

## DISCLOSURE DOCUMENT/PROSPECTUS

**Do it Best Corp.**

1626 Broadway Suite 100  
Fort Wayne, IN 46802-4377  
(260) 748-5300



10,000 COMMON SHARES  
ISSUE PRICE \$50 PER SHARE  
SOLD ONLY IN UNITS OF 20 SHARES

This is an offering to sell some Common shares of Do it Best Corp. (the “Company”) to a member (“Member”), under a contract (“Membership Agreement”) which includes some limited rights to use the “Do it Best” trademark, to purchase merchandise through the Company, to receive annual rebates (patronage refunds) on those purchases and to participate in and benefit from the Company's advertising campaigns, all as more fully described within. The Company is a wholesale distributor of hardware, lumber and building materials with customers throughout the United States and numerous foreign jurisdictions.

We anticipate that most Members will already be engaged in the retail hardware, home center, lumber and building material business and will have a minimal initial investment other than \$8,500 paid to the Company. If a Member opens a new retail hardware, home center or lumber and building materials business, the total initial investment to begin operation of the business may range from \$564,500 to \$1,342,500. This includes \$8,500 that must be paid to the Company. \$1,000 of the \$8,500 fee is used for the purchase of 20 shares of the Company’s Common shares, and the entry into the Membership Agreement. Existing Members who qualify for the LDP Program and wish to participate, described in Items 1 and 5, will pay us an additional \$1,000 for 20 Common shares and \$15,500 for 310 Non-Voting Common shares. The application to purchase shares is part of the Membership Agreement. After the Company accepts the tendered agreement, a business which tenders a signed Membership Agreement is considered a “Member” of the Company. Additional information concerning membership in the Company is contained in this document.

	Price to Purchaser	Underwriting Discounts And Commissions	Proceeds to Issuer
Per Unit of 20 Common Shares	\$1,000	0(1)	\$1,000(2)
Total	\$500,000	0(1)	\$500,000(2)

- (1) No underwriting commissions, remunerations or discounts will be paid for offering these shares. Sales of these shares will be made only by regular employees of the Company. Since there is no firm underwriting, there is no assurance that all of these shares will be sold.
- (2) Before deducting expenses payable by the Company, estimated at \$10,000 in the aggregate, and based upon the assumption that all of the shares offered are sold.

This disclosure document summarizes certain provisions of your membership 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 Company or an affiliate in connection with the proposed membership sale. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your membership relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. The Company encourages you to show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a membership 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 (“FTC”). 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](http://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: October 24, 2023, as amended December 18, 2023 2024

## How to Use This Disclosure Document

The following information is a notice required by the State of Minnesota:

Here are some questions you may be asking about investing in the cooperative and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former members. You can find their names and contact information in Item 20 or Exhibit C.
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the Company or at the Company’s direction. Item 7 lists the initial investment to open. Item 8 describes any suppliers you must use and any related purchasing requirements..
<b>Does the Company have the financial ability to provide support to my business?</b>	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
<b>Is the cooperative/franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and member outlets.
<b>Will my business be the only Do it Best Corp. business in my area?</b>	Item 12 and the “territory” provisions in the membership agreement describe whether the Company and other members can compete with you. Members do not receive an exclusive territory.
<b>Does the Company have a troubled legal history?</b>	Items 3 and 4 tell you whether the Company or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a Do it Best Corp. member?</b>	Item 20 or Exhibit C lists current and former members. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this membership opportunity. See the table of contents.

## What You Need To Know About Franchise *Generally*

**Continuing responsibility to pay fees.** You may have to pay certain fees even if you are losing money.

**Business model can change.** The membership agreement may allow the Company to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

**Supplier restrictions.** You may have to buy or lease items from the Company or a limited group of suppliers the Company delegates. These items may be more expensive than similar items you could buy or own.

**Operating restrictions.** The membership agreement or amendments may prohibit you from operating a similar business while you are a member of the Company. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

**Competition from the Company.** The Company or other members may have the right to compete with you in your territory or geographical region.

**Renewal.** Your membership agreement may not permit you to renew or continue to remain a member depending on the operation of your business. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your business.

**When your franchise ends.** The membership agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

### Some States Require Registration

Minnesota has a franchise law, or other law, that requires Company to register before offering or selling memberships in Minnesota. Registration does not mean that the state recommends the membership/franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit D.

Minnesota also has laws that require special disclosures or amendments be made to your membership agreement. Check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

## Special Risks to Consider About *This* Membership/Franchise Relationship

Minnesota requires that the following risks be highlighted:

1. **Out-of-State Dispute Resolution.** The membership agreement requires you to resolve disputes with the Company by litigation only in Indiana. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate, arbitrate, or litigate with the Company in Indiana than in your own state.
2. **Share Approval.** These shares have not been approved or disapproved by any state, secretary of state, securities commission, agency, department or division, or by any individual connected with any of them for any state, nor has any state, secretary of state, securities commission, agency, department or division, or any individual connected with any of them for any state, passed upon the accuracy or adequacy of this disclosure document/prospectus. Any representation to the contrary is a criminal offense.
3. **Offer of Shares.** No dealer, sales representative or any other person has been authorized to give any information or make any representations other than those contained in this disclosure document/prospectus concerning this offer of shares. No reliance should be placed upon any statements or representations if so made.
4. **Review of Disclosure Document/Prospectus.** This disclosure document/prospectus is provided for your own protection and contains a summary only of certain material provisions of the membership agreement. This disclosure document/prospectus and all contracts and agreements should be read carefully in their entirety for an understanding of all rights and obligations of both the Company and the member.
5. **Mandatory Minimum Payments.** You must pay minimum Member Service Fees, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

Effective Date: ~~December 5, 2023, as amended: January 4, 2024~~Pending

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- A – Map of Minnesota Delivery
- B – Membership Agreement
- C – List of Members in Minnesota
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## INTRODUCTORY STATEMENT

THE SHARES OFFERED ARE UNUSUAL IN THAT (1) THEY ARE SOLD PRIMARILY TO INDEPENDENT RETAILERS OF HARDWARE, LUMBER AND BUILDING MATERIALS, (2) NO DIVIDENDS ARE PAID ON THE SHARES, (3) THEY MAY NOT BE SOLD EXCEPT TO THE COMPANY OR TO A TRANSFEREE APPROVED BY THE COMPANY, (4) THEY ARE NOT SECURITIES FOR PURPOSES OF FEDERAL AND MANY STATE SECURITIES LAWS AND NOT SUBJECT TO THE LAWS REQUIRING DISCLOSURES OR OTHER PROTECTIONS FOR HOLDERS OF SECURITIES, AND (5) THE POTENTIAL DIRECT DOLLAR RETURN WHICH MAY RESULT FROM PURCHASE OF THE SHARES IS DEPENDENT UPON AND IS MEASURED NOT ONLY BY THE FUTURE PROFITABLE OPERATIONS OF THE COMPANY, BUT IS MEASURED BY THE GROSS PROFIT ATTRIBUTABLE TO THE PURCHASER AS A RESULT OF MERCHANDISE PURCHASED FROM THE COMPANY BY THE PURCHASER OF THE SHARES. ACCORDINGLY, IT IS NOT INTENDED THAT THERE WILL BE A RETURN ON INVESTMENT OR CAPITAL APPRECIATION IN THE ORDINARY INVESTMENT SENSE, AND THE DIRECT MONETARY BENEFITS TO THE PURCHASER WILL ACCRUE SOLELY FROM PATRONAGE DIVIDENDS.

THE AMOUNT REQUIRED TO BE PAID FOR COMMON SHARES IN ORDER TO BECOME A MEMBER (\$1,000) IS REFUNDABLE AT ANY TIME UPON DEMAND OF THE MEMBER. IN THE SEVENTY-EIGHTNINE (7879) YEAR HISTORY OF THE COMPANY, NO SUCH DEMAND FOR REFUND HAS BEEN TURNED DOWN, AND IN NO CASE HAS ANYONE RECEIVED LESS THAN THE FULL ISSUE PRICE PAID FOR THE COMMON SHARES (SEE ITEM 17).

### CAPITALIZATION OF DO IT BEST CORP.

AS OF JUNE ~~24~~29, ~~2023~~2024

AND AS ADJUSTED TO GIVE EFFECT TO THE SALE OF THE  
CLASS OF SHARES OFFERED (\$ IN THOUSANDS)

<u>Title of Class</u> <sup>1</sup>	<u>Amount Authorized</u>	<u>Amount Out- Standing as of June <del>24</del><u>29</u>, <del>2023</del><u>2024</u></u>	<u>Amount to be Outstanding if All Shares Being Offered Are Sold</u>
Common Shares	\$49,500 (990,000 Shares)	<del>\$3,207</del> ( <del>64,120</del> <u>74,610</u> Shares)	<del>\$3,207</del> <u>3,730</u> <del>\$3,730</del> ( <del>64,120</del> <u>74,610</u> Shares)
Non-Voting Common Shares	\$5,000 (100,000 Shares)	<del>\$656689</del> ( <del>13,140</del> <u>13,800</u> Shares)	<del>\$656689</del> ( <del>13,140</del> <u>13,800</u> Shares)
Preference Shares (4,000,000 Shares)	\$400,000 ( <del>3,791,782</del> <u>3,803,829</u> Shares)	<del>\$379,178</del> ( <del>3,791,782</del> <u>3,803,829</u> Shares)	<del>\$379,178</del> <u>380,383</u> <del>\$380,383</del>

<sup>1</sup>For a description of the Common shares, Non-Voting Common shares and the Preference shares, see the discussion at Item 27 entitled "Shares Offered."

