activities, including, without limitation, the costs of preparing and conducting advertising campaigns, which may be local, regional or national, in various media; direct mail and outdoor billboard advertising; marketing surveys and other public relations activities; employing advertising agencies to assist therein; product development; and developing and providing promotional and other marketing materials for franchisees in the System. We are reimbursed for any labor or services that we provide to the fund and for any costs that we incur for or on behalf of the fund. ~~Except as disclosed above, neither we nor any affiliate of ours will receive any payment from the fund.~~ We do not use any Brand Development Fund Contribution dollars for soliciting new franchise sales; however, we ~~reserve the right to include a notation in any advertisement may indicating indicate in any advertisement:~~ "Franchises Available". (Sections IV of the Franchise Agreement).

The Brand Fund will not be audited. Once established, an annual unaudited financial statement of the Brand Fund will be made available after April 30 to any franchisee upon written request.

If excess amounts remain in the Brand Development Fund at the end of the year, the unused monies shall be retained by the Brand Development Fund, and all expenditures in the following year(s) shall be made first out of accumulated earnings from the previous year(s), next out of earnings in the current year, and finally from Brand Development Fund Contributions.

Franchise Advisory Council.

We do not have an advertising council composed of franchisees that advises us on advertising policies. The Franchise Agreement gives us the right, at our discretion, to create a franchisee advisory council to communicate ideas, including proposed advertising policies. If created, we will determine in advance how franchisees are selected to the council, which may include factors such as a franchisee's level of success, superior performance, and profitability. We have the right to change or dissolve the council at any time.

C. Computer System

We ~~have the right to specify or require that you have use certain brands, types, makes, and/or models of computer hardware and software in connection with the Franchised Business, including without limitation:~~ (i) a laptop or

other computer ~~that meets our System specifications and is capable of running accounting software such as QuickBooks~~; (ii) printers and other peripheral hardware/devices; (iii) a POS System we designate; (iv) other required software applications and programs we designate for CRM and/or other functions of the Franchised Business operations; and

(vii) Internet ~~access mode and speed that meets our requirements~~; (collectively, the “Computer System”). The Computer System must be in good repair, with sufficient memory to carry out ordinary business functions, as provided in the Operations Manual. We may also require you to use designated software in connection with the Computer System and Franchised Business.

~~We have the right, but not the obligation, to develop or otherwise designate: (i) computer software programs that you must use in connection with any component of the Computer System (the “Required Software”), which you must install at your sole expense; (ii) updates, supplements, modifications, or enhancements to the Required Software, which you must also install at your expense; (iii) the tangible media upon which you record data; and (iv) the database file structure of the Computer System. At our request, you must purchase or lease, and thereafter maintain, the hardware necessary to support Required Software. You agree, at your own expense, to keep your Computer System in good maintenance and repair and install such additions, changes, modifications, substitutions, and/or replacements to your Computer System or Required Software as we direct from time to time in writing. (Franchise Agreement, Section 9).~~

You will also be required to purchase approved accounting software for your Computer System (“Required Software”), such as QuickBooks Online®, which currently costs approximately \$300 per year. We may require you to enter into license agreements, with us or with third parties, to use certain software programs, including Microsoft Office Suite.

We estimate that the cost to obtain your Computer System and any Required Software will be between \$2,000 and \$2,500 (or lower if you already have existing hardware that you can dedicate and use solely in connection with your Franchised Business). Thereafter, we estimate that the annual costs you will incur in maintenance and support contracts, as well as any upgrade to your Computer System and Required Software, will be around \$500 to \$1,500 per year.

We may require that your Computer System be programmed to automatically transmit data and reports about the operation of the Franchised Business to us. We have the right to independently access, monitor, and retrieve any data you input or collect electronically, including access to your Computer System or for any other purpose we deem necessary. You must deliver to us all access codes, static internet protocol (“IP”) addresses and other information to facilitate our access to the data within 30 days of opening the Franchised Business (Franchise Agreement, Section 9).

