

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Delaware. Out-of-state mediation, arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate or litigate with the franchisor in Delaware than in your own state.

1. _____
—

2. **Mandatory Minimum Payments.** You must make minimum royalty payments, ~~administrative,~~ or advertising ~~fund payments~~ contributions; regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

2. _____

1. **Supplier Control.:** You must make inventory and supply purchases, even if you do not need that much. Your inability to make these purchases or to maintain inventory levels at all times may result in termination of your franchise and loss of your investment.

4. _____

5. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.

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.

Provision	Section in Franchise Agreement	Summary
w. Choice of law	Section XIX(G)	The state of Delaware (subject to applicable state law).

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

At the end of 2024, ~~we had~~ there were sixteen (16) franchised locations and two (2) company-owned locations. The information presented below is the average invoice achieved by 13 System Locations that were operated on a full time basis over the 2024 calendar year. NineSix (96) franchised locations were open for the entire 2024 calendar year. Two (2) locations were open for the entire 2024 calendar year but were transferred to Franchisor during the calendar year. We excluded fFive (5) franchised locations that did not report their sales and have been excluded from this Item 19. An additional fourive (45) franchised locations were not open for the entire 2024 calendar year, but have reported their sales.- SevenFive (75) franchised locations were either not open for the entire 2024 calendar year, or did not report their sales to Franchisor, and have been excluded from this Item 19. Those locations that were not open for a full calendar year are indicated with an asterisk. This information that we have provided in this Item 19 was recorded and reported to us by the owners of the Affiliate Business and the Franchised Business being disclosed in this Item.

We have not independently audited this information. Written substantiation of the data used in preparing this information will be made available upon reasonable request.

Some outlets have sold this amount. Your individual results may differ. There is no assurance you will sell as much.

Detroit, MI^
100 total jobs

\$2,150.00 Median
\$65.00 Minimum
\$18,200.00 Maximum
\$2,823.82 Average

-
Central (Des Moines), Iowa*
27 total jobs
\$2,278.99 Median
\$50.00 Minimum
\$6,996.00 Maximum
\$2,570.39 Average

-
Central (Waco), Texas*
27 total jobs
\$2,149 Median
\$1,449 Minimum
\$5,125 Maximum
\$2,154 Average

-
Charlotte, NC^
85 total jobs
\$1,930 Median
\$250 Minimum
\$9,153 Maximum
\$2,297 Average

-
Columbus (St. Louisville), OH^
96 total jobs
\$1,700 Median
\$85 Minimum
\$8,082 Maximum
\$2,020 Average

-
Greater DFW, TX*
15 total jobs
\$1,407.00 Median
\$270.00 Minimum
\$4,194.00 Maximum
\$1,429.00 Average

-
Greater Raleigh, NC^
165 total jobs
\$3,483 Median
\$106 Minimum
\$9,999 Maximum
\$2,940 Average

- Indianapolis, IN ^

101 total jobs

\$3,289 Median

\$600 Minimum

\$17,038 Maximum

\$3,942 Average

- Milwaukee, WI^

78 total jobs

\$1,725 Median

\$75 Minimum

\$15,117 Maximum

\$2,206 Average

- Providence, RI+

37 total jobs

\$1,605 Median

\$64 Minimum

\$7,992 Maximum

\$2,109 Average

- Utah*

61 total jobs

\$1,608 Median

\$214 Minimum

\$4,021 Maximum

\$1,830 Average

- Orlando, FL+

166 total jobs

\$3,000 Median

\$99 Minimum

\$20,904 Maximum

\$3,264 Average

- Treasure Valley, ID*

54 total jobs

\$1,811 Median

\$375 Minimum

\$5,400 Maximum

\$2,293 Average

*These four (4) locations were not open for a full calendar year as of December 31, 2024, but we have included their sales as it was reported to us.

^ Indicates that it was open a full calendar year.

+Indicates that it began as a franchised location but was transferred to Franchisor during the 2024 calendar year.

*These locations were not open for a full calendar year as of December 31, 2024, but we have included their sales as it was reported to us.

Kentucky, Cincinnati did not report

We Other than 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. 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 Michael Shinabarger at michael@phoenixfranchisebrands.com, 19500 Victor Parkway, Livonia, MI 48152, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
For Years ~~2021~~2022 to ~~2023~~2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2022 2021	87	188	+10+1
	2023 2022	188	2018	+2+10
	2024 2023	2018	1620	-4+2
Company-Owned	2022 2021	00	00	00
	2023 2022	00	00	00
	2024 2023	00	020	0+20
TOTAL OUTLETS	2022 2021	87	188	+10+1

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:

21. 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.

1-22. 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.

2-1. Franchisor shall protect the right of Franchisee to use the Marks in accordance with the requirements of the Franchise Agreement.

3-2. The final two paragraphs of provision XXI(B) is hereby deleted.

4-3. 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.

5-4. 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.

6-5. 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.

7-6. 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.

7. 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.

23. 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.

8. _____

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

FRANCHISOR:
DOOR RENEW INTERNATIONAL-, LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____