FRANCHISE DISCLOSURE DOCUMENT

Scoop Brothers Franchising, LLC
A South Carolina limited liability company
14301 South Lakes Drive
Charlotte, NC 28273
(704) 604-0370
info@scoopbrothers.com
www.scoopbrothers.com

As a franchisee, you will operate a business under the name "Scoop Brothers" ("Scoop Brothers") which provides pet waste removal services.

The total investment necessary to begin operation of a Scoop Brothers franchise for one territory (approximately 100,000 households) is $132,500 to $197,000. This includes $65,000 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of two to ten territories (up to approximately 1,000,000 households) is $182,500 to $487,000. This includes $11~~7~~5,000 to $355~~415~~,000 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Shannon Roderick at Scoop Brothers Franchising, LLC, (704) 604-0370, 14301 South Lakes Drive, Charlotte, NC 28273.

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: April 19, 2024, as amended June 25, 2024

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 North Carolina. 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 North Carolina than in your own state.

~~2. **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.~~

~~3.~~2. **Minimum Payments**. You must make minimum royalty or advertising 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.~~3. **Short Operating History**. The 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 in a system with a longer operating history.

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

5. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership 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.

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.

Item 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, "we", "us," "Scoop Brothers," or "our" refers to Scoop Brothers Franchising, LLC. "You" means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement's provisions also will apply to your owners.

Our name is Scoop Brothers Franchising, LLC. We also use the name "Scoop Brothers." Our principal business address is 14301 South Lakes Drive, Charlotte, NC 28273. We are a South Carolina limited liability company formed on March 8, 2023. We have offered franchises since April 2024~~the issuance date of this disclosure document~~. We have no predecessors.

Our affiliate, RestoPros Franchising, LLC, is a limited liability company formed in North Carolina on June 16, 2017. Its principal business address is 920 Crafters Lane, Pineville, NC 28134. This affiliate offers franchises providing restoration and remediation services to residential and commercial properties. This affiliate has been offering franchises since September 2019. As of December 31, 2023, RestoPros Franchising, LLC has 57 RestoPros franchises.

Our parent company, B. Rugged Brands, Corp., is a corporation formed in South Carolina on March 7, 2023, whose principal business address is 14301 South Lakes Drive, Charlotte, NC 28273. Our parent company does not offer franchises in any line of business or offer products or services to our franchisees.

Agent for Service of Process

Our agent for service of process in North Carolina is Shannon Roderick, and the agent's principal business address is 14301 South Lakes Drive, Charlotte, NC 28273. Our agents for service of process in other states are disclosed in Exhibit A.

Information About Our Business and the Franchises Offered

If you sign a franchise agreement with us, you will develop and operate a business under the trade name "Scoop Brothers" where you will market and provide pet waste removal services for residential and commercial properties. We (that is, Scoop Brothers Franchising, LLC) do not operate businesses of the type being franchised. We do not have any other business activities. We have not offered franchises in other lines of business.

We also offer, to qualified franchisees, the opportunity to develop multiple Territories under the same Franchised Business and under the same Franchise Agreement. To be eligible to develop multiple Territories, you must agree to operate in ~~open~~ between a minimum of two Territories and a maximum of ten Territories under the same Franchised Business.

The general market for pet waste removal services is broad and in high demand. This market is developed and very competitive. You can expect to compete in your market with other pet waste removal companies, pet sitters, lawn care services, handyman services, and casual labor companies. There may be some seasonality to your business depending on the location of your Franchised Business. Given the volume of potential providers of similar services, it may be assumed potential competitors are franchised.

Laws and Regulations

You must comply with all local, state and federal laws and regulations that apply to the operation of pet waste removal businesses, including health, safety, insurance, discrimination, employment and sexual harassment 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. The health and safety requirements can vary from jurisdiction to jurisdiction and specific inquiry should be made with your state and local authorities. Your franchise will also be subject to various federal, state and local laws, and regulations affecting the business, including, among others, federal, state and local laws, rules and regulations governing ~~franchising,~~ licensing, permits, zoning, the EPA, and other federal and state environmental protection statutes, OSHA, and other federal, state and local laws regarding hazardous substances and waste and removal/dumping of the hazardous substances and waste, land use, and various health, sanitation, safety and fire standards. ~~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 wages, overtime and working conditions. Your advertising of the Scoop Brothers business is regulated by the Federal Trade Commission. There may be federal, state and local laws which affect your Franchise in addition to those listed here.~~

You should investigate whether there are any state or local regulations or requirements that may apply in the geographic area in which you intend to conduct business. You should consider both their effect on your business and the cost of compliance. You are responsible for obtaining all licenses and permits which may be required for your business. ~~We strongly recommend that before signing the Franchise Agreement, you engage an attorney and other professional advisors to advise you in determining the laws, ordinances and regulations affecting your establishment or operation of a franchise, to assist you in evaluating the financial ramifications of this business decision, and the risks of this business investment.~~

Item 2
BUSINESS EXPERIENCE

Chief Executive Officer: Alex Blair
Alex Blair has served as our Chief Executive Officer since our inception. He has also served as the Chief Executive Officer of our Parent and RestoPros Franchising, LLC since March 2023 and June 2017, respectively. Mr. Blair is also the owner and founder of RestoPro's, LLC, of Rock Hill, South Carolina, and has served in that capacity since January 2018.

President: Shannon Roderick
Shannon Roderick has served as our President since our inception. Ms. Roderick has also served as the President of our Parent and RestoPros Franchising, LLC since March 2023 and August 2022, respectively. From May 2022 to August 2022, she served as the Vice President of Brand

7	700,000	$30,000	$260,000
8	800,000	$30,000	$290,000
9	900,000	$30,000	$320,000
10	1,000,000	$30,000	$350,000

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

Training Fee

Upon execution of the Franchise Agreement, you must pay us a non-refundable Training Fee of $5,000, which covers attendance at our Initial Training program for up to three individuals. If you request to bring additional individuals to our Initial Training program and we approve such request, you must pay us a non-refundable additional Training Fee of $1,000 per day per individual beyond the first three plus reimbursement of our costs.