## ITEM 1. THE COMPANY, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

Do it Best Corp. (the "Company") was incorporated under the laws of the State of Indiana on July 13, 1945. It began active business operations on December 26, 1945. The mailing address is Post Office Box 868, Fort Wayne, Indiana 46801-0868. The principal business address of the Company is 1626 Broadway Suite 100, Fort Wayne, Indiana 46802-4377. The corporate office telephone number is (260) 748-5300. The Company transacts business in its corporate name. There is no "parent" of the Company and there are no affiliates of the Company that may engage in business transactions with Members other than Do it Best Financial, LLC, Do it Best Commerce Company, L.L.C., and DiB Enterprises, LLC, which are subsidiaries of the Company. Do it Best Financial, LLC may make loans to qualifying Members. Do it Best Commerce Company, L.L.C. operates a website at [www.doitbest.com](http://www.doitbest.com) and sells predominantly to Non-Members. DiB Enterprises, LLC invests, loans or otherwise capitalizes businesses organized primarily for acquiring or operating businesses in the home hardware or lumber and building materials industry. DiB Enterprises, LLC, in turn, owns a minority interest in Nation's Best Holdings, LLC. Nation's Best Holdings, LLC is a Member of the Company and acquires and operates businesses in the home hardware industry. The Company also does business under the name, "INCOM Distributor Supply." The Company's agent for service of process is Gary C. Furst at the above addresses.

In May 2024, a wholly owned subsidiary of the Company merged with United Hardware Distributing Co. ("United Hardware"), which had over 500 retail hardware, home center or lumber dealers who owned stock in United Hardware ("United Members"). Concurrent with the merger, all United Members were given the opportunity to enter into a Membership Agreement with the Company or cease being a member of United Hardware. Although United Members are now the Company's members, some continue to operate under the Hardware Hank<sup>®</sup>, Trustworthy<sup>®</sup> Hardware or Golden Rule<sup>®</sup> Lumber Center trade names. As of June 29, 2024, there were 512 former United Members that are Members of the Company. Unless noted, all references to "Members" in this disclosure document include United Members. United Hardware began operations in 1945 and is now the Company's subsidiary, although it no longer offers memberships. United Hardware's principal place of business is 6655 Wedgewood Road North, Suite 170, Maple Grove, Minnesota 55311.

The holders of Common shares of the Company are individuals, corporations or other entities independently selling hardware, lumber, building supplies and related items. Ownership of shares in the Company is limited to businesses of those types. Each holder of Common shares of the Company located across the United States, in U.S. Possessions and Territories and several foreign countries (foreign patrons do business in approximately 54 foreign countries, although most such patrons are affiliate members and do not hold Common stock), holds 20 or more Common shares issued at \$50 per share. The Common shares hereby offered are sold only in units of 20 shares. Each holder of Common shares who operates businesses at two or more different locations which are served by the Company is required to purchase 20 Common shares (\$1,000) for each additional place of business.

Beginning January 1, 2001, the Company has offered a program (the "LDP Program") to Members of the Company who purchase at least the program specified minimum of products on a "drop ship" basis from the Company's vendors. The LDP Program will constitute an additional form of membership as LDP Program participants will be required to purchase 20 additional Common shares for \$1,000 and 310 Non-Voting Common shares for \$15,500. LDP Program participants need not purchase an additional 20 Common shares for each additional place of business unless the additional place of business elects to be eligible to purchase product from the Company's warehouses on a patronage basis.

The Company buys merchandise at jobber's, manufacturer's and distributor's prices. This merchandise is sold primarily to Members for resale, to consumers directly through its eCommerce subsidiary and to Company employees for personal use. The Company sells its goods and provides its advertising, planning and training services at its established prices on the terms and conditions in effect when the merchandise is shipped or the

services are performed. The Company agrees to pay to each of its Members, as a patronage dividend, a proportionate share of the net earnings of the Company. Non-Member customers or affiliates do not receive patronage dividends.

The Company has instituted an optional pricing program called VISION PRICING for Members who qualify for the Enhanced Rebate program. The Enhanced Rebate program is discussed further below in this item. All Enhanced Rebate eligible Members are free to purchase goods from the Company using the Vision Pricing method or using the Company's traditional pricing method, known as CLASSIC PRICING. With Vision Pricing, Enhanced Rebate eligible Members will purchase goods from the Company at lower up-front prices and receive a correspondingly reduced patronage refund at the conclusion of the year. Alternatively, Members may choose to purchase goods from the Company under the Classic Pricing program, which is discussed below. Members who do not qualify for the Enhanced Rebate program must purchase goods under the Classic Pricing program. Members' Preference share holding requirements will not differ under Vision Pricing from the requirements described below applicable to Classic Pricing. The cash portion of the patronage refund will be reduced to a greater extent for Members enrolled in the Vision Pricing program until they have accumulated the required amount of Preference shares.

Refunds are made annually to the Members. The Company keeps a record of the purchases made by each Member, and during each fiscal year the Company records the gross profit on the merchandise purchased by that Member. The gross profit is the difference between the net invoice price at which the merchandise is invoiced to the Member and the cost of that merchandise to the Company. At the end of each fiscal year (the last Saturday in June), the Company refunds all or a portion of the gross profit on transactions with its Member to them (less operating expenses). Refunds are made to each Member in the proportion to which the gross profit on purchases made by the Member bears to the total gross profit on all purchases by Members. Expenses deducted from gross profit include all operating expenses determined in accordance with federal tax rules, all taxes other than federal income taxes, payments made under the profit-sharing and pension plans of the Company and other employee benefit plans, and miscellaneous expenses net of miscellaneous charges and other income items, relating to the sale of goods and services to Members. The Company does not require its Members to buy exclusively from it.

On January 1, 2000, the Company established a member support program originally called Best Rewards, which is now called "Enhanced Rebate." Members become eligible to participate in the Enhanced Rebate program by annually meeting established purchase volume levels and other requirements. Currently, in order to be eligible for an Enhanced Rebate, a Member in good standing (e.g. not on credit hold, etc.) must meet the following minimum purchase levels each fiscal year:

Multi-site	\$2,500,000 in total purchases, maintaining an average of \$250,000 per location
Individual locations within a multi-site	\$250,000 in total purchases or \$100,000 in Retail Service Center purchases
Single store	\$250,000 in total purchases or \$100,000 in Retail Service Center purchases

Members must also not be affiliated with another national stocking purchasing cooperative to be eligible for an Enhanced Rebate. Individual locations within a multi-site business may qualify on an individual basis; however, any Enhanced Rebate will only apply to that individual qualifying store and not other locations. Enhanced Rebate Members receive various benefits for supporting the Company, including, among others, proportionally enhanced year-end patronage refunds. Patronage refunds for Enhanced Rebate participants are anticipated to be proportionately larger than patronage refunds for Members who receive a standard rebate and do not qualify for Enhanced Rebate.

The Articles of Incorporation of the Company require Members to accept Preference shares in payment of a part of the refunds until the aggregate issue price of all Preference shares held by the Member is equal to the greater of (i) \$30,000, or (ii) an amount equal to the total of: (I) \$1,500; plus (II) an amount equal to 19% of the warehouse purchases for the fiscal year of the Company preceding the close of the fiscal year for which the computation is being made (or if the Member has elected in writing in the manner and on the forms prescribed by the Company to purchase merchandise from the Company's warehouses at a price level made available by the Company which is lower than normal warehouse prices, then the percentage is determined by readjusting the Member's warehouse purchases to the normal level and applying the 19% to the readjusted purchases amount to determine the required aggregate issue price of shares under this clause (II) of this sentence); plus (III) 5% of the direct shipment purchases made by such holder from the Company for the fiscal years of the Company preceding the close of the fiscal year for which the computation is being made, (For Members involved in Large Drop Ship (LDP) Program, see Note #2 on Page 10); plus (IV) an amount equal to 1% of the aggregate warehouse purchases made by such Member from the Company for the first 10 full fiscal years of the Company after the first day of July, 1973, that such person was a Member of the Company, which 1% will also be adjusted as provided in Item 1(ii)(II) for any periods in which the Member elected to make purchases at lower than normal warehouse prices (which total amount determined under this Item 1(ii) will be referred to herein as the "Minimum Preference Share Requirement"). No further refunds will be paid to such Member in Preference shares until such time as the aggregate issue price of the Preference shares held by that Member is again less than the greater of (i) \$30,000, or (ii) the Minimum Preference Share Requirement as computed for the subject subsequent fiscal year of the Company. Clauses in Item (ii) (II) and (ii) (IV) shall apply only to warehouse purchases made by a Member who has elected to be eligible to make warehouse purchases on a patronage basis. Notwithstanding the foregoing, the Board of Directors of the Company may at any time and from time to time, by adoption of an appropriate resolution, suspend the requirements for all or any part of the \$30,000 Preference share minimum in Item 1(i), or any component of the Minimum Preference Share Requirement contained in Item 1(ii)(I), (II), (III) or (IV). In addition, the Board of Directors of the Company may suspend the Minimum Preference Share Requirement once a Member has a certain amount of accumulated Preference shares (currently \$4,043,800) and meets other qualifications.