~~We are the sole owners of all databases, lists, templates, programs and any other software components that have been created and/or customized by us using the Computer System and/or Required Software (the “Proprietary Software”). In the future, we may customize the Proprietary Software and create proprietary programs that conduct other activities. You are required to obtain the computer hardware that is necessary to implement the Proprietary Software and comply with all of our specifications and standards as provided in the Operations Manual. This Proprietary Software will be our proprietary product, and the information collected from it will be our confidential information. (Franchise Agreement, Section 9).~~

You are required to participate in any System-wide computer network, intranet system, or extranet system that we implement and may be required to use the computer network, intranet system, or extranet system to, among

other things: (i) submit your reports due under the Franchise Agreement to us on-line; (ii) view and print portions of the Operations Manual; (iii) download approved local advertising materials; (iv) communicate with us and other System franchisees; and (v) to complete initial or ongoing training as we designate. You must use any computer network, intranet system or extranet system that strictly complies with the standards, protocols, and restrictions provided in the Operations Manual, including those related to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements. You will be solely responsible for any licensing and/or maintenance fee(s) associated with any intranet or extranet described above. (Franchise Agreement, Section 9).

D. Website and Internet Use.

You must have and maintain adequate hardware and software in order to access the Internet at the bit speed we require from time to time. We have the right, but not the obligation, to establish and maintain a website that provides information about the System and the products and services offered by Worried Bird franchises. If we exercise our right to create such a website, we will have sole discretion and control over it. We also have the right, but not the obligation, to create interior pages on our website(s) that contain information about your Franchised Business and other Worried Bird locations. If we do create such a page, we may require you to prepare all or a portion of the page for the Franchised Business, at your sole expense, and may require you to use a template that we provide. All SEO, website optimization, website creation, and website hosting must be done through our approved vendor. (Franchise Agreement, Section 14).

Unless you obtain our prior written consent, you are prohibited from establishing or maintaining a separate website, or otherwise maintaining a splash page or other presence on the Internet through any social networking site in connection with the operation of your Franchised Business, including without limitation, Facebook, LinkedIn, TikTok, YouTube, Instagram, Twitter/X, Plaxo and Pinterest, that uses any variation of the Proprietary Marks or references the System. If you seek and obtain our approval to create a separate website or other web presence, you must: (i) establish and operate the website according to our standards and policies as we describe in the Operations Manual or otherwise in writing from time to time; and (ii) utilize any templates that we provide to you to create and/or modify your site(s). We may require you to update the content of any Social Media and/or networking site at the times and in the manner we decide. (Franchise Agreement, Section 14(F)).

We have the right to modify our policies regarding both our and your use of Internet websites as we deem necessary or appropriate for the best interests of the System. We are currently the sole registrant of the domain name worriedbird.com and we will be the sole registrant of any other domain names we decide to register in connection with the System in the future. You are prohibited from registering any domain name that contains words used in, or similar to, any trademark or service mark owned or used by us or our affiliate, or any colorable variation thereof (including any abbreviation, acronym, phonetic variation or visual variation). (Franchise Agreement, Section 14).

E. ~~Provision of Services by Certain Third Parties~~

~~At our option, certain third parties may act as our representative in fulfilling certain of our obligations to you. Such obligations include, but are not limited to, site evaluation, training, supervision, advice and guidance with respect to operations, marketing, business procedures and compliance with any requirement of the System. Further, certain third parties may be responsible for monitoring and cooperating in the enforcement of your obligations under the Franchise Agreement.~~

ITEM 12 TERRITORY

Subject to the Franchise Agreement Terms, you are granted an ~~exclusive protected~~ territory (“Territory”) in which to operate your franchise.

Your Territory ~~that~~ is defined as a specific geographic area identified as composed of a Designated Market Area (“Market Area”) as defined by Nielsen Media research. There is no minimum area granted to a franchisee.

You may advertise, solicit, offer, accept orders, and sell within the Territory. You do not have the right to use other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Territory unless we give you written consent to serve another specified area where no other Worried Bird franchise or company-owned unit is located. If you are granted consent to service another specified area, you shall be obligated to pay royalty fees and other fees to us for the services performed or products sold.

We will not operate a business using the Worried Bird System and the Marks within the Territory or authorize anyone else to operate a business using the Worried Bird System and the Marks within the Territory during the term of the Franchise Agreement if you meet performance standards set forth in your Franchise Agreement and if you are complying with the Franchise Agreement and subject to these limitations. We are not obligated to ensure that no other franchise will conduct operations in your Territory. Although such activities are discouraged, we reserve the right to determine how to respond to any such situation. We are not required to pay you any compensation for us or other franchisees soliciting or accepting orders in your Territory.