Item 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	For each royalty period, we calculate the Royalty Fee using the greater of: (a) currently, 7.5% of Gross Sales and up to 8.5% of Gross Sales; or (b) the Minimum Royalty Fee per Territory (See Note 3).	Monthly	See Notes 1, 3, and 4.
Brand Fund Contribution	Currently not assessed; up to 3.5% of Gross Sales if we establish a Brand Fund.	Monthly	The purpose of the Brand Fund is to support general development and recognition of the Scoop Brothers brand.
Grand Opening Advertising (Per Territory)	$20,000 between the month before opening and three months after opening for business.	Monthly	We require you to pay approved vendors, media outlets, etc.

Type of Fee	Amount	Due Date	Remarks
	$20,000 between 3-6 months after activating each new Territory.		directly for Grand Opening Advertising. We may ~~, but we reserve the right to~~ collect these fees and remit them to third parties. Each deadline by which you must purchase an additional Service Truck (See Item 7) is a "Territory Activation." You must spend $20,000 on Grand Opening Advertising between 3-6 months after each Territory Activation.
Local Marketing (Per Territory)	3.5% of Gross Sales or $3,000, whichever is greater, in months 4-12 after you open for business or activate a new Territory. 3.5% of Gross Sales from month 13 of operation or activation of a new Territory through the end of the term.	Monthly	We require you to pay approved vendors, media outlets, etc. directly for Local Marketing. We may ~~, but we reserve the right to~~ collect these fees and remit them to third parties.
Marketing Cooperative Contribution	None currently; up to 3% of Gross Sales when established	As incurred	You must participate in a local or regional advertising

Type of Fee	Amount	Due Date	Remarks
			cooperative when established. See Note 6.
Key Account Programs	Actual costs ~~Will vary under circumstances and may be determined as your pro rata share based on number of participating franchisees or other factors.~~	As incurred	The actual costs will be determined as your pro rata share based on number of participating franchisees, support and administration requirements, and the terms of contracts with vendors. Payable to us or to vendor. See Note 2.
Technology Fee	Our then-current Technology Fee; currently, $1,000 per month.	Monthly	The fee will cover a portion of the website and your email addresses, software, credit card subscription service, phone, and other pass-through technology services as specifically designated by us. We may change the Technology Fee upon 30 days' written notice to you. The Technology Fee will cover all Territories that

Type of Fee	Amount	Due Date	Remarks
			are contiguous. If you purchase multiple Territories that are not contiguous, you will execute more than one Franchise Agreement, and you will incur a separate Technology Fee for non-contiguous Territories.
Additional Opening Support Fee	~~A reasonable fee, u~~Up to $500 per day, plus the reasonable travel, meal, and lodging expenses of our opening support personnel	As invoiced	If you request opening support beyond what we customarily furnish to franchisees, and if we agree to furnish such additional support, ~~then~~ we may~~will have the right to~~ impose a fee, plus expenses, for providing the agreed additional support.
Training Fees – Remedial and Optional Training and Support	Currently, $500 per day plus Franchisor's out-of-pocket expenses.	Before training session begins	We can charge a training fee: (a) if we require remedial training as a result of your failure to comply with our System Standards; (b) for re-training persons who are

Type of Fee	Amount	Due Date	Remarks
			repeating a training program, or their substitutes; ~~and~~ (c) for training programs that we make optional for franchisees; and (d) on-site training or support at your request. If we conduct on-site training or support, you must also pay the travel, meals and lodging expenses for our trainer(s).
Annual Conference	Currently, one complimentary registration and a cost set by Franchisor thereafter.	As invoiced	Applies only if we schedule an annual conference for franchisees. We may ~~reserve the right to~~ change our attendance fee. ~~If the individuals required to attend our annual conference fail to attend, you must pay us a $2,000 non- attendance fee.~~
Failure to attend Annual Conference	$2,000	As invoiced	If the individuals required to attend our annual conference fail to attend, you must pay us a $2,000

Type of Fee	Amount	Due Date	Remarks
			non- attendance fee.
Call Center Fee	None currently; 1% of Gross Sales if required.	Same as Royalty Fee	All telephone calls to the Franchised Business must be answered by a "live" voice. ~~We have the right to require that you use a designated call center (a "Call Center") to provide "live" answering services for incoming calls. If we do so, you will have to pay a Call Center Fee in an amount that we designate. We can modify the Call Center Fee on 30 days' notice.~~ While we do not currently charge a Call Center Fee, we may opt to increase your Royalty Fee by 1% of Gross Sales if you fail to comply with your "live" answering requirement.
Sales Support Center Fee	None currently; up to 7% of Gross Sales if established.	Monthly	We may establish a Sales Support Center which allows your

Type of Fee	Amount	Due Date	Remarks
			customers to call our representatives directly to discuss, among other things, customer needs and account and billing questions (“Sales Support Center”). If we establish the Sales Support Center, the Sales Support Center Fee covers this service. If we provide you additional services through the Sales Support Center, we may charge you for these services on a pay-per-use basis. We may ~~reserve the right to~~ increase the Sales Support Center Fee upon 30 days’ notice to you.
Service Deficiency Fee	Our costs	As invoiced	Payable if we receive a customer complaint about services you performed and we determine that we, an affiliate of ours, or another franchisee must

Type of Fee	Amount	Due Date	Remarks
			either re-perform the services to the customer's satisfaction or reimburse the customer.
Renewal Fee	The greater of: (a) 10% of our then-current base Initial Franchise Fee per Territory (without any discounts applied); or (b) $5,000 per Territory.	When you sign successor Franchise Agreement	When your agreement term ends, you will have the option to continue the franchise relationship with us, subject to certain conditions.
Transfer Fee	$5,000 plus any third-party broker fees that you or we incur.	With request for approval of transfer	Payable if you or an Owner proposes to sell the business assets of the Franchised Business or an ownership interest in the legal entity. Subject to state law.
Change of Ownership Fee	Currently, (a) our actual ~~reasonable~~ legal and administrative costs; plus (b) applicable training fees for new Owners, currently $100 per day for each individual we require to attend training.	With request for approval of change of ownership	Payable if you or an Owner proposes to modify ownership of the legal entity in a way that would not result in a change of control of the legal entity. ~~We may modify our~~

Type of Fee	Amount	Due Date	Remarks
			~~change of ownership fee.~~
Procurement of Insurance	Cost of insurance, plus reasonable fee of up to 25% of total insurance premium cost.	Upon demand	Payable only if you fail to obtain required insurance and we elect to obtain it on your behalf.
Vendor Review	Our actual ~~reasonable~~ costs, plus the ~~reasonable~~ travel, meal, and lodging expenses of our vendor review personnel.	Within 30 days after invoice	Payable only if you ask us to evaluate a potential vendor; payable whether or not we approve the vendor. Please see Item 8.
Management Fee	Up to $500 per day, plus our costs and overhead	Within 30 days after invoice	Payable only if: (a) the Key Person (see Item 15) dies or is incapacitated, and we elect to manage the Franchised Business pending transfer of his or her interest; or (b) the Key Person is arrested for or formally charged with a serious criminal offense and we take over operation of the Franchised Business pending final disposition of the charges.