Application of the formula described in the preceding paragraph can be illustrated as follows: If an Enhanced Rebate eligible Member, in each of five years, purchases \$185,000 from the Company's warehouse (Classic-\$155,000 regular, Vision-\$145,979,146,072 (\$9,0218,928 Vision Discount) and \$30,000 promotional), \$40,000 in direct shipments and \$30,000 in lumber shipments, the aggregate Preference share requirements would be:

Base	\$1,500
5% of Direct Shipment and Lumber Purchases	3,500
19% of Warehouse Purchases- Regular & Promotional	35,100
1% of Warehouse Purchases over 10 years	9,000
<b>TOTAL</b>	<b>\$49,100</b>

Assuming a patronage refund based on the overall rebate averages realized for the Company's fiscal year ended June 24~~29~~, 2023~~2024~~ (40.59~~11.11~~% on Classic and 4.69~~5.34~~% on Vision regular warehouse, 5.95~~5.84~~% on promotional warehouse, 0.96~~1.06~~% on direct shipments and 0.47~~0.74~~% on lumber shipments), and the decision by the Company each year to pay only the minimum amount (20%) of the patronage refund in cash, the following patronage refunds for five years would be allocated between cash and Preference shares as follows (rounding to full \$100 shares):

#### Classic Pricing

	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Cash	\$ 3,264,019	\$ 3,264,019	\$ 3,264,319	\$ 7,564,819	\$	\$

					<u>14,364</u> <u>17,819</u>	<u>31,720</u> <u>48,993</u>
Preference Shares	<u>12,900</u> <u>15,600</u>	<u>12,900</u> <u>15,600</u>	<u>12,900</u> <u>14,300</u>	<u>8,600</u> <u>1,800</u>	<u>1,800</u>	<u>49,100</u>
TOTAL	<u>16,164</u> <u>19,619</u>	<u>16,164</u> <u>19,619</u>	<u>16,164</u> <u>19,619</u>	<u>16,164</u> <u>19,619</u>	<u>16,164</u> <u>19,619</u>	<u>80,820</u> <u>98,093</u>

### Vision Pricing

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>TOTAL</b>
Cash	\$ <u>1,440</u> <u>2,098</u>	\$ <u>7,200</u> <u>10,491</u>				
Preference Shares	<u>5,400</u> <u>8,100</u>	<u>5,400</u> <u>8,100</u>	<u>5,400</u> <u>8,100</u>	<u>5,400</u> <u>8,100</u>	<u>5,400</u> <u>8,100</u>	<u>27,000</u> <u>40,500</u>
TOTAL	<u>6,840</u> <u>10,198</u>	<u>6,840</u> <u>10,198</u>	<u>6,840</u> <u>10,198</u>	<u>6,840</u> <u>10,198</u>	<u>6,840</u> <u>10,198</u>	<u>34,200</u> <u>50,991</u>

For the Company's fiscal years 20142015 through 20232024, refunds in Preference shares and cash were paid as follows:

<b>Year</b>	<b>Total Refund</b>	<b>Preference Shares</b>	<b>Cash</b>	<b>Minimum Cash Amount (20%)</b>
<u>2014</u>	<u>115,376,182</u>	<u>27,081,800</u>	<u>88,294,382</u>	<u>23,075,236</u>
<u>2015</u>	<u>116,361,903</u>	<u>27,077,600</u>	<u>89,284,303</u>	<u>23,272,381</u>
<u>2016</u>	<u>115,478,425</u>	<u>25,941,600</u>	<u>89,536,825</u>	<u>23,095,685</u>
<u>2017</u>	<u>105,077,885</u>	<u>23,173,200</u>	<u>81,904,685</u>	<u>21,015,577</u>
<u>2018</u>	<u>108,501,751</u>	<u>30,513,200</u>	<u>77,988,551</u>	<u>21,700,350</u>
<u>2019</u>	<u>113,861,754</u>	<u>26,269,900</u>	<u>87,591,854</u>	<u>22,772,351</u>
<u>2020</u>	<u>128,378,905</u>	<u>40,120,900</u>	<u>88,258,005</u>	<u>25,675,781</u>
<u>2021</u>	<u>170,148,020</u>	<u>71,267,500</u>	<u>98,880,520</u>	<u>34,029,604</u>
<u>2022</u>	<u>129,210,289</u>	<u>42,476,000</u>	<u>86,734,289</u>	<u>25,842,058</u>
<u>2023</u>	<u>152,043,313</u>	<u>45,748,700</u>	<u>106,294,612.89</u>	<u>30,408,663</u>
<u>2024</u>	<u>159,164,843</u>	<u>43,603,100</u>	<u>115,561,743</u>	<u>31,832,969</u>

The Company believes that the following benefits accrue to its Members: the ability to obtain goods at current competitive prices; the service that the Company can provide to Members because of its inventories of merchandise contained in its own warehouses; the patronage refunds that accrue to the Members; the sharing by a substantial number of retail businesses of information about merchandising plans and other business operations which are discussed at meetings; the ability of Members to meet the severe competition of large nationally-operated merchandisers; the use of the Company's advertising programs to increase store traffic and sales; and the use of the Company's other Member services, like the up-to-date catalog price service, computerized inventory control programs, price relating services, advertising services, accounts receivable management services, employee training programs and the like.

The Company's approval is required for a proposed business site; however, such approval is not intended to constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the location or the successful operation or profitability of a Member's business. The Company's approval or acceptance of any site indicates only that the Company believes that the site falls within acceptable

minimum criteria established by the Company solely for the Company's own purposes and benefit as those criteria exist at the time of the approval. The application of criteria that have been effective with respect to other sites and premises may not be predictive of potential for a proposed location. Demographic and economic factors, such as competition from other similar businesses (included in or excluded from the Company's own criteria) could change, thereby altering the validity of the criteria. Such factors are unpredictable and are beyond the Company's control. Under the Membership Agreement, the Company is not responsible for the failure of any site approved by the Company to meet a Member's expectations as to revenue or operating results. A Member also represents in the Membership Agreement that its agreement for/of membership is based on its own independent investigation of the suitability of any business site proposed by the Member.

There are no regulations specific to the industry in which the businesses owned by Members operate. However, Members are subject to the provisions of all local, state and federal laws that apply to the operation of their business and Members should consult with an attorney concerning compliance with such laws. See Item 22 for a description of the competition Members will face.

The Membership Agreement contains the following representations by a Member: (a) that the Member has conducted an independent investigation of the business relationship contemplated by the Membership Agreement, and recognizes that the nature of the business or its market area are subject to change over time, (b) that the Member's investment involves business risks; (c) that no representations have been made by the Company or by any of its officers, directors, employees or agents that are contrary to the terms contained in the Membership Agreement or contrary to any statements contained in the Disclosure Document/Prospectus delivered to the Member, and (d) that the Member has not received or relied upon any guarantee, whether express or implied, of the sales, revenues, profits or success of the business relationship as a Member of the Company.

The Membership Agreement specifically provides that the Company makes no warranties - express or implied - as a result of membership, nor any promises of sales or profit results to be obtained by any Member using the Company's program. The Company exercises no control over the day-to-day ownership or management of the Member's business. The Company makes recommendations from time to time that may or may not be used at a Member's discretion. The Company is not limited in making available any or all of its trademarks, trade names, service marks, slogans, trade dress (such as, but not only, color combinations and designs), copyrights or the like of the Company (collectively, the "Intellectual Property") and its services and programs to other Members regardless of where they may be located. The Company reserves the right in the Membership Agreement to determine the use of its Intellectual Property and services and programs. Though the Company believes its Intellectual Property and services and programs help improve the business of any Member who uses them, the Member acknowledges in the Membership Agreement that many other factors, which are solely within Member's control, affect business results achieved by any other Members who use the Company's Intellectual Property and services and programs.

Many of the services listed above are available from the Company on an optional basis at additional expense. Charges for these services approximate the Company's incremental costs in providing the services. Other services, such as the catalog (in any form, whether electronic, online and currently available at [www.mydoitbest.com](http://www.mydoitbest.com), which is accessed through [www.doitbestonline.com](http://www.doitbestonline.com) or any other media), which, as it is amended from time to time, is hereby incorporated herein by reference ("Catalog"), newsletters and the CORE<sup>®</sup> training program (see Item 11) are included as a part of membership and are paid either by the Initial Payment (see Item 5) or by the monthly service charge (see Item 6).