You may relocate the Site of your Franchised Business so long as the new Site meets our then- current Site requirements, and you must pay us a relocation fee of \$1,000 for any costs and expenses we incur in your relocation. Currently, for relocation and Site selection, the Site must be approved by us, and we provide specifications for your real property space, and we provide branding specifications for your mobile vehicle.

We reserve the following rights and may:

~~1. _____ own, acquire, establish and operate, and license others to establish and operate Franchised Businesses under the Marks and System outside the Territory.~~

~~2.1. _____~~ acquire, merge with, engage in joint ventures with, or otherwise affiliate with, and thereafter own and operate and franchise others the right to own and operate, any business of any kind regardless of location, except for businesses that offer window washing, gutter cleaning, screen repair, power washing and holiday lighting with our proprietary equipment and processes services within the Territory;

~~3.2. _____~~ establish and operate, and license others the right to open and operate, businesses that offer similar products and services to those offered by the Franchised Business under any other mark other than the Marks at any location, within ~~or outside~~ the Territory;

~~4.3. _____~~ use the Marks and System, and license others to use the Marks and System to engage in any other activities not expressly prohibited in this Agreement;

~~5.4. _____~~ sell and distribute, directly or indirectly, or license others to sell and distribute within ~~or outside~~ the Territory, directly or indirectly, any products, services or merchandise, including Permitted Products and Services, from any location or to any purchaser or through any alternative channel or method of distribution including, but not limited to, via retail and wholesale distribution, in hardware stores, club stores and other retail

MARK	REGISTRATION NO.	SERIAL NO.	REGISTRATION DATE
WORRIED BIRD	7,099,247	97426240	July 4, 2023

The Marks are owned by Phoenix Franchise Holdings, LLC, our affiliate. Under an Intercompany License Agreement between us and Phoenix Franchise Holdings, LLC, we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement is of perpetual duration. It may be modified only by mutual consent of the parties. It may be canceled by our affiliate only if (i) we materially misuse the trademarks and fail to correct the misuse, or (ii) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected. Other than the Intercompany License Agreement, there currently are no effective agreements that limit our rights to use or license the use of the Marks in a manner that is material to the franchise.

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings. There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

We protect your right to use the Marks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the Marks, to the extent described in this Item.

~~You may not use all or any portion of our Proprietary Marks as part of your company name and, without our prior written consent, as part of your trade name or “d/b/a”. You may not modify the Proprietary Marks with words, designs or symbols, except those that we license to you. You may not use our Proprietary Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. During the term of the Franchise Agreement and continuing after the expiration or termination of the Franchise Agreement, neither you nor any of your managers will, directly or indirectly, contest, challenge or assist in the contesting or challenging of, our right, title, ownership, or interest in our Proprietary Marks, trade secrets, methods, procedures, and advertising techniques that are part of our franchise System, or contest our sole right to register, use, or license others to use, our Proprietary Marks, trade secrets, methods, procedures, advertising techniques, and any other mark or name that incorporates the terms “Worried Bird” or any design elements that are similar to those used in any of our Proprietary Marks.~~

~~You are prohibited from using the Marks on the Internet, World Wide Web, or any other means of electronic communication now existing or developed in the future without our express written approval, which may be withheld at our sole discretion. We reserve the right to use the Marks on the Internet, World Wide Web, and any other means of electronic communication now existing or developed in the future.~~

You must immediately notify us, in writing, if you become aware of any unauthorized use of our Proprietary Marks or other proprietary information, and you must permit us to participate in any litigation involving you and our Proprietary Marks. We will take the action we think appropriate. We will indemnify, defend and hold you harmless in connection with any third-party claims that are brought against you that arise solely out of your authorized use of any Proprietary Marks in the manner we prescribe, provided you immediately notify us of the proceeding (within three (3) calendar days) and you have complied with our directions with regard to the

proceeding. We have the right to control the defense and settlement of any proceeding. We will not reimburse you for your expenses and legal fees for separate, independent legal counsel, unless we approve of your use of such counsel in writing prior to you engaging counsel. We will not reimburse you for disputes where we challenge your use of our Proprietary Marks.