Type of Fee	Amount	Due Date	Remarks
Step-In Fee	Up to $500 per day, plus our costs	As invoiced	If you are in default under your Franchise Agreement, we may ~~have the right to~~ step in and operate the Franchised Business until we determine the default has been cured. We may charge you a fee for these services.
Interest	12% per annum or the maximum rate permitted by applicable law, whichever is less	With payment of overdue amount	Applies only if you do not pay us on time. We calculate interest from the date the payment was due until paid in full.
Late Fee	$100 for second occurrence of payment more than 30 days past due; $200 for third occurrence; $300 for each subsequent occurrence	With payment of overdue amount	We can charge a late fee to compensate us for our administrative costs incurred in enforcing your obligation to pay us and submit required reports to us.
Insufficient Funds Fee	$50 or the amount the bank charges us due to the insufficient funds, whichever is greater, subject to the maximum amount allowed by state law.	Upon demand	Payable if an electronic funds transfer payment request is returned due to insufficient funds.

Type of Fee	Amount	Due Date	Remarks
Indemnity for Tax Withholding	Amount of any penalties, interest, and expenses we incur	As invoiced	Payable only if you are obligated by law to withhold taxes on any payments to us, and you fail to do so.
Audit Costs	Our costs and expenses of conducting audit, including travel and lodging.	Upon demand	Payable only if: (a) you did not submit Gross Sales statements; (b) you did not keep full books and records; or the total Gross Sales you reported for any three consecutive months is more than 2% below the audited Gross Sales.
Non-compliance Royalty Rate	1% of Gross Sales	As Invoiced	We are entitled to increase your Royalty Fee by 1% of Gross Sales during any period of your non- compliance with the Franchise Agreement or the System Standards.
Enforcement Costs	Actual costs~~Will vary under circumstances~~	As invoiced	You must reimburse us for expenses we ~~reasonably~~ incur

Type of Fee	Amount	Due Date	Remarks
			(including ~~reasonable~~ attorneys' fees) to enforce your obligations.
Defense Costs	Our actual costs and expenses	As invoiced	Payable if you initiate a legal proceeding against us and you do not prevail in obtaining the relief you were seeking.
Indemnification	Actual costs and expenses~~Will vary under circumstances~~	As incurred	You must reimburse us if we incur any damages, losses or expenses, including ~~reasonable~~ attorneys' fees and other costs, as a result of claims arising from the operation of your Franchised Business.

All fees are payable only to us, including the software subscription charges, unless we designate otherwise. All fees are non-refundable. All fees are uniform for all franchisees, although we may ~~reserve the right to~~ change, waive, or eliminate fees for any one or more franchisees as we deem appropriate.

~~There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.~~

Notes

1. "Gross Sales" is defined in your franchise agreement as the total dollar amount of all sales generated through your business for a given period from the offer and sale of pet waste removal services. Gross Sales does not include (i) bona fide refunds to customers, (ii) sales taxes

collected, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales).

2. We or our affiliate may from time to time enter into agreements to provide services to customers as part of a national, regional or Key Account program, (sometimes also referred to as "**National Accounts**"). If you are required to participate in a Key Account program or choose to participate in an optional program, you must pay the actual costs to participate in the program, which include fees designated by us or the vendor as part of the program~~, which may be~~ based on the number of franchisees participating, ~~or other factors and may include fees to~~ support and ~~our~~ administration requirements of the program, and the terms of contracts with vendors. The fees may be charged directly to you or may be paid to us in the form of a rebate from the vendor. We cannot estimate what the actual cost to you will be of participation in Key Account programs, as it will be dependent on the terms of future contracts with vendors.

3. The Minimum Royalty Fee is not meant to be, and you may not rely on it as, a representation or guarantee of the results that your Franchised Business or any particular Franchised Business will or might achieve. The Minimum Royalty Fee does not predict or project your revenue or other business results. The Minimum Royalty Fee is simply a fixed dollar value, the purpose of which is to guarantee a minimum economic return to us. The Minimum Royalty Fee per Territory is reflected in the chart below:

Period of Time Following Opening Date of Franchised Business	Monthly Minimum Royalty Fee Per Territory
Months 3 to 6	$320
Months 7 to 12	$504
Months 13 to 24	$856
Months 25 to 36	$1,224
Months 37 to 48	$1,472
Months 49 to 60	$1,716
Months 61 to 72	$1,960
Months 73 to 84	$2,084
Months 85 to 96	$2,208
Months 97 to 108	$2,328
Month 109 to Expiration Date	$2,452

4. If you purchase more than one Territory, there will be a separate Minimum Royalty Fee for each Territory which must be satisfied independently and not in the aggregate.

5. We may ~~reserve the right to~~ increase your Royalty Fee by 1% of Gross Sales if: (a) you do not comply with our requirement to provide "live" answering of telephone calls to the Franchised Business; or (b) you otherwise fail to comply with your obligations under the Franchise

Agreement. If we require you to use a designated call center to provide "live" answering services for incoming calls, you must pay a Call Center Fee in an amount that we designate. We can modify the Call Center Fee on 30 days' notice.