#### **INCOME TAX TREATMENT OF PATRONAGE DIVIDENDS**

Sections 1381 through 1388 of the Internal Revenue Code of 1986, as amended (the "Code"), provide that if 20% or more of the total patronage dividend is paid in money and the balance in "qualified written notice of allocation," then the Company, in computing its taxable income, may deduct the total patronage dividend. MEMBERS WHO RECEIVE "QUALIFIED WRITTEN NOTICES OF ALLOCATION" (PREFERENCE

SHARES ISSUED BY THE COMPANY) ARE, IN TURN, REQUIRED TO INCLUDE THE FULL STATED DOLLAR AMOUNT OF THE PREFERENCE SHARES TOGETHER WITH THE MONEY RECEIVED IN THEIR RESPECTIVE RETURNS AS INCOME.

A "WRITTEN NOTICE OF ALLOCATION" BECOMES "QUALIFIED" WHEN THE MEMBER CONSENTS TO TAKE THE PREFERENCE SHARES INTO ITS INCOME AT THE STATED DOLLAR AMOUNT. This consent exists when a person signs a written consent or when a person becomes a Member or remains a Member after receiving written notice of and a copy of the Company's By-Laws stating that a person so remaining a Member or so becoming a Member will have given the requisite consent. The Membership Agreement signed by new Members of the Company contains the consent that makes the certificates for Preference shares issued to that Member qualified written notices of allocation. The requirement that the Company pay 20% of the patronage refund in money has had no material adverse effect on the Company.

The Company is not generally engaged in the retail hardware business although the Company does sell some products on a retail basis through the Company's wholly-owned subsidiary, Do it Best Commerce Company, L.L.C. which operates a website at [www.doitbest.com](http://www.doitbest.com). The Company has not extended membership in any other line of business other than to entities selling hardware, lumber, and building materials. It has been granting memberships of the type described herein for over 7879 years.

**ITEM 2. BUSINESS EXPERIENCE**

<u>Name</u>	<u>Address</u>	<u>Office</u>	<u>Principal Occupation During Past 5 Years</u>
Joseph Taylor II	Virginia Beach, VA	Vice Chairman and Director	President and Chief Executive Officer Taylor's Do it Centers
David Sturdivant	Alexander City, AL	Vice Chairman and Director	Chief Operating Officer, Russell Do it Center
Tim Post	Ellwood City, PA	Secretary and Director	President and Owner, T&M Hardware & Rental
<del>Eli Bliffert</del>	<del>Milwaukee, WI</del>	<del>Treasurer and Director</del>	<del>President, Owner and Vice President Bliffert Lumber and Hardware</del>
Rob Gardiner	Damariscotta, ME	<u>Treasurer and Director</u>	President and Owner Damariscotta Hardware
<u>Jason Blair</u>	<u>Vancouver, WA</u>	<u>Director</u>	<u>CEO TAL Building Centers</u>
<del>Doug MansSharona Eiserer</del>	<del>Trenton, MI</del> <u>Carrollton, MO</u>	Director	<u>Owner/President, MansWood Shed Lumber and Millwork &amp; Hardware Supply</u>
Lee Nabors	Huston, MS	Director	President, Nabors Home Center
Diana Newton	Redway, CA	Director	<u>Vice President of Bay Hardware, COO, Dazey's Supply (effective June</u>

1, 2023) President, South Bay Hardware Vice President of Bay Hardware and Lunada Bay Hardware

Jeff Pardini	Grass Valley, CA	Director	President and CEO, Hills Flat Lumber
Scott Pesavento	Fairfield, CT	Director	Owner, Hemlock Hardware, TheGrillsource.com
Ryan Ringer	Gold Beach, OR	Director	President, Gold Beach Lumber Yard
<u>Scott Sommers</u>	<u>Hartville, OH</u>	<u>Director</u>	<u>President, Hartville Hardware</u>
Bob Vaughan	San Antonio, TX	Director	President and Chief Executive Officer Alamo Lumber
Daniel B. Starr*	Fort Wayne, IN	President/CEO	President/CEO of the Company; <del>Executive Vice President/COO of the Company, Senior Vice President of the Company.</del>
Gary C. Furst*	Fort Wayne, IN	Vice President Human Resources, General Counsel and Corporate Assistant Secretary	Vice President Human Resources, General Counsel and Corporate Assistant Secretary of the Company.
Dent Johnson*	Fort Wayne, IN	Executive Vice President of Operations	Executive Vice President of Operations of the Company (effective October 31, 2022), Vice President of Merchandising of the Company (effective October 29, 2018); <del>Divisional Merchandise Manager of the Company.</del>
<del>Richard J. Lynch*</del>	<del>Fort Wayne, IN</del>	<del>Vice President Marketing</del>	<del>Vice President of Marketing of the Company.</del>
John Mergy*	Fort Wayne, IN	Vice President IT	Vice President of IT of the Company,
Timothy E. Miller*	Fort Wayne, IN	Vice President Logistics	Vice President Logistics of the Company.
Russ Kathrein*	Fort Wayne, IN	Vice President Lumber and Building Products	Vice President Lumber and Building Materials of the Company (effective June 1, 2021). CEO of Alexander Lumber 9/2014 to 8/2020-

Doug Roth*	Fort Wayne, IN	Vice President Finance/CFO	Vice President Finance/CFO of the Company-
Nick Talarico*	Fort Wayne, IN	Executive Vice President of Sales & Marketing	Executive Vice President of Sales & Marketing of the Company (effective October 31, 2022), Vice President of Ecommerce (effective January 10, 2022), Vice President Sales and Business Development of the Company-
Greg Fuller*	Fort Wayne, IN	Vice President of Sales & Business Development	Vice President of Sales & Business Development of the Company (effective January 10, 2022), National Sales & Business Development Manager of the Company, Regional Sales Manager of the Company-
Jason Stofleth	Fort Wayne, IN	Vice President of Merchandising	Vice President of Merchandising (effective October 31, 2022), Divisional Merchandise Manager of the Company-
Allison Flatjord	Fort Wayne, IN	Vice President of Ecommerce	Vice President of Ecommerce of the Company (effective January 30, 2023), Director of Ecommerce of the Company (March 28, 2022 – January 30, 2023, Shindigz Chief Marketing Officer (July 2019 - December 2022), <del>MaMatilda Jane Clothing Chief Marketing and Merchandising Officer (January 2014 June 2019).</del>

\*Messrs. Starr, Furst, Johnson, Kathrein, ~~Lynch~~, Mergy, Miller, Roth, Talarico, Fuller Stofleth and Ms. Flatjord are the only officers employed by the Company. Officers who are Company employees have been employed by the Company (or one of its predecessors) for more than five years, except for Kathrein, Stofleth and Flatjord.

### **ITEM 3. LITIGATION**

#### **Pending Actions.**

The only legal proceedings presently pending against the Company, or to its knowledge threatened against the Company are claims associated with product liability, intellectual property (e.g. patent), employment matters, or threatened third-party claims for possible contract breach. In product liability matters, the claimant typically seeks recovery from the manufacturer distributor/wholesaler and retailer of an allegedly defective product. In employment matters, current, former or prospective employees may name the Company as part of an employment discrimination charge. In contract matters, a third-party (not members) typically claims that the Company may not have performed under a applicable service agreement. The contracts of the Company, including contracts with many vendors and insurers, contain liability limits and indemnity obligations that are believed to be adequate to pay most judgments (if liability is established) that could be obtained against the

Company in any of these matters. The aggregate of any uninsured claims and claims for which the Company is entitled to indemnification is not believed to be material.

### **Material Civil Actions Involving the Franchise Relationship in the Last Fiscal Year.**

None.

### **Company's Suits to Collect Payments.**

If a Member or guarantor of the Member fails or refuses to pay for goods or services sold to the Member, it may be necessary for the Company to initiate legal proceedings to pursue collection of the account. The following suits were initiated in the Company's previous fiscal year:

~~*Do it Best Corp. v. Active Contracting Florence Hardware, Inc. d/b/a Ashland Building Supply and Ayman Owaynat, Allen County, Indiana Superior Court, Cause No. 02D01-2302-PL-000049.*~~

~~*Do it Best Corp. v. Hardy Florence Hardware, L.L.C., Kari A. Hardy and Gerald W. Hardy Steven Swann, Allen County, Indiana Superior Court, Cause No. 02D01-220701-2405-PL-210; recorded with the Clerk of Lincoln County, Washington, No. 232-000022-22-000232*~~

~~*Do it Best Corp. v. JJ Supply Partners Gatzies, Inc. LLC, d/b/a JJ Supply Partners, Gatzies and Jason Jett David Ingemni, Allen County, Indiana Superior Court, Cause No. 02D01-230202-2410-PL-46; recorded with Clerk of DuPage County, Illinois, No. 2023LA0000494.000483*~~

~~*Do it Best Corp. v. Lake City Local Lumber & Supply, Gabriel Raden LLC, Jody Gooslin, II, Murphy Poindexter and Christopher Beckett, Allen County, Indiana Superior Court, Cause No. 02D09-230509-2402-PL-000185.000079*~~

~~*Do it Best Corp. v. Liv Supermarkets General Holding Company d/b/a Shopfresh Marketplace, LLC and Shawn Kattoula, Allen County, Indiana Superior Court, Cause No. 02D01-2212-PL-000398.*~~

~~*Do it Best Corp. v. Materials Direct, LLC, Brandon Jacobson, Josh Heintz, and Tom Oot Muhammad Nassra, Allen County, Indiana Superior Court, Cause No. 02D01-230503-2311-PL-000189.000487*~~

### **ITEM 4. BANKRUPTCY**

No bankruptcies are required to be disclosed in this Item.