Except as provided above, we are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or to protect you against claims of infringement or unfair competition with respect to them. Although we are not contractually obligated to protect the Marks or your right to use them, as a corporate policy we intend to defend the Marks vigorously.

We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks.

You must modify or discontinue using any of the Proprietary Marks, and add new names, designs, logos or commercial symbols to the Proprietary Marks as we instruct. We may, at our sole discretion, impose changes whenever we believe the change is advisable. We do not have to compensate you for any costs you incur to make the changes we require. You will receive written notice of any change and will be given a reasonable time to conform to our directions (including changing signage, marketing displays, trade dress and other advertising), at your sole expense. Except as provided in the Franchise Agreement, you will not use or give others permission to use the Marks, or any colorable imitation of them, combined with any other words or phrases. You and your owners, officers, and agents will not form or participate in the formation of any company, firm, corporation, or other entity having a name containing the words of the Marks. You may not combine or associate any name or symbol of the Marks with any other name or word in any advertising or sign. The Marks must be used in exact conformity with our written specifications that we may periodically modify.

~~The license to use the Marks granted in the Franchise Agreement is non-exclusive to you. We have and retain certain rights in the Marks including the following:~~

- ~~1. To grant other licenses for the use of the Marks, in addition to those licenses already granted or to be granted to franchisees;~~
- ~~2. To develop and establish other systems using the Marks or other names or marks, and to grant licenses or franchises in those systems, without providing any rights to you; and~~
- ~~3. To engage, directly or indirectly, at wholesale, retail or otherwise, in (a) the production, distribution, license and sale of products and services and (b) the use of the Marks and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs, and other identifying characteristics we may develop for that purpose.~~

ITEM 14 **PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

We do not own any registered patents or pending patent applications that are material to the franchise. We do, however, claim common law copyright and trade secret protection for several aspects of the franchise System including our proprietary recipes and other confidential information, Manuals, training materials, advertising, and business materials.

There are no current determinations, proceedings or litigation involving any of our copyrighted materials. Should you become aware that any unauthorized third party is using any of our copyrighted materials, we

Your Franchised Business must, at all times, be staffed with at least one individual who has successfully completed our initial training program. You will keep us informed at all times of the identity of any employee acting as Designated Manager of the Franchised Business. The Designated Manager, however, is not required to have an ownership interest in your Franchised Business. Each of your Designated Managers, as well as members of their immediate families, is required to sign a Confidentiality and Non- Compete Agreement in the form attached as an Exhibit to the Franchise Agreement prior to hiring. If you are an entity, each of your principal owners must sign the Personal Guaranty that is attached as an Exhibit to the Franchise Agreement.

You will be solely responsible for all personnel decisions associated with the operations of your Franchised Business, including those decisions related to hiring, firing, scheduling, advancement and/or compensation. Nothing in the Franchise Agreement or franchise being offered in this Disclosure Document will, or may be construed to, create any kind of employer or joint employer relationship between (a) you and your Franchised Business personnel, and (b) us.

ITEM 16
RESTRICTION ON WHAT THE FRANCHISEE MAY SELL

You may only offer the Approved Products and Services that we expressly approve for your Franchised Business. You may not offer or sell any other products or services for sale without having received our prior written authorization. You may not offer or sell any products or services that do not meet our then current standards and specifications. We may supplement, revise and/or modify our Approved Products or Services as we deem appropriate from time to time, as well as our System standards and specifications associated with the provision of these products/services. These changes will be outlined in our Manuals or otherwise in writing, and there are no contractual limitations on our right to make these types of changes. You must offer and sell all private label products and items which we may now or in the future designate for sale by System franchisees.

If we discontinue any Approved Product or Service offered by the Franchised Business, then you must cease offering or selling such product/service within a reasonable time, unless such product/service represents a health or safety hazard (in which case you must immediately comply upon receipt of notice from us).

You must operate the Franchised Business in accordance with all applicable laws and regulations, and in accordance the requirements of any lease or sublease you may enter into. You may not conduct any other business at the Approved Location without our prior written consent.

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.~~ **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	Article in Franchise Agreement	Summary
a.	Length of the franchise term	Section II(A)	10 years from the date that we sign the Franchise Agreement.