6. Each franchisee in the cooperative will have one vote. The actual amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% of Gross Sales. Our own outlets that are part of a cooperative must contribute on the same basis as franchisees and will vote on the same basis as other members. If our outlets have controlling voting power, the maximum fees that could be imposed are 3% of Gross Sales.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT – SINGLE TERRITORY

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee[1]	$60,000	Check or wire transfer	Upon signing the Franchise Agreement	Us
Pre-Opening Marketing Materials[2]	$6,000	As arranged	Prior to opening the Franchised Business	Approved Vendors
Grand Opening Advertising[3]	$20,000	As arranged	During the first 3 Months of Operation	Approved Vendors
Computer Systems	$2,000 - $3,000	As arranged	Prior to opening the Franchised Business	Approved Vendors
Technology Fee (first 3 months)	$3,000	As arranged	Monthly After Opening	Approved Vendors
Insurance (first 3-6 months)[4]	$2,000 - $5,500	As arranged	Prior to opening the Franchised Business	Approved Vendors
Wrapped Vehicle & Equipment[5]	$15,000 - $51,500	As arranged	Prior to opening the Franchised Business	Approved Vendors
Licenses and Permits	$500 - $1,000	As arranged	Prior to opening the Franchised Business	Local Government
Professional Fees (lawyer, accountant, etc.)	$2,000 - $3,000	As arranged	As incurred	Professionals

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Training Fee	$5,000	Check or wire transfer	Upon signing the Franchise Agreement	Us
Travel, lodging, and meals for Initial Training[6]	$2,000 - $4,000	As arranged	As incurred	Various Vendors
Additional funds (for first 3 months)[7]	$15,000 - $35,000	As arranged	As incurred	Various Vendors
Total	$132,500 - $197,000			

Notes

1. If (1) you fail to complete the initial training program to our satisfaction, or (2) we conclude, no more than 10 days after you complete the initial training program, that you do not have the ability to satisfactorily operate your franchise, then we may ~~have the right to~~ terminate your franchise agreement. If we do so, we will refund your franchise fee less any out-of-pocket costs we have incurred, subject to your signing a general release of our liability. Otherwise, all fees paid to us or our affiliates are non-refundable. All other expenses paid to third-parties may or may not be refundable, depending on the terms of your arrangement with each third-party supplier.

2. You must pay third-party vendors approved by us for marketing collateral including, but not limited to, apparel, merchandise, and any marketing materials used before your franchised business opens.

3. For your Grand Opening Advertising, you will spend these amounts on marketing efforts designated by us, including social media advertising, Google Ads, Valpak and print mailers, and local tradeshows or similar events where you can market your Scoop Brothers Business. You must spend this amount during the first three months after you open for business.

4. This estimate reflects the estimated cost for your annual insurance premium. You may incur additional insurance expenses depending on your payment terms (monthly vs. annual premiums), business history, insurance agency, and creditworthiness.

5. You must either lease or purchase a brand new Chevrolet Colorado Crew LT truck in "Summit White" for your Scoop Brothers Business (a "Service Truck") from our designated supplier, Randy Marion Chevrolet. This estimate includes $38,000 to $42,000 for the Service Truck, $3,000 to $5,000 for the vehicle wrap, $1,800 to $3,000 for the Rhino Liner and Storage Bin, and $500 to $1,500 for Supplies & Equipment. The low end of this estimate assumes you lease your Service Truck, which includes a down payment of approximately 10%, the first three months' lease payments, and the cost of the Service Truck wrap and equipment. The terms of your lease may vary based on your credit history and the current interest rate. The high end of this estimate assumes you purchase the Service Truck. While you may pick up your Service Truck when you attend initial training, the high end of this estimate also includes shipping the Service

Truck to you. You must purchase one (1) initial Service Truck upon executing the Franchise Agreement. If you purchase more than one (1) Territory, you must purchase at least one (1) Service Truck per additional Territory according to the following schedule:

a. You must purchase your second (2nd) Service Truck within six (6) months after executing the Franchise Agreement;

b. You must purchase your third (3rd) Service Truck within twelve (12) months after executing the Franchise Agreement; and

c. You must purchase your fourth (4th) Service Truck and each additional required Service Truck every three (3) months after the first anniversary of the Franchise Agreement. For example, if you purchased five (5) Territories, you must purchase your fourth (4th) Service Truck no later than fifteen (15) months after executing the Franchise Agreement and your fifth (5th) Service Truck no later than eighteen (18) months after executing the Franchise Agreement.

Each deadline by which you must purchase an additional Service Truck is a "Territory Activation." You may purchase additional Service Trucks prior to a Territory Activation. You will need to account for delivery timeframes when purchasing additional Service Trucks as there are additional Grand Opening Advertising and Local Marketing requirements that occur with each Territory Activation.

6. This estimate includes amounts you will pay to travel and attend our initial training program. You are responsible for travel, lodging, and meals, and any payroll expenses you may incur on behalf of yourself and the individuals you bring to our initial training program.

7. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as payroll, additional inventory, and other operating expenses in excess of income generated by the business. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Scoop Brothers business by our affiliate, and our general knowledge of the industry.

8. Except as otherwise provided, none of the amounts payable to us or our affiliates are refundable under any circumstances. Neither we nor our affiliate offer any financing for the initial investment.

YOUR ESTIMATED INITIAL INVESTMENT – MULTIPLE TERRITORIES

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Cumulative Franchise Fee	$110,000 - $350,000 (2 - 10 Territories)	Check or wire transfer	Upon signing the Franchise Agreement	Us

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Investment to Open Initial Business[1]	$72,500 - $137,000	See Preceding Chart for Single Territory Investment		
Total	$182,500 - $487,000			

Note

1. Please refer to the table for the Estimated Initial Investment for one Territory for expenses associated with opening the initial Scoop Brothers business for one Territory under a Franchise Agreement. This does not include the Initial Franchise Fee for one Territory because it is included in the preceding row under the "Cumulative Franchise Fee."

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We ~~have the right to~~ require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business either (1) from us, our designee or suppliers approved by us, or (2) according to our specifications.

