

FRANCHISE DISCLOSURE DOCUMENT



PREMIER POOLS & SPAS®



PINNACLE POOLS AND SPAS®

PREMIER FRANCHISE MANAGEMENT LLC
(a Nevada limited liability company)

1221 Liberty Pike
Franklin, TN 37067
844-366-2102

www.premierpoolsandspas.com

www.ppas.com

www.pinnaclepoolsandspas.com

The franchise described in this disclosure document relates to the establishment and operation of a business to market, sell, and supervise the construction and remodeling of swimming pools and spas, using our proprietary System and using our Marks. You may operate the franchise using the Mark and tradename "Premier Pools & Spas" or "Pinnacle Pools & Spas," depending on name availability in your area.

The total investment necessary to begin operation of a Premier Pools & Spas® or a Pinnacle Pools & Spas franchise is between \$58,950 and \$119,000. This includes \$45,000 that must be paid to the franchisor or affiliate.

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

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 31, 2025, amended June 23, 2025

2025 PFM FDD 033425062325 MN WA

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 the state in which the franchisor then maintains its principal place of business, currently Tennessee. 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 Tennessee than in your own state.
2. **Sales Performance Required.** 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.
3. **Spousal Liability.** Your spouse may be required to sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
4. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
5. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer. [REGARDING THE PINNACLE POOLS & SPAS LOGO MARK]
6. **Turnover Rate.** During the last 3 years, a high percentage of franchised outlets (more than 28%) were terminated. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

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.

does not do so until the Franchised Business has been operating for a year or more. Consequently, this estimated initial investment does not include the cost of a showroom.

4. Vehicle. You must purchase, lease or own a vehicle that we have approved as meeting our specifications and standards for quality, design, appearance, function and performance for use in the operation of the Franchised Business. We currently do not require you to purchase, lease or own any particular vehicle for use in the Franchise Business. Most reliable passenger vehicles would be suitable. The low end of the estimate assumes that you will use your existing vehicle for the Franchised Business and that that vehicle meets our then-current requirements. The high end of the estimate is for the first 3 months of leasing a vehicle, with a down payment of \$3,000, and monthly payments of \$750 per month.
5. Computer and Communication Equipment, Software and Services. See Item 11 for additional information. The low end of the estimate assumes that you already own the majority of the required computer and communication equipment and have a majority of the required services and software.
6. Insurance. ~~The cost of your insurance will vary with the size, location and type of your business, as well as other factors.~~—The estimates are for the first 3 months of premiums.
7. Training Expenses. See Item 11 for additional information regarding training. Includes estimated expenses for attendance of 1 franchisee representative at training. ~~Travel expenses vary substantially depending on method of travel, point of origin, distance, advance purchase requirements, and other factors.~~—The low end of the estimate assumes that you live within daily driving distance of Sacramento, California.
8. Business Licenses. You must obtain all necessary licenses required by applicable law before you begin the Franchised Business.
9. Professional Fees. We do not require you to consult with a lawyer, accountant or other professional before beginning operations. However, we suggest that you do. ~~Rates for professionals can vary significantly based on area and experience.~~
10. Uniforms. You must purchase uniforms and wear them while you are engaged in the Franchised Business.
11. Additional Funds. This amount is an estimate of the funds needed to cover initial operating expenses for your Franchised Business for a period of 3 months of operation (other than the items separately identified in the table), including vehicle insurance premiums, vehicle operating and maintenance costs, security deposits (other than under your lease), taxes, payroll, overhead, and other miscellaneous expenses, to the extent these expenses may exceed your revenues. We believe that the estimated amount will be sufficient to cover ongoing expenses in excess of your

Summary	
Total Number of Franchises Open for Full Year 2024 3	104
Average Gross Revenues	\$3,744,777
Median Gross Revenues	\$2,528,852
Number of Units Above Average	40
Number of Units Below Average	64
Percentage of Units Above Average	38 %
Percentage of Units Below Average	62 %
Highest Gross Revenue	\$16,539,251
Lowest Gross Revenue	\$0

The following table presents Gross Revenues information from the same Franchised Businesses identified above but the Franchised Businesses have been grouped by types of market areas: small, medium, large and extra-large. Each Franchised Business is assigned a Territory based on zip codes. The type of market area is determined after analyzing the demographics of the Territory (and includes such factors as population, median income, average weather, number of single-family homes, number of existing in-ground swimming pools, number of freeze months, and number of swimming pools built annually). Of the 104 Franchised Businesses described above, 30 were classified as “Small Market,” 39 were classified as “Medium Market,” 28 were classified as “Large Market,” and 7 were classified as “Extra Large Market”. The following tables reflect the historical average and median Gross Revenues by market designation for all 104 Franchised Businesses which were open and operating for a full year as of December 31, 2024. The explanatory notes following the table are an important part of the information presented. Written substantiation for the financial performance representation will be made available to prospective franchisees on reasonable request.

Type of Market	Number of Units
Small	30
Medium	39
Large	28
Extra Large	7
Small Markets	
Total Number of Franchises Open for Full Year 2024	30
Average Gross Revenues	\$2,082,325
Median Gross Revenues	\$1,517,060
Number of Units Above Average	9
Number of Units Below Average	21
Percentage of Units Above Average	30%

MINNESOTA

The following paragraphs are added at the end of the charts in Item 17 of the Franchise Disclosure Document:

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J. Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

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.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

4. Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds.

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

~~Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota or requiring the waiver of a jury trial. In addition, nothing in the disclosure document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.~~

~~Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.~~

~~2. Non-sufficient Funds (NSF) checks are governed by Minnesota Statute Section 604.113, which puts a cap of \$30 on service charges.~~

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT B OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR

WASHINGTON

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

Please see the text of the Washington addendum included in Exhibit D to the Franchise Agreement.