### **ITEM 5. INITIAL FEES**

The total initial payment required for the Company's standard membership is \$8,500. A prospective Member is required to use \$1,000 of this initial payment to purchase 20 Common shares of the Company. The shares are sold only in units of 20 shares. The remainder of the initial payment is a "Member Services Fee." The initial payment is payable in cash upon the signing of the Membership Agreement. The Member Services Fee is not refundable. The Member Services Fee is \$1,500 for any existing Member that is opening an additional location, but the Member is still required to purchase 20 Common shares of the Company for \$1,000.

All Members who elect to purchase product from the Company's retail service centers on a patronage basis pay the same initial payment with respect to each store to be serviced by the Company. Except as provided below, the amounts paid for the Common shares are fully refundable. The Company is required by its Articles of Incorporation to repurchase its Common and Non-Voting Common shares at the lesser of issue price or book

value at any time upon request of a Member so long as the assets of the Company exceed its liabilities by more than the amount of any preferential rights of any shares of the Company.

The initial Member Services Fee (\$7,500) includes a new member set-up kit, entrance fee to CORE®, an initial supply of merchandise bin tickets, 3 months of the various fees described below in Item 6, including Service Charge, Truck Mail Charge, Minimum Delivery Charge and, for CORE® attendees, coupons for merchandise redeemable at a future merchandise show. The Member Services Fee for additional locations (\$1,500) does not include access to CORE®, but Member may send individuals to the CORE® training for a per person fee as determined by the Company. The Member Services Fee is non-refundable.

If a qualifying Member elects to participate in the LDP Program, the Member must purchase 310 Non-Voting Common shares of the Company for \$15,500 and 20 additional Common shares for \$1,000 for an additional initial investment of \$16,500. LDP Program participants will also be required to pay \$450 as an ongoing quarterly fee. Members in the LDP Program have a Preference share requirement of 0.35% of direct purchases instead of the 5% requirement for Members not on the LDP Program. LDP Program participants with multiple business locations will not be required to purchase an additional 20 Common shares for each location unless the location elects to be eligible to purchase products from the Company’s warehouses on a patronage basis.

Use of Proceeds. It is presently contemplated that all of the net cash proceeds which may be received from the sale of shares will be used by the Company to purchase and carry increased inventories, and to pay expenses of the offering (which are estimated to be less than \$10,000 in the aggregate).

## **ITEM 6. OTHER FEES**

The fees described below apply to all Members. Other fees may be assessed by the Company for participation in optional programs or the receipt by the Member of optional services provided by the Company.

<u>Type of Fee</u>	<u>Amount<sup>(1)</sup></u>	<u>Due Date</u>	<u>Remarks</u>
Member Services Fee	\$90/month	See Note 2	Basic charge for Member services.
Delivery Charge total	\$0-\$60/week	See Note 3	Sliding scale to determine charge if delivered is less than \$2,200 per week.
Interest Charge	1.5% per month	See Note 1	Due on overdue amounts

1. All payments listed above are paid to the Company and are subject to change. All fees are uniformly imposed and not refundable. Members located in more remote areas are charged an additional amount in lieu of freight. In some portions of Minnesota served by the Company’s trucks, the additional charge is required, as can be seen on the map attached as Exhibit “A” of this disclosure document. Amounts invoiced during the first fifteen days of the month are due on or before the 20th of the month. Amounts invoiced during the second half of the month are due on or before the 5th of the next month. All amounts are uniformly imposed and non-refundable. In the event a Member fails to pay any amount due Company, Company may charge interest at a rate of 1.5% per month, or any fraction of a month, for any outstanding balance.

2. A Member will pay \$90 per month for basic Members services and other related services as shown below. The charge is \$75 per month for each additional location for basic Member services. A Member may also pay fees of \$140 per month for enhanced Member services and \$125 per month for each additional location or \$195 per month for advanced Member services and \$165 per month for each additional location. The following chart summarizes the basic, enhanced and advanced Member services:

	<b>BASIC</b> \$90/Month \$75 Per Additional Location	<b>ENHANCED</b> \$140/Month \$125 Per Additional Location	<b>ADVANCED</b> \$195/Month \$165 Per Additional Location
mydoitbest.com	X	X	X
mydoitbestcatalog.com	X	X	X
Online Invoices	X	X	X
OASIS	X	X	X
Electronic Payments	X	X	X
iPad Catalog App	X	X	X
Online Claims	X	X	X
RSC Inventory Level	X	X	X
Basic EDI Services	X	X	X
SDS (Safety Data Sheets, formerly MSDS)	X	X	X
Will-Call Ordering		X	X
Small Parcel Services		X	X
LTL Services		X	X
Future Reserves		X	X
Stock Reserve	+	X	X
Inventory & Pricing Dashboard	+	+	X
Enhanced EDI Services	+	+	X
Margin Master	+	+	+
+ = Add-on Options			

3. If a Member orders less than \$2,200 of warehouse purchases any week, the Member must pay the Company the following minimum charge on a per location and per each delivery basis: \$2,200 and above of warehouse purchases, no charge; \$1,200-\$2,199 of warehouse purchases, \$40 charge; below \$1,200, \$60 charge; no weekly delivery, \$30 charge. The Company may change its minimum charge structure at any time upon notice. In certain markets, the Company also may charge an additional delivery charge (a “freight adder”) that will range between 1% to 8% of total purchases. The freight adder may be reduced or eliminated based on the total purchases during a year.

#### **ITEM 7. ESTIMATED INITIAL INVESTMENT**

##### **YOUR ESTIMATED INITIAL INVESTMENT**

<b>Type of Expenditure</b>	<b>Amount (1)</b>		<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be Made</b>
	<b>Low:</b>	<b>High:</b>			
Initial membership fee (including purchase of class of shares) (2)	\$8,500	\$8,500	Lump Sum	When a Member signs the Membership Agreement	The Company
Equipment, fixtures, signage and leasehold improvements (3)	\$96,000	\$224,000	As Incurred	Before Opening	Vendors
Initial merchandise inventory (4)	\$360,000	\$840,000	As Incurred	Before Opening	Vendors

Type of Expenditure	Amount (1)		Method of Payment	When Due	To Whom Payment is to be Made
	Low:	High:			
Security deposits, business licenses and other prepaid expenses	\$8,000	\$12,000	As Incurred	Before Opening	Vendors, Landlord
Computer and POS Systems (5)	\$20,000	\$90,000	As Incurred	Before Opening	Vendors
Additional funds – working capital for first 3 months of operation (6)	\$72,000	\$168,000	As Incurred	Before Opening	Vendors
Total (excluding real estate expenses) (7) (8)	\$564,500	\$1,342,500			

(1) The low amount assumes that a Member will operate a store with approximately 8,000 square feet and the high amount assumes that a Member will operate a store with approximately 14,000 square feet. Although the majority of the Members operate businesses between 8,000 and 14,000 square feet, certain businesses will have square footage as low as 2,000 square feet and as high as 80,000 square feet.

(2) See Item 5 for a description of the Member Services Fee and purchase of class of shares. If a Member elects to participate in the LDP Program, the Member will pay the Company an additional \$16,500 as described in Item 5.

(3) The investment for store fixtures is approximately \$10 to \$12 per retail square foot. Other equipment including back room and office fixtures costs approximately \$2 per square foot. Signage needs vary widely but will be approximately \$160 per exterior lineal foot. There are no leasehold improvements that necessarily need to be made if the store is suitable for retail business. However, recommendations may be made to improve the overall look or shopability of the store.

(4) Inventory investment for a retail hardware or home center is approximately \$45 to \$60 per retail square foot. This does not include the lumber and building material inventory required for a lumber or home center business.

(5) Members are required to communicate with the Company electronically. This can be accomplished through a personal computer or point of sale system, which is recommended. Point of sale systems can range from approximately \$20,000 to \$90,000 per location. While Members may select various point of sale systems, the Company's current preferred point of sale provider is Epicor Software Corporation.

(6) The need for working capital varies depending on the type of store and the initial capitalization. For example, stores that plan to carry house accounts will need additional working capital. For an estimate of working capital, the Company suggests 20% of the initial inventory.