Specific Obligations

Although we have not designated a specific source or vendor that you must use for all~~some~~ products and services ~~(although we have the right to do so in the future)~~, you must follow our specifications and/or obtain our approval of the vendor for any product or service that we designate. As of the date of this disclosure document, these products include:

A. **Insurance**. You must maintain the types and minimum amounts of insurance coverage and bonds we specify for Franchised Businesses. The policies must be written by carriers with an industry rating acceptable to us; must name us, our affiliates, and their respective officers, directors, shareholders, and employees as additional insureds as we direct; and must not have deductibles, exclusions or co-insurance that are unacceptable to us. Each insurance policy must contain a waiver by the insurance company of subrogation rights against Franchisor, its affiliates, and their successors and assigns. Each insurance policy must contain a waiver by the insurance company of subrogation rights against Franchisor, its affiliates, and their successors and assigns. At a minimum, you must obtain insurance in the types and coverage amounts: Comprehensive General Liability Insurance ($1,000,000 per incident/$1,000,000 aggregate), Commercial Automobile Liability Insurance (Combined single bodily injury and property damage coverage for all owned, non-owned, and hired vehicles, with limits of liability not less than $500,000 per occurrence for both bodily injury and property damage), Statutory workers' compensation insurance and employer's liability insurance ($500,000 minimum policy limit, as well as such other disability benefits type insurance as may be required by statute or rule of the state in which your Franchised Business is located), and Commercial Umbrella Liability Insurance (minimum policy limits which bring the total of all underlying coverages to not less than $1,500,000 total limit of liability. Such umbrella liability must provide at a minimum those coverages and endorsements required in the underlying policies). We can increase the coverage requirements and/or require different or additional kinds of insurance. Your insurance policies must be written by a carrier with an industry rating acceptable to us, must name us and our affiliates, officers, directors, shareholders and employees as additional insureds, and must not have deductibles, exclusions or co-insurance that are unacceptable to us. All public liability and property damage policies must contain a waiver by the insurance company of subrogation rights against us and our affiliates, successors and assigns. Prior to opening your Franchised Business, you must provide us with certificates of insurance demonstrating that you have met the requirements. At least 30 days before expiration of a policy, you must furnish evidence of renewal or replacement insurance. If you do not obtain the required coverage, we have the right (but no obligation) to obtain insurance on your behalf. If we do so, you must reimburse us for the cost of insurance, plus a reasonable fee for our services.

B. **Computer System.** You must purchase (or lease) the point-of-sale software and hardware, and related software and hardware, that we specify. See Item 11 for more details.

C. **Vehicles.** You must acquire one Chevrolet Colorado Crew LT truck in Summit White that meets our specifications and standards. You must purchase this from the Chevrolet dealer or supplier who we designate, and they will provide it to you with our approved vehicle wrapping, liner, and storage bin. You recognize that we may require you to periodically update the signage and decorations and other logos utilized on the vehicles from time to time.

Us or our Affiliates as Supplier

We and our affiliates are not currently a designated or approved supplier of any goods or services that must be purchased during the establishment or operation of your franchise~~, but we reserve the right to do so~~.

Ownership of Suppliers

None of our officers owns an interest in any supplier to our franchisees.

Alternative Suppliers

For required goods and services and required vendors and suppliers, y~~Y~~ou may not use a product or supplier that is not on our list of approved products or suppliers, subject to state law. If we require you to purchase from an approved or required vendor any particular goods or services or comparable items and you desire to purchase from another vendor, then you must submit to us a written request for approval. You must also submit to us any information, specifications and/or samples requested by us. We may condition our approval on such criteria as we deem appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. We will provide you with written notification of the approval or disapproval of any proposed new vendor within 30 days after receipt of your request. We may revoke approval of any alternate product or supplier on written notification to you.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications only after thorough testing in our headquarters, in company-owned outlets, and/or a limited market test in multiple units.

Revenue to Us and Our Affiliates

We do not currently derive revenue from any required purchases or leases by franchisees, but we are not prohibited from doing so under the Franchise Agreement. During the fiscal year ended December 31, 2023, neither we nor our affiliate ~~did not~~ derived any revenue from the required purchases and leases by franchisees.

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 70% to 80% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases to operate your business are 30% to 40% of your total purchases and leases to operate your business.

Payments by Designated Suppliers to Us

We do not currently receive payments from any designated suppliers based on purchases by you or other franchisees. However, the franchise agreement does not prohibit us from doing so.

Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

Negotiated Arrangements

We negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees.

Obligation	Section in Franchise Agreement	Disclosure document item
n. Insurance	§ 7.15	Items 6, 7 and 8
o. Advertising	Article 9	Items 6, 7, 8 and 11
p. Indemnification	Article 16	Items 6 and 8
q. Owner's participation/management/staffing	§ 2.4	Items 15
r. Records and reports	Article 10	Item 11
s. Inspections and audits	§§ 10.5, 11.2	Items 6 and 11
t. Transfer	Article 15	Items 6 and 17
u. Renewal	§ 3.2	Item 17
v. Post-termination obligations	Article 13, § 14.3	Item 17
w. Non-competition covenants	§ 13.2	Item 17
x. Dispute resolution	Article 17	Items 6 and 17

Item 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations.

Item 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We do not assist you in (i) locating your site and negotiating the purchase or lease of the site, (ii) conforming the premises to local ordinances and building codes and obtaining any required permits, or (iii) constructing, remodeling, or decorating the premises. However, we will either approve of or deny your site before your open date, which generally within

90 days after your sign the Franchise Agreement. We do not generally own the premises and lease the site to you. We do not consider any factors in approving your site other than whether your site is located within your Territory(ies). If you and we cannot agree on a site and you are delayed in commencing operations, we may terminate your Franchise Agreement and your initial franchise fee will be forfeited. (Sections 6.1, 6.2, 6.3).

B. *Hiring and training employees*. We will provide you with our suggested staffing levels (Section 5.2), suggested guidelines for hiring employees (Section 5.2), operational instructions in the Manual which you can use as part of training new employees (Section 5.3), and our initial training program described below. All hiring decisions and conditions of employment are your sole responsibility.

C. *Necessary equipment, signs, fixtures, opening inventory, and supplies.* We will provide you a list of our specifications and approved suppliers for equipment, signs, fixtures, opening inventory, and supplies necessary to open your business. ~~Keep in mind some required suppliers will be us.~~ (Section 5.4)

D. *Operating Manual*. We will give you access to our Operating Manual (Section 5.1). See Exhibit E for the table of contents of our Operating Manual as of the date of this disclosure document. There are currently approximately 160 pages in the Operating Manual.