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 this Item 19 may only be given 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.

This Item 19 includes a historic financial performance representation about the franchise system's existing outlets.

At the end of 2024, we had ~~four~~ five (45) franchised locations. There were no company-owned or affiliated locations. The information presented below is the average invoice achieved by three (3) franchised locations that were operated on a full-time basis over the 2024 calendar year. We excluded ~~one~~ two (12) franchised locations that performed only a single job over the 2024 calendar year and did not operate on a full-time basis.

Mesa, AZ:

- Minimum: \$16.00
- Maximum: \$8,766.95
- Average (Mean): \$988.77
- Median: \$538.10

St. George, UT:

- Minimum: \$16.00
- Maximum: \$8,944.45
- Average (Mean): \$1,012.92
- Median: \$509.15

Salt Lake City, UT:

- Minimum: \$31.44
- Maximum: \$4,590.90
- Average (Mean): \$329.74
- Median: \$235.00

Note: This Item 19 provides gross sales, and does not deduct sales tax, discounts, allowances and returns.

We have not audited or independently verified this data. The data was provided to us by franchisees from their own independently maintained records.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

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

~~Apart from the foregoing, we do not make any representations about a franchisee's future financial performance or the past financial performance of company owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. Other than the preceding financial performance representation, Worried Bird does 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 our CEO Kevin Longe 19500 Victor Parkway Suite 400 Livonia, MI 48152 kevin@phoenixfranchisebrands.com, 734-237-9730, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
System-Wide Outlet Summary
For Fiscal Years 2022, 2023, and 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	56	+56
	2023	56	56	0
	2024	56	45	-1
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets*	2022	0	56	+56
	2023	56	56	0
	2024	56	45	-1

Table 2
Transfers of Outlets from Franchisees to New Owners (other than Franchisor)
For Fiscal Years 2022, 2023, and 2024

All States	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0

Table 3
Status of Franchised Outlets
For Fiscal Years 2022, 2023, and 2024

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Re-Acquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of the Year
Arizona	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Kansas	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Utah	2022	0	23	0	0	0	0	23
	2023	23	0	0	0	0	0	23
	2024	23	0	0	0	0	1	12
Total	2022	0	56	0	0	0	0	56
	2023	56	0	0	0	0	0	56
	2024	56	0	0	0	0	1	45

Table 4
Status of Company-Owned and Affiliate-Owned
Outlets For Fiscal Years 2022, 2023 and 2024

All States	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0

Table 5
Projected Openings as of December 31, 2024

All States	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0

ITEM 21
FINANCIAL STATEMENTS

Exhibit G to this Disclosure Document contains (i) our unaudited balance sheet from December 31, 2024 through March 31, 2025; and (ii) our audited balance sheet for the fiscal year ending December 31, 2024, as we have not been in business for three years and cannot produce audited financial statements for the preceding three years. Our fiscal year end is December 31 of each year.

ITEM 22
CONTRACTS

The following agreements and other required exhibits are attached to this Disclosure Document in the pages immediately following:

The following exhibits to this disclosure document are the contracts used by us in offering franchises:

- EXHIBIT A FRANCHISE AGREEMENT
- EXHIBIT B FRANCHISEE DISCLOSURE QUESTIONNAIRE
- EXHIBIT C RELEASE OF CLAIMS
- EXHIBIT D STATE REGULATORS AND AGENTS FOR SERVICE OF PROCESS
- EXHIBIT E LIST OF FRANCHISEES
- EXHIBIT F LIST OF FRANCHISEES THAT LEFT THE SYSTEM
- EXHIBIT G FINANCIAL STATEMENTS
- EXHIBIT H TABLE OF CONTENTS OF OPERATING MANUAL
- EXHIBIT I STATE SPECIFIC ADDENDA

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Minnesota Franchise Law:

The Minnesota Department of Commerce requires that the franchisor indemnifies Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes trademark rights of the third party. The franchisor does not indemnify against the consequences of the franchisee's use of the franchisor's trademark except in accordance with the requirements of the franchise.