(7) The Company has based these estimates on its experience in the business since 1945 and the experience of its Members. Members should review these figures carefully with a business advisor before making any decision to enter into a Membership Agreement. Members are cautioned to allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and local market conditions, which can be highly variable and can result in substantial, rapid and unpredictable increases in costs. Members must bear any deviation or escalation in costs from the estimates in this Item 7 or estimates that the Company gives during any phase of the development process.

(8) Most prospective Members are engaged in the retail hardware, home center, lumber, and building material business at the time the Member purchases a business. If a Member already is engaged in the retail hardware, home center, lumber and building material business, its estimated initial investment will be minimal.

## **ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

A Member is not obligated to purchase or lease any items from the Company nor from approved or designated sources. However, the Company does expect Members to use their best efforts to promote lines of merchandise available from the Company in the Member's trading areas and to purchase through the Company a majority of the Member's purchases of merchandise which are available through the Company at competitive quality and price. Members who satisfy the requirements of the Enhanced Rebate Program may be eligible to receive financial and other incentives for their support. (See Item 1).

The Company periodically may offer certain optional incentive programs to Members. If a Member elects to participate in these optional programs, the Company may limit the Member's ability to purchase merchandise from third parties and the Member will have to sign an addendum to its Membership Agreement.

The sale of merchandise is Company's primary source of income and Company derives direct revenue from such sales. For the Company's fiscal year ended June ~~24~~<sup>29</sup>, ~~2023~~<sup>2024</sup>, the Company received ~~\$4,693,818,764~~<sup>\$4,527,550,404</sup> from the business it conducted with its Members or approximately ~~98.34~~<sup>98.6</sup>% of the Company's total gross revenues of ~~\$4,773,159,815~~<sup>\$4,593,210,022</sup>.

Certain of our officers (who are also Directors) own an interest in the Company, as described in Item 25. The Company does not provide material benefits to you because of your purchase of particular products or services or use of particular suppliers.

## **ITEM 9. MEMBERS' OBLIGATIONS**

**This table lists your principal obligations under the Membership and other agreements. It will help you find more detailed information about Members' obligations in these agreements and in other items of this disclosure document.**

<b>Obligation</b>	<b>Sections in Agreement(s)</b>	<b>Disclosure Document Item</b>
<i>a. Site, selection and acquisition/lease</i>	<i>Not Applicable</i>	
<i>b. Pre-opening purchases/leases</i>	<i>Not Applicable</i>	
<i>c. Site development and other pre-opening requirements</i>	<i>Not Applicable</i>	
<i>d. Initial and ongoing training</i>	<i>Paragraph 7</i>	<i>Items 5 and 11</i>
<i>e. Opening</i>	<i>Not Applicable</i>	
<i>f. Fees</i>	<i>Paragraphs 2, 6 and 7</i>	<i>Items 5 and 6</i>
<i>g. Compliance with standards and policies/operating manual</i>	<i>Paragraph 2</i>	<i>Item 11</i>
<i>h. Trademarks and proprietary information</i>	<i>Paragraphs 2 and 12</i>	<i>Items 13 and 14</i>
<i>i. Restrictions on products/services offered</i>	<i>Not Applicable</i>	<i>Item 16</i>
<i>j. Warranty and customer service requirements</i>	<i>Not Applicable</i>	
<i>k. Territorial development and sales quotes</i>	<i>Paragraph 4</i>	
<i>l. Ongoing product/service purchases</i>	<i>Paragraph 2C</i>	

<b>Obligation</b>	<b>Sections in Agreement(s)</b>	<b>Disclosure Document Item</b>
<i>m. Maintenance, appearance and remodeling requirements</i>	<i>Paragraph 2F</i>	<i>Item 11</i>
<i>n. Insurance</i>	<i>Not Applicable</i>	
<i>o. Advertising</i>	<i>Not Applicable</i>	
<i>p. Indemnification</i>	<i>Paragraph 2J</i>	
<i>q. Owner's participation/management/staffing</i>	<i>Not Applicable</i>	<i>Items 11 and 15</i>
<i>r. Records/reports</i>	<i>Not Applicable</i>	
<i>s. Inspections/audits</i>	<i>Paragraph 13</i>	
<i>t. Transfer</i>	<i>Paragraph 8</i>	<i>Item 17</i>
<i>u. Renewal</i>	<i>Not Applicable</i>	<i>Item 17</i>
<i>v. Post-termination obligations</i>	<i>Paragraph 3</i>	<i>Item 17</i>
<i>w. Non-competition covenants</i>	<i>Not Applicable</i>	<i>Item 17</i>
<i>x. Dispute resolution</i>	<i>Paragraph 16</i>	<i>Item 17</i>

## **ITEM 10. FINANCING**

The Company provides financing programs to its Members to support purchases of merchandise and services. The Company offers some merchandise for future delivery more than 90 days in advance for which payment is not due until after delivery, accompanied by an available prepayment discount of 2/3% per month. However, the Company, directly or through banks or other financial institutions, provides limited financing for store conversions and other purposes. In addition, the Company or its affiliate Do it Best Financial, LLC may from time to time provide financing to a Member if, in the Company's opinion, the availability of such financing is necessary to retain such Member as a Member of the Company or to address competitive effects upon Member or the Company.

## **ITEM 11. COMPANY'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING**

**Except as listed below, the Company is not required to provide any Member with any assistance.**

The Company will sell its goods and provide its advertising, planning and training services to a Member at its established prices and on its current terms and conditions. The Company will pay to a Member, as a patronage dividend, a proportionate share of the net earnings of the Company.

The Company offers a scheduled program for orientation and training of new Members. The training program, called "CORE®," is conducted periodically, normally at the Company's office in Fort Wayne, Indiana. The four day program is conducted primarily by management personnel of the Company (see Item 2 for biographical information of management personnel). No separate charges are made for the CORE® program for new Members as it is part of the Member Services Fee (see Item 5), but Members must pay their own travel and living expenses. The CORE® program is not mandatory, and about one-half of new Members attend the program.

The content of the CORE® program is described below.

## TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On The Job Training	Location
Merchandising –Product Categories, Private Label, Suggested retails, Planograms	5	0	Fort Wayne, Indiana
Technology – mydoitbest.com, mydoitbestcatalog.com, Online Invoices, Ordering, inventory & Pricing Dashboard	3	0	Fort Wayne, Indiana
Marketing – Advertising, Ecommerce, Store Development, Branding, Retail Programs	8	0	Fort Wayne, Indiana
Member Services & Business Development – Delivery, Grown Programs, Support, Do it Best Markets	5	0	Fort Wayne, Indiana
Total	21	0	Fort Wayne, Indiana

In addition, the Company conducts various management, sales, and merchandise training schools, which Members may attend on a voluntary basis. The cost of these training schools is typically partially borne by the Company and supplemented by charges to the Members attending the schools.

The Company employs approximately 100 persons who travel through the areas in which the Company has Members. Those persons provide advice to Members concerning floor arrangement, marketing techniques, business equipment availability and new merchandise.

The Company does not require Members to contribute to an advertising fund or advertising cooperative. There is no advertising council composed of Members. In addition, Members are not required to spend any minimum amount on local advertising. Members may use their own advertising materials if the Company's trademarks are used in a manner authorized by the Company. The Company may make advertising services available to the Member at its established prices. The Company is not obligated to conduct any advertising.

Although Members' membership is approved for locations described in the Membership Agreements, the Company does not select locations for Members' businesses. In most cases, Members already operate a retail hardware, home center, lumber and building material business. For Members that do not currently operate a business, the Company may assist those Members in selecting a location. As described in Item 1, the Company's assistance or approval of a site does not constitute a guarantee that the location will be successful.

If a Member does not already operate a business, the Company estimates it will take between 90 and 180 days from the time the Company and the Member sign a Membership Agreement and when the Member opens for business. The factors that affect opening time include a Member's ability to obtain a lease, financing, building permits, zoning and local ordinances.

The Company does not require Members to buy or use any electronic cash register or computer systems for their own point of sale system.

The Company does not provide an operations manual, but does make available to members optional training materials and content.

## **ITEM 12. TERRITORY**

Members will not receive an exclusive territory. Members may face competition from other Members or from other channels of distribution or competitive brands that the Company controls. The membership is granted for a specific location and the relocation of the business or the establishment of additional locations under the Membership Agreement is subject to the Company's approval. Members have no options, right of first refusal or similar rights to acquire additional Membership Agreements.

The Company may operate or grant additional memberships for the operation of stores which may or may not utilize the Company's trademarks and which may compete with a Member's location. The Company also may offer and sell products and services under the Company's trademarks, or any other trademarks, using other channels of distribution, such as the Internet. These activities may compete with a Member's location.

As described in Item 1 above, the Company's subsidiary (Do it Best Commerce Company, L.L.C. d/b/a www.doitbest.com), also sells hardware and related merchandise to non-members. The Company also sells goods and merchandise directly to non-members (predominantly foreign affiliates as described in Item 1) that agree to certain terms and conditions (e.g. an affiliate agreement). Among other things, non-members are not shareholders and do not receive patronage dividends. These non-members may also compete with a Member's location.