E. *Initial Training Program.* We will conduct our initial training program. (Section 5.4). The current initial training program is described below.

F. *Market introduction plan*. We will advise you regarding the planning and execution of your market introduction plan. (Section 5.4).

Length of Time to Open

The typical length of time to open your business is within five (5) days of completing our initial training program, since the franchised business will be operated from your home office; typical length to open is extended to forty-five (45) days to sixty (60) days if you use external funding toward the initial investment. Factors that may affect the time period include equipment availability, shipping delays, custom orders, your ability to obtain financing, obtain business permits and licenses, schedule initial training, take delivery of required equipment, and hire employees. If you do not open your Scoop Brothers business within ninety (90) days after signing the Franchise Agreement, your Franchise Agreement may be terminated.

Our Post-Opening Obligations

After you open your business:

~~A. *Developing products or services you will offer to your customers*. Although it is our intent and practice to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.~~

A~~B~~. *Improving and developing your business; resolving operating problems you encounter*. If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide in-person training or support in response to your request, we may charge a fee (currently $500 per day) plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Section 5.5).

B~~C~~. *Establishing prices*. We will establish minimum and maximum prices for products and services. (Section 5.5). We have the right to determine prices charged by our franchisees for goods and services (but only to the extent permitted by applicable law).

C~~D~~. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures*. We will provide you with our required and approved providers and procedures for administration, bookkeeping, accounting, and inventory control. (Section 5.5). We may make any such procedures part of required (and not merely recommended) procedures for our system.

D~~E~~. *Brand Fund*. If a Brand Fund is established, we will ~~We reserve the right to establish and~~ administer the Brand Fund. (Section 5.5).

E~~F~~. *Website*. We will maintain a website for the Scoop Brothers brand, which will include your business location and the local telephone number that we establish for you. (Section 5.5)

F. *Developing products or services you will offer to your customers*. Although it is our intent and practice to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so. (Section 5.5)

Advertising

(i) *Our obligation*. We have not yet established the Brand Fund. If established, we will use the Brand Fund only for marketing and related purposes and costs. If established, you will be required to contribute up to 3.5% of your monthly Gross Sales toward the Brand Fund. Media coverage is primarily local. We use internal marketing employees and outside vendors and consultants, such as graphic designers, social media companies, and national or regional advertising agencies and vendors, to produce advertising, and we may use Brand Fund funds for these purposes. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which will be paid for by the Brand Fund). We have no other obligation to conduct advertising.

(ii) *Grand Opening Advertising*. You must spend $20,000 to conduct Grand Opening Advertising in each territory. You can expend any additional amounts that you wish on Grand Opening Advertising, and we estimate that you will do so. You will be required to spend at least $20,000 in the first three (3) months after the opening date. You must submit to us your Grand Opening Advertising plan for approval. If we do not receive your Grand Opening Advertising plan when required, we may~~reserve the right to~~: (a) conduct the Grand Opening Advertising campaign on your behalf without refunding you any amount you have paid us towards Grand Opening Advertising, or (b) create a Grand Opening Advertising plan that you will be required to implement and conduct. You must also pay us or our designated supplier(s) at least $20,000 to conduct Grand

Opening Advertising in the Territory(ies) between three (3) and six (6) months after each Territory Activation. This amount is in addition to your other Local Marketing obligations. (Section 9.6)

(iii) *Local Marketing*. Beginning in the fourth (4^{th}) month after you open for business, you must, on a monthly basis, spend an amount equal to at least three and one half percent (3.5%) of your Gross Sales from the prior month on local advertising and promotion of the Business. Additionally, from the fourth (4^{th}) month after you open through the twelfth (12^{th}) month after you open, you must spend at least $3,000 per month on Local Marketing. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you. In addition to the foregoing, from the fourth (4^{th}) month after each Territory Activation through the twelfth (12^{th}) month after each Territory Activation, your Local Marketing will be subject to a minimum of $3,000 per month. (Section 9.8)

(iv) *Advertising council*. We do not have an advertising council composed of franchisees. The franchise agreement does not give us the power to form an advertising council.

(v) *Local or Regional Advertising Cooperatives*. We do not currently have any local or regional advertising cooperatives. You must ~~We have the right to require you to~~ participate in a local or regional advertising cooperative if established. It established, w~~W~~e will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. Each franchisee in the area would have one vote (unless the franchisee is in default under its franchise agreement). The amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% of gross sales. If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees, and they will vote on the same basis as other members. If our outlets have controlling voting power, there is no maximum on fees that could be imposed. We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as an advertising agency or accounting firm, or to the franchisee members of the cooperative. ~~We have the right to require~~ T~~t~~he advertising cooperative must adopt ~~to operate from~~ written ~~bylaws or other~~ governing documents~~ that we determine~~. The documents are not currently available for you to review. Cooperatives will prepare annual financial statements which will be available for review only by us and by the members of cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged. (Section 9.3)

(vi) *Brand Fund*. ~~We reserve the right to establish a Brand Fund.~~ If established, you must contribute up to 3.5% of Gross Sales per month to the Brand Fund. Outlets that we own are not obligated to contribute to the Brand Fund, and we reserve the right to charge different contribution amounts to different franchisees. We will administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request. If all of the funds are not spent in the fiscal year in which they accrue, such amounts will remain in the Brand Fund and be carried over into the next year. No money from the Brand Fund will be spent principally to solicit new franchise sales, but we may indicate that franchises are available in advertising materials produced with Brand Fund expenditures. (Section 9.4)

Computer Systems

We require you to purchase certain computer systems and software. You must purchase a phone, laptop, and iPad. You must purchase Sweep N' Go and QuickBooks software. These systems provide management tools, operational systems, logistics and business systems needed to operate the franchised business. These systems will generate or store data such as marketing, financial, customer and order data. We estimate that the initial cost of purchasing your computer systems will be between $2,000 and $3,000. We estimate your software subscriptions to be approximately $1,000 per month.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do not currently, but may require you to enter into any such contract with a third party. ~~However, we may do so in the future.~~ You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation. We generally estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be $500.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales, customer data, and reports. There is no contractual limitation on our right to access the information. According to the Franchise Agreement, we have complete ownership of all of this data.