~~1. The following paragraphs are added to the end of Item 17 of the Franchise Disclosure Document:~~

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

~~RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.~~

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

~~A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.~~

~~Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.~~

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

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

~~2. Company Owned Outlets Are Not Required to Contribute to the Marketing Fund. Outlets operated by the franchisor and/or its affiliates are not required to make marketing fund contributions. This means the marketing fund contributions of franchisees could be partially or completely used for the benefit of franchisor and affiliate owned outlets.~~

~~3. Use of Franchise Brokers. The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.~~

~~4. Exhibit G to the Franchise Disclosure Document, "General Release." The General Release is amended by adding the following language:~~

~~"The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder."~~

~~5. Non-Waiver. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This~~

~~provision supersedes any other term of any document executed in connection with the franchise.~~

ADDENDUM TO THE PREMIER FRANCHISE MANAGEMENT LLC'S FRANCHISE AGREEMENT FOR USE IN MINNESOTA

This Addendum (the "Addendum") is made as of the Effective Date of the Franchise Agreement (defined below) by and between Premier Franchise Management LLC ("we" or "us"), a Nevada limited liability company, having our principal place of business at 1221 Liberty Pike, Franklin, TN 37067, and _____, a [corporation/limited liability company/partnership/individual], having its principal place of business at _____ ("you").

1. Background. We and you are parties to that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement"). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the Franchised Business that you will operate under the Franchise Agreement will be located in Minnesota, and/or (b) any of the franchise offer or sales activity occurred in Minnesota.

2. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

4. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

5. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

6. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J. Also, a court will determine if a bond is required.

7. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

8. 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.

9. NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

10. Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

~~2. Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds. Releases. Sections 3.03(g) and 14.03(h) of the Franchise Agreement are amended by adding the following:~~

~~Any release required as a condition of renewal, sale, and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.~~

~~3. Non Sufficient Funds Checks. The following language is added to the end of Section 7.05 of the Franchise Agreement:~~

~~Non-sufficient Funds (NSF) checks are governed by Minnesota Statute Section 604.113, which puts a cap of \$30 on service charges.~~

~~4. Termination. Sections 15.01, 15.02, 15.03 and 15.04 of the Franchise Agreement are amended by adding the following to the end of each of these sections:~~

~~However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.~~

~~5. Consent to Jurisdiction. The following language is added to the end of Section 17.05 of the Franchise Agreement:~~

~~Notwithstanding the foregoing, Minn. Stat. Sec. 80c.21 and Minn. Rule 2860.4400j prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this agreement will abrogate or reduce~~

~~any of your rights under Minnesota Statutes Chapter 80c or your rights to any procedure, forum, or remedies that the laws of the jurisdiction provide.~~

~~6. Waiver of Punitive Damages and Waiver of Jury Trial. If, and then only to the extent, required by the Minnesota Franchises Law, the first and last sentences of Section 17.06 of the Franchise Agreement are deleted.~~

~~7. Limitation of Claims. The following is added as a new Section 17.07 of the Franchise Agreement:~~

~~17.07 Limitation of Claims. Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.~~

~~8. Governing Law. The following statement is added at the end of Section 18.04 of the Franchise Agreement:~~

~~Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80c or your right to any procedure, forum, or remedies that the laws of the jurisdiction provide.~~

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum as of the Effective Date of the Franchise Agreement.

[Franchisee Entity Name]

PREMIER FRANCHISE MANAGEMENT
LLC

By: _____
Printed Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

WASHINGTON

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. Conflict of Laws. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

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

4. General Release. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. Transfer Fees. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. Termination by Franchisee. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent

contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

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

16. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Washington Addendum to the Franchise Agreement and Related Agreements

~~This Addendum (the "Addendum") is made as of the Effective Date of the Franchise Agreement (defined below) by and between Premier Franchise Management LLC ("we" or "us"), a Nevada limited liability company, having our principal place of business at 1221 Liberty Pike, Franklin, TN 37067, and _____, a [corporation/limited liability company/partnership/individual], having its principal place of business at _____ ("you").~~

~~1. Background. We and you are parties to that certain Franchise Agreement dated _____, 20____ (the "Franchise Agreement"). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that you will operate under the Franchise Agreement was made in Washington, (b) you are a resident of Washington, and/or (c) the Franchised Business will be located in Washington.~~

~~2. Addition of Paragraphs. The following paragraphs are added to the end of the Franchise Agreement:~~

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

~~A. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.~~

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

~~C. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.~~

~~D. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.~~

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

~~F. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions~~

~~contained in the franchise agreement or elsewhere are void and unenforceable in Washington.~~

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum as of the Effective Date of the Franchise Agreement.

[Franchisee Entity Name]

PREMIER FRANCHISE MANAGEMENT
LLC

By: _____
Printed Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

RECEIPT (YOUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Premier Franchise Management LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Premier Franchise Management LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the appropriate state agency identified on *Exhibit B*.

Issuance date: March 31, 2025, amended June 23, 2025

Our franchise sellers include Paul Porter, Brian Porter, Brian Pointer, and Bart Zacks, 1221 Liberty Pike, Franklin, TN 37067, phone 615-656-3095, and the following:

Name: _____ Business phone: _____
Business address: _____

* * * * *

I have received a Disclosure Document dated March 31, 2025, amended June 23, 2025, that included the following Exhibits:

- A State Addenda
- B List of State Agencies / Agents for Service of Process
- C Franchise Agreement and Exhibits
- D Manual Table of Contents
- E Financial Statements
- F List of Franchisees and List of Franchisees Who Have Left the System
- G Current Form of General Release

Date: _____ Prospective Franchisee: _____
(do not leave blank) Printed Name: _____

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