## **ITEM 13. TRADEMARKS**

The Membership Agreement allows a Member to use the following registered principal trademarks and service marks and certain other trademarks and service marks belonging to the Company, but only in the style and manner permitted by the Company. Each of these registered marks of the Company have been registered on the United States Patent and Trademark Office principal register. All required Affidavits and renewal applications have been filed.

<b><u>Registered Mark</u></b>	<b><u>Registration Date and Number</u></b>	
HWI®	02/10/70	886,066
Mr. Friendly®	11/5/74	997,744
Do it®	06/30/92	1,697,924
Do it Center®	11/10/87	1,464,819
Do it Best®	10/29/96	2,012,101
InCom®	05/26/98	2,160,119
Steel Pro®	12/26/00	2,416,601
Home Impressions®	12/05/06	3,181,435
Best Look®	8/16/05	2,985,934
The Color Bar®	9/19/2023	7,166,706

There are no currently effective material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, or any state trademark administrator or court, nor any pending infringement, opposition or cancellation proceeding, or any pending material litigation involving such marks which is relevant to their use in any state. There is no agreement currently in effect which significantly limits the rights of the Company to use or license the use of any of such marks in a manner material to the business.

In accordance with various programs and agreements, the Company may permit (but does not require) its Members to use the marks above in identification of Members' businesses through signs, advertisements and in-store materials. The Company may also permit its Members to use other trademarks owned by the Company.

A Member is obligated by Section 12 of the Membership Agreement to notify the Company of any imitation or infringement of the Company's Intellectual Property including its trademarks. The Company has the exclusive right to take legal action based upon imitation or infringement of the Company's trademarks. The Company is not obligated by the Membership Agreement to protect your right to use the above trademarks, to protect its Members against claims of infringement or unfair competition or to participate in Members' defense and/or indemnify Members for expenses or damages relating to their use of the trademarks.

Company has no knowledge of either superior prior rights or infringing use which could materially affect your use of the trademarks in any state.

See Item 17 below for obligations of Members concerning Trademark aspects of termination.

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

The Company owns two patents: U.S. Patent No. 8,473,370 that was issued on June 25, 2013, and U.S. Patent No. 9,177,342 that was issued on November 3, 2015. Current Members are authorized to use the ordering applications that are covered by the patents in the ordinary course of their business, but are not required to do so. As such, the Company does not reasonably believe that the patents are material to the operation of a Member's business.

The Company claims copyrights on various catalogs, booklets, pamphlets and other information provided to the Members.

There are no agreements currently in effect which significantly limit Members' rights to use any of the Company's patents or copyrights. There are no currently effective determinations of the U.S. Patent and Trademark Office, the U.S. Copyright Office, or any court pertaining to or affecting any of the patents or copyrights discussed above. As of the issuance date of the disclosure document, the Company is unaware of any infringing issues of, or superior previous rights to, any of our patents or copyrights which could materially affect Members' use of them in any state. The Company has no obligations to protect any patent or copyright against claims arising out of Members' use of patented or copyrighted items.

Members can use the proprietary information contained in the Company's Catalog. Although the Company has not filed an application for a copyright registration for the Catalog, it claims a copyright in the Catalog and the information contained within it is proprietary.

#### **ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE BUSINESS**

Members are not required to personally participate in the actual operation of the business. Members must only make certain that the business is operated under the conditions set forth in the Membership Agreement.

#### **ITEM 16. RESTRICTION ON WHAT A MEMBER MAY SELL**

The Company does not restrict the type of goods or services that a Member (as an independently owned and operated entity) may offer; provided that the goods and services do not negatively impact the goodwill associated with our trademarks or trade names, and are not sold, resold, exported, or re-exported contrary to United States law, including, but not limited to, the U.S. Export Administration Regulations, the U.S.

International Traffic in Arms Regulations, and regulatory and sanctions programs administered by the U.S. Department of Treasury's Office of Foreign Assets Control.

**ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

**This table lists certain important provisions of the Membership and related agreements. Each prospective Member should read these provisions in the agreements attached to this disclosure document.**

<b>Provision</b>	<b>Section in Membership Agreement</b>	<b>Summary</b>
<i>a. Term of the agreement</i>	<i>Not Applicable</i>	<i>Term is indefinite</i>
<i>b. Renewal or extension of the term</i>	<i>Not Applicable</i>	<i>Term is indefinite</i>
<i>c. Requirements for you to renew or extend</i>	<i>Not Applicable</i>	<i>Term is indefinite</i>
<i>d. Termination by you</i>	<i>Paragraph 10</i>	<i>You may terminate the Agreement and receive a refund of the money paid for your Common shares at any time upon demand</i>
<i>e. Termination by the Company without cause</i>	<i>Not Applicable</i>	
<i>f. Termination by the Company with cause</i>	<i>Paragraph 3</i>	<i>See Note 1</i>
<i>g. "Cause" defined – defaults which can be cured</i>	<i>Paragraph 3</i>	<i>See Note 1</i>
<i>h. "Cause" defined – defaults which cannot be cured</i>	<i>Not Applicable</i>	
<i>i. Member obligations on termination/renewal</i>	<i>Paragraph 3</i>	<i>Obligations include complete de-identification, payment of amounts due and cease use of the Company's intellectual property (also see Note 1)</i>
<i>j. Assignment of contract by the Company</i>	<i>Not Applicable</i>	
<i>k. "Transfer" by Member – definition</i>	<i>Paragraphs 2K and 8</i>	<i>Includes transfer of contract or assets or ownership change</i>
<i>l. Company's approval of transfer by Member</i>	<i>Paragraphs 2K and 8</i>	<i>The Company has the right to approve all transfers</i>
<i>m. Conditions for Company approval of transfer</i>	<i>Not Applicable</i>	<i>The Company will generally approve a transfer to another person or business entity if the proposed transfer meets the Company's standards for membership</i>
<i>n. The Company's right of first refusal to acquire your business</i>	<i>Not Applicable</i>	
<i>o. The Company's option to purchase your business</i>	<i>Not Applicable</i>	
<i>p. Your death or disability</i>	<i>Not Applicable</i>	<i>See Note 2</i>
<i>q. Non-competition covenants during the term of the Agreement</i>	<i>Not Applicable</i>	<i>See Note 3</i>
<i>r. Non-competition covenants after</i>	<i>Not Applicable</i>	<i>See Note 3</i>

<b>Provision</b>	<b>Section in Membership Agreement</b>	<b>Summary</b>
<i>the Agreement is terminated or expires</i>		
<i>s. Modification of the Agreement</i>	<i>Not Applicable</i>	
<i>t. Integration/merger clause</i>	<i>Paragraph 22</i>	<i>Only the terms of the Agreement are binding (subject to state law). Any other promises may not be enforceable</i>
<i>u. Dispute resolution by arbitration or mediation</i>	<i>Not Applicable</i>	
<i>v. Choice of forum</i>	<i>Paragraph 16</i>	<i>State and federal courts located in Allen County, Indiana (subject to state law)</i>
<i>w. Choice of law</i>	<i>Paragraph 15</i>	<i>Indiana law applies to the Agreement, except for law governing the sale of franchises or the franchise relationship (subject to state law)</i>

1. The relationship continues in force indefinitely unless terminated by the Member or by the Company due to a breach of the Membership Agreement by the Member. The basic Membership relationship is not affected by the terms of any other agreement unless the Member elects to participate in an optional incentive program, the terms of which may become an addendum to the Membership Agreement, as described in Item 8. If the Member is in breach of any other agreement between the Company or the Company's subsidiary and Member, it is a breach under the Membership Agreement. The Agreement sets forth the terms for termination of services. The Agreement refers to the By-Laws of the Company, which are incorporated by reference in the Agreement. All of the policies and regulations for the transaction of business from time to time with the Company, including the terms of sale, etc., are set forth in the online Catalog (currently available at [www.mydoitbest.com](http://www.mydoitbest.com), which is accessed through [www.doitbestonline.com](http://www.doitbestonline.com)), which are incorporated by reference in the Agreement. There is no need to renew or extend the Agreement. If the Member fails to comply with the conditions set forth in the Agreement or the obligations of the Member set forth in the By-Laws, services to the Member may be terminated. The only other basis for termination would be under the general legal theory of equitable rescission if, for example, it appears that a prospective Member made fraudulent representations in its application

Subject to the Company's set off and recoupment rights, the Company is obligated to repurchase Common and Non-Voting Common shares at any time upon demand by the Member, at the lesser of issue price or book value, so long as the assets of the Company exceed its liabilities by more than the amount of any preferential rights of any shares of the Company not scheduled for repurchase. In the 7879 year history of the Company, no such request for repurchase has been turned down, and in no case has anyone received less than the full issue price which was paid for the common shares. The Company is not obligated to repurchase Preference shares on demand by the Member, although terminating Members have historically received the full issue price of such shares subject to the Company's set off and recoupment rights within 18-60 months after approval by the Board of Directors of a request that the Company repurchase those shares (See Item 27). The time period in which a terminated or discontinued Member may receive back the value for any preference shares is currently contingent upon whether the Member remains in business and sources product from another supplier or ceases operation. (See Item 27.) Upon the termination of services, the Member must return catalogs, books, pamphlets and supplementary information provided by the Company, must remove all signs, must return all equipment which is the property of the Company, and must cease using the Company's Intellectual Property including its trademarks, trade names, service marks, slogans and the like of the Company. The Member is given two months to sell any goods bearing the trademarks, trade names, etc., of the Company, which sales must be made in the ordinary course of business and not in a disparaging manner. At the end of that period, any goods not sold may, at the option of the Company, be repurchased by it at the lower of cost or then

market value. The By-Laws of the Company provide that upon termination of membership, the Company may call the Common and Non-Voting Common shares for redemption at the lower of book value or the issue price therefore, so long as the assets of the Company exceed its liabilities by more than the amount of any preferential rights of any shares of the Company.