Training Program

Our training program consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Company Structure -History -Mission	1	0	Charlotte, North Carolina
Sales & Marketing -Business Development	6	1	Charlotte, North Carolina
Operations -Software -Routing -Fleet Management -Client Data -Products & Services -Billing/Invoicing	7	1	Charlotte, North Carolina
In-Field Training	0	4	Charlotte, North Carolina

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Safety	1	1	Charlotte, North Carolina
Personnel -Team Development -Team Management	2	0	Charlotte, North Carolina
TOTALS:	17 hours	7 hours	

These training classes will be scheduled in accordance with the needs of new franchisees and include topics around how best to manage your business. The training will take place over 3-5 days on the site of the franchisee. The Principal Executive of your franchise must attend and complete the training. The Principal Executive is you, if you are the sole owner of the franchised business. If the franchised business is owned by a business entity, you must designate one person as your "Principal Executive," which must be the executive that is primarily responsible for and has decision-making authority on behalf of the franchised business. The Principal Executive must own at least 10% of the franchised business. Other owners, employees, and representatives of the franchised business that are approved by us may also attend initial training. There is no fee for up to 3 people to attend this training. You must pay the travel and living expenses of people attending training. If you request to bring more than 3 people to attend training and we approve such request, you must pay us a non-refundable additional Training Fee of $1,000 per day per individual beyond the first three plus reimbursement of our costs and you must pay their travel and living expenses.

Training classes will be led by Daniel Sturgis, the founder of Scoop Brothers, who has five years of relevant experience. Additional employees of us or our affiliates may also lead training from time to time. Our instructors have a minimum of four weeks of training at our corporate operation in the specific role that they will be offering training on.

Training classes will be scheduled in accordance with the needs of new franchisees and include in-person training. We anticipate holding in-person training classes once per month.

The instructional materials consist of the Operating Manual and other materials, lectures, discussions, and on-the-job demonstration and practice.

Your Principal Executive complete any additional training or refresher programs that we designate and must attend a national business meeting or our annual convention for up to three days each year in the event that we decide to host an annual convention.

Item 12
TERRITORY

Your Location

We anticipate that you will manage your Scoop Brothers business from a home office or small warehouse facility setting. Your primary office must be located in your territory (or one of your territories if you will have more than one).

Grant of Territory

You will receive a protected~~n exclusive~~ territory with at least 100,000 households based on the most recent U.S. Census data and territory mapping software that we utilize (the "Territory"). You may purchase one or more additional Territories as described in Items 1, 5, and 7. During the Term of the Franchise Agreement, we will not operate a Scoop Brothers business within your Territory(ies) or authorize other Scoop Brothers franchisees to operate within your Territory(ies) except as stated below.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Except as provided for below, you may only provide products and services to customers residing within your Territory(ies). You are not permitted to market your Scoop Brothers Business outside of your Territory(ies). We retain the right, in our sole discretion, to offer goods and services identified by brands we control through channels of distribution other than through "Scoop Brothers" to locations and customers located anywhere, including those residing in your Territory(ies).

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises. You must be in good standing and receive our written permission before you relocate your franchise. Permission to relocate outside of your Territory will not be granted unless you encounter a situation personally or professionally that will not allow you to operate the franchise in the Territory. The relocated territory must be available according to our contractual commitments to other franchisees. Any relocation will be at your sole expense. You must satisfy our then current franchise placement and demographics criteria, as expressed in the Operations Manual.

Open Territories

You may service customers outside your Territory(ies), with our prior written approval, if customers are located in areas that are geographically contiguous or in reasonable proximity to your Territory(ies), and no other franchisee of ours has been awarded that territory, and the territory is not protected as a territory that is being operated by us or our affiliates (an "Open Territory"). We may revoke our approval for you to operate in Open Territories in our sole discretion. Further, if you service customers in Open Territories with our approval, and elect not to execute our current form of Franchise Agreement with respect to all or any portion of such Open Territories, you assume the risk that we may sell such Open Territories to another current or prospective franchisee of the Scoop Brothers system, or we or our affiliates may elect to establish an outlet to operate in the Open Territory. In such event, you will no longer have the right to service the customers located in those Open Territories. If we or another franchisee acquire the rights to operate in the Open Territory, you must provide assistance to us or the incoming franchisee to transition any services contracts or customer relationships for customers and accounts located within the former Open Territory.

Except for operating in Open Territories with our prior written approval, you do not have the right to use our trademarks or the Scoop Brothers system at any location other than within the Territory(ies) in any wholesale, ecommerce, or other channel of distribution besides the operation of your Scoop Brothers Business in the Territory(ies).

Restrictions on Us from Soliciting or Accepting Orders in Your Territory(ies)

Except as described in this paragraph, we will not serve customers in your Territory(ies), nor authorize another party to serve customers in your Territory(ies), under our Scoop Brothers brand. However, we may serve (or authorize other franchisees to serve) customers in your Territory(ies) if you are in default, or if you are incapable of meeting customer demand in your Territory(ies). We may also serve (or authorize another franchisee to serve) a particular customer in your Territory(ies) if you fail to properly serve such customer, or if we reasonably believe that you will not properly serve such customer. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your Territory(ies) (i) using our principal trademarks, but only for sales of products or services different from the ones you will offer, and (ii) using trademarks different from the ones you will use. In the circumstances where the franchise agreement does not prohibit us from soliciting or accepting orders from inside your Territory(ies), we do not pay any compensation to you. We or our affiliate may from time to time enter into agreements to provide services to customers as part of a national, regional or key account program at locations which include locations within the Territory. If you refuse to perform the required services or we determine that you or your franchised business is not qualified, interested, able or available to perform the services, you must allow either us or another franchisee to enter the Territory to perform the required services.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so.

Item 13
TRADEMARKS

The following are the principal trademarks that we license to you. These trademarks are owned by us. We have registered the following trademark on the Principal Register of the United States Patent and Trademark Office.