Items 5 and 7 of the Franchise Disclosure Document are amended as follows:

Based upon the franchisor's financial condition, the Minnesota Department of Commerce has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Minnesota Rules, 1989, Department of Commerce, Chapter 2860, Section 4400D prohibits a franchisor from requiring a franchisee to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, Section 80C.01 to 80C.22; provided, that this part shall not bar the voluntary settlement of disputes.

Minn. Rule 2860.4400J states that it is unfair and inequitable for a franchisor to require a franchisee to waive his or her rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of Minnesota, or to consent to liquidated damages, termination penalties, or judgment notes. Any language found in the disclosure document or Franchise Agreement contrary to this rule is amended so that it does not apply to Minnesota franchisees.

THE STATE OF MINNESOTA HAS STATUTES WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. THE STATE OF MINNESOTA ALSO HAS COURT DECISIONS WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. WITH RESPECT TO FRANCHISES GOVERNED BY MINNESOTA LAW, THE FRANCHISOR MUST COMPLY WITH MINNESOTA STATUTE 80C.14, SUBDIVISIONS 3, 4 AND 5, WHICH REQUIRE, EXCEPT IN CERTAIN SPECIFIC CASES, THAT A FRANCHISEE BE GIVEN 90 DAYS NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS NOTICE FOR NONRENEWAL OF THE FRANCHISE AGREEMENT. A PROVISION IN THE FRANCHISE AGREEMENT WHICH TERMINATES THE FRANCHISE UPON THE BANKRUPTCY OF THE FRANCHISEE MAY NOT BE ENFORCEABLE UNDER TITLE 11, UNITED STATES CODE §101. THE STATE OF MINNESOTA HAS COURT DECISIONS LIMITING THE FRANCHISOR'S ABILITY TO RESTRICT YOUR ACTIVITY AFTER THE FRANCHISE AGREEMENT HAS ENDED. LIQUIDATED DAMAGE PROVISIONS ARE VOID UNDER MINNESOTA LAW.

Pursuant to Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, the requirement that all litigation must take place in California shall not in any way abrogate or reduce any rights of the franchise as provided for in Minnesota Statutes, Chapter 80C.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5, which require, except in certain specified cases, that a franchisee is given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the franchise agreement.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise disclosure document, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

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 with the franchise.

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the Minnesota Franchise Law:

~~1.~~ A general release required as a condition of renewal, assignment, or transfer does not apply to any claim or liability arising under the Minnesota Franchise Law.

~~1.2.~~ Based upon the franchisor's financial condition, the Minnesota Department of Commerce has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

~~2.3.~~ Franchisor shall protect the right of Franchisee to use the Marks in accordance with the requirements of the Franchise Agreement.

~~3.4.~~ The final two paragraphs of provision XXI(B) are hereby deleted.

~~4.5.~~ Section XXIII(D) does not apply to any action to enforce any liability created by the Minnesota Franchise Law. Any claim arising under the Minnesota Franchise Law may be brought in the state of Minnesota.

~~5.6.~~ The representations contained in section XXIII(A) of the Franchise Agreement do not act as a release, estoppel, or waiver of any liability arising under the Minnesota Franchise Law.

~~6.7.~~ Pursuant to Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, the Franchise Agreement does not in any way abrogate or reduce any rights of Franchisee as provided for in Minnesota Statutes, Chapter 80C. These statutes prohibit Franchisor from requiring litigation to be conducted outside Minnesota or abrogating or reducing any of Franchisee's rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

~~7.8.~~ With respect to franchises governed by Minnesota law, Franchisor shall comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5, which require, except in certain specified cases, that a franchisee is given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement.

~~9.~~ Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Law are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

~~8.10.~~ 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 with the franchise.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISOR:

FRANCHISEE:

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	Not Registered
Hawaii	Not Registered
Illinois	Not Registered <u>Pending</u>
Indiana	Not Registered <u>May 19, 2025</u>
Maryland	Not Registered
Michigan	Not Registered <u>May 20, 2025</u>
Minnesota	Not Registered <u>Pending</u>
New York	Not Registered <u>Pending</u>
North Dakota	Not Registered
Rhode Island	Not Registered <u>May 27, 2025</u>
South Dakota	Not Registered <u>May 19, 2025</u>
Virginia	Not Registered <u>Pending</u>
Washington	Not Registered
Wisconsin	Not Registered <u>May 19, 2025</u>

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.