Provision	Section in franchise agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	§ 13.2;	For two years, no ownership or employment by a competitor operating in your former Territory(ies) or the Territory(ies) of any other Scoop Brothers business operating on the date of termination. (subject to state law)
s. Modification of the agreement	§ 18.4;	No modification or amendment of the franchise agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	§ 18.3;	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. Nothing in this or ~~However, no claim made~~ in any related ~~franchise~~ agreement, however, is intended to disclaim the express representations we made in the ~~is~~ franchise d~~D~~isclosure d~~D~~ocument we furnished to you.
u. Dispute resolution by arbitration or mediation	§ 17.1;	All disputes are resolved by arbitration, mediation, or litigation (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	§§ 17.1; 17.5;	Arbitration or mediation will take place where our headquarters is located (currently, Charlotte, NC) (subject to applicable state law). Any legal proceedings not subject to arbitration or mediation will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).

Current Franchisees

Exhibit F contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

Former Franchisees

Exhibit F contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Confidentiality Clauses

During ~~In~~ the last three (3) fiscal years, no current or ~~and~~ former franchisees have signed confidentiality clauses ~~agreements~~ that ~~directly or indirectly~~ restrict them from discussing with you their ~~personal~~ experiences as a franchisee in our franchise system ~~with any prospective franchisee~~.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

Item 21
FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit D contains our ~~un~~audited opening balance sheet as of April 16, 2024. Our fiscal year end is December 31. Also included in Exhibit D are our unaudited balance sheet and statement or operations as of September 30, 2024.

Item 22
CONTRACTS

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

B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
C. Form of General Release
H. State Addenda to Franchise Agreement

FRANCHISE AGREEMENT

SUMMARY PAGE		
1.	**Franchisee**	____________________________________
2.	**Initial Franchise Fee**	$____________________________________
3.	**Number of Territories**	____________________________________
4.	**Territory/Territories**	See Attachment 2 for ~~Attached~~ Map and List of Zip Codes
5.	**Opening Deadline**	Ninety (90) Days after Executing Franchise Agreement
7.	**Principal Executive (if Franchisee is an entity)**	____________________________________
8.	**Franchisee's Address**	____________________________________
9.	**Franchisee's State(s) of Residence**	____________________________________
10.	**State(s) in which the Business will be operated**	____________________________________

Attachment 2 to Franchise Agreement

TERITORY/TERRITORIES

Territory/Territories Description:

____
____
____
____

THE FOLLOWING SEPTEMBER 30, 2024 FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNT HAS AUDITED THESE FIGURES OR EXPRESSED THEIR OPINION WITH REGARD TO THE CONTACT OR FORM.

Scoop Brothers

Balance Sheet

As of September 30, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Scoop Brothers Franchising Checking 1295 - 1	5.00
Total Bank Accounts	**$5.00**
Total Current Assets	**$5.00**
Other Assets	
Trademark	7,662.20
Total Other Assets	**$7,662.20**
TOTAL ASSETS	**$7,667.20**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due to/(from) RP Franchising	195,923.64
Total Other Current Liabilities	**$195,923.64**
Total Current Liabilities	**$195,923.64**
Total Liabilities	**$195,923.64**
Equity	
Opening Balance Equity	250,000.00
Owner's Distribution	-212,945.00
Retained Earnings	
Net Income	-225,311.44
Total Equity	**$ -188,256.44**
TOTAL LIABILITIES AND EQUITY	**$7,667.20**

Cash Basis Tuesday, December 3, 2024 03:13 PM GMT-05:00 1/1

Scoop Brothers

Profit and Loss

January - September, 2024

	TOTAL
Income	
Total Income	
Expenses	
Advertising & Marketing	23,118.82
Conferences	14,188.45
Legal & Professional Fees	25,252.61
Licenses	136,156.25
Referral Fee	20,000.00
Travel	269.04
Uncategorized Expense	6,326.27
Total Expenses	**$225,311.44**
NET INCOME	**$ -225,311.44**

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Franchise Disclosure Document, Item 5. 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 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 Statues, 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 Minn. 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, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

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

MINNESOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Scoop Brothers Franchising, LLC, a South Carolina limited liability company ("Franchisor") and __________________________, a ________ ____________ ("Franchisee").

1. **Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Minnesota Act" means Minnesota Statutes, Sections 80C.01 to 80C.22.

2. **Amendments.** The Agreement is amended to comply with the following:

- Franchise Agreement, Section 4.1. 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 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 Statues, 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 Minn. 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, and therefore the applicable provision of the Agreement is amended to state "No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues."

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

3. **Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:	FRANCHISOR:
________________________	SCOOP BROTHERS FRANCHISING, LLC
By: ________________________	By: ________________________
Name: ________________________	Name: ________________________
Title: ________________________	Title: ________________________
Date:	Date:

RECEIPT

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 Scoop Brothers Franchising, LLC offers you a franchise, it 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 you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Scoop Brothers Franchising, 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 any applicable state agency (which are listed in Exhibit A).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Shannon Roderick	14301 South Lakes Drive, Charlotte, NC 28273	(704) 604-0370
Alex Blair	14301 South Lakes Drive, Charlotte, NC 28273	(704) 604-0370
~~Whit Shepherd~~	~~19460 Old Jetton Road, Suite 204, Cornelius, NC 28031~~	~~(704) 200-4310~~
~~Kristan Henderson~~	~~19460 Old Jetton Road, Suite 204, Cornelius, NC 28031~~	~~(704) 200-4310~~
~~Jordan Reed~~	~~19460 Old Jetton Road, Suite 204, Cornelius, NC 28031~~	~~(704) 200-4310~~
~~Lydia O'leary~~	~~19460 Old Jetton Road, Suite 204, Cornelius, NC 28031~~	~~(704) 200-4310~~

Issuance Date: April 19, 2024, as amended June 25, 2024

I received a disclosure document dated indicated above that included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
C. Form of General Release
D. Financial Statements
E. Operating Manual Table of Contents
F. Current and Former Franchisees
G. State Addenda to Disclosure Document
H. State Addenda to Franchise Agreement

Signature: ______________________________
Print Name: ______________________________
Date Received: ______________________________

Keep This Copy For Your Records

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Signature: ______________________________
Print Name: ______________________________
Date Received: ______________________________

Return this copy to us.
Scoop Brothers Franchising, LLC
14301 South Lakes Drive
Charlotte, NC 28273