The termination of services to a Member will not necessarily terminate the business of the Member, because:

- (i) the Member's business will continue (except in the case of termination due to insolvency);
- (ii) financial success of a Member's business may be determined by factors other than the use of the Company's trademarks; and
- (iii) good will of the Member may not be dependent upon the Company's trademarks.

Former Members of Do it Best Corp., after termination of Do it Best Corp. membership, frequently associate with another major wholesaler in the industry, all of which major wholesalers make trademarks available to their Members and some of whom require use of their trademarks by their Members. However, there can be no assurance that the termination of a Member will not have a material adverse effect on such Member.

2. Upon the death of a Member, the business may be continued by family members, or may be sold (subject to payment of any merchandise account balances and the acceptability of the successor to the Company) and, the shares of the Company owned by the decedent may be transferred to the successor. If the owner of the store (the estate, family, etc.) desires to terminate the relationship, the owner may request the repurchase of the Company's shares, and termination of the relationship is accomplished. The same options would be available in the event of the incapacity of a Member.

3. The Company exacts no covenant not to compete from its Members. The Company does, however, expect each Member to keep confidential certain information furnished to the Member by the Company about the operation of the Company and the prices of merchandise sold by it and, to be eligible for an Enhanced Rebate, Members must not be affiliated with another national stocking purchasing cooperative as described in Item 1.

#### **ITEM 18. PUBLIC FIGURES**

The Company does not use any public figures to promote sales.

#### **ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS**

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

The Company does not make any representations about a Member's future financial performance or the past financial performance of company-owned or member-owned businesses. The Company also does not authorize its employees or representatives to make any such representations either orally or in writing. If a

Member is purchasing an existing business, however, the Company may provide a Member with the actual records of that business. If a Member receives any other financial performance information or projections of its future income, a Member should report it to the Company's management by contacting Gary C. Furst at Post Office Box 868, Fort Wayne, Indiana 46801-0868, (260) 748-5300, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20. OUTLETS AND MEMBER INFORMATION**

**DO IT BEST LEGACY MEMBERS**

**TABLE NUMBER 1A**

**Do it Best Members**

**Systemwide Business Summary  
For Fiscal Years ~~2021, 2022, 2023~~ and ~~2023~~<sup>(1)</sup>2024**

<b>Business Type</b>	<b>Year</b>	<b>Businesses at the Start of the Year</b>	<b>Businesses at the End of the Year</b>	<b>Net Change</b>
Member-Owned	<del>2021</del>	3114	<del>3121</del>	+7
	2022	3121	3233	+112
	2023	3233	3371	+138
	<u>2024</u>	<u>3371</u>	<u>3407</u>	<u>+36</u>
Company-Owned	<del>2021</del>	0	0	0
	2022	0	0	0
	2023	0	0	0
	<u>2024</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Businesses	<del>2021</del>	3114	<del>3121</del>	+7
	2022	3121	3233	+112
	2023	3133	3371	+138
	<u>2024</u>	<u>3371</u>	<u>3407</u>	<u>+36</u>

(1) This chart reflects information for fiscal years ended ~~June 26, 2021, June 25, 2022, June 24, 2023,~~ and June ~~24~~<sup>29</sup>, ~~2023~~<sup>2024</sup>.

**TABLE NUMBER 2A**

**Do it Best Members**

**Transfers of Businesses from Member to New Owners (Other than the Company)  
For Fiscal Years ~~2021, 2022, 2023~~ and ~~2023~~<sup>(1)</sup>2024**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Arizona	<del>2021</del>	3
	2022	0
	2023	1
	<u>2024</u>	<u>0</u>
Arkansas	<del>2021</del>	0
	2022	1
	2023	0
	<u>2024</u>	<u>0</u>

State	Year	Number of Transfers
California	<del>2021</del>	4
	2022	1
	2023	4
	<u>2024</u>	<u>1</u>
Colorado	<del>2021</del>	3
	2022	0
	2023	1
	<u>2024</u>	<u>1</u>
Connecticut	<del>2021</del>	0
	2022	0
	2023	1
	<u>2024</u>	<u>0</u>
Florida	<del>2021</del>	3
	2022	0
	2023	3
	<u>2024</u>	<u>2</u>
Georgia	<del>2021</del>	0
	2022	0
	2023	2
	<u>2024</u>	<u>0</u>
Idaho	<del>2021</del>	4
	2022	4
	2023	4
	<u>2024</u>	<u>0</u>
Illinois	<del>2021</del>	1
	2022	4
	2023	3
	<u>2024</u>	<u>5</u>
Indiana	<del>2021</del>	5
	2022	2
	2023	3
	<u>2024</u>	<u>0</u>
Iowa	<del>2021</del>	3
<u>Iowa</u>	2022	0
	2023	2
	<u>2024</u>	<u>1</u>
Kansas	<del>2021</del>	2
	2022	5
	2023	1
	<u>2024</u>	<u>3</u>
Kentucky	<del>2021</del>	3
	2022	3
	2023	2
	<u>2024</u>	<u>3</u>
Louisiana	<del>2021</del>	1
	2022	1
	2023	0
	<u>2024</u>	<u>1</u>
Maine	<del>2021</del>	1
	<del>2022</del>	0
	<del>2023</del>	0
Michigan	<del>2021</del>	10
	2022	10
	2023	13
	<u>2024</u>	<u>4</u>

State	Year	Number of Transfers
Minnesota	<del>2021</del>	<del>3</del>
	2022	3
	2023	5
	<u>2024</u>	<u>3</u>
Mississippi	<del>2021</del>	<del>1</del>
	2022	0
	2023	0
	<u>2024</u>	<u>1</u>
Missouri	<del>2021</del>	<del>3</del>
	2022	4
	2023	4
	<u>2024</u>	<u>6</u>
Montana	<del>2021</del>	<del>1</del>
	2022	3
	2023	3
	<u>2024</u>	<u>0</u>
Nebraska	<del>2021</del>	<del>2</del>
	2022	2
	2023	1
	<u>2024</u>	<u>1</u>
Nevada	<del>2021</del>	<del>0</del>
	2022	0
	2023	2
	<u>2024</u>	<u>0</u>
New Hampshire	<del>2021</del>	<del>1</del>
	2022	2
	2023	0
	<u>2024</u>	<u>1</u>
<del>New Mexico</del>	<del>2021</del>	<del>1</del>
<u>New Jersey</u>	2022	0
	2023	0
	<u>2024</u>	<u>2</u>
New York	<del>2021</del>	<del>5</del>
	2022	4
	2023	3
	<u>2024</u>	<u>5</u>
North Carolina	<del>2021+2022</del>	<del>1</del>
	<u>2023</u>	<u>2</u>
	<u>2024</u>	<u>2</u>
<u>North Dakota</u>	2022	<del>10</del>
	2023	<del>20</del>
	<u>2024</u>	<u>1</u>
<del>Ohio</del>	<del>2021</del>	<del>4</del>
<u>Ohio</u>	2022	7
	2023	4
	<u>2024</u>	<u>8</u>
Oklahoma	<del>2021</del>	<del>0</del>
	<del>2022</del>	<del>0</del>
	<del>2023</del>	<del>0</del>
Oregon	<del>2021</del>	<del>2</del>
	2022	1
	2023	1
	<u>2024</u>	<u>0</u>
Pennsylvania	<del>2021</del>	<del>2</del>
	2022	0

State	Year	Number of Transfers
	2023	1
	<u>2024</u>	<u>1</u>
South Carolina	<del>2021</del>	<del>0</del>
	2022	1
	2023	3
	<u>2024</u>	<u>1</u>
South Dakota	<del>2021</del>	<del>1</del>
	2022	1
	2023	0
	<u>2024</u>	<u>2</u>
Tennessee	<del>2021</del>	<del>0</del>
	2022	0
	2023	1
	<u>2024</u>	<u>0</u>
Texas	<del>2021</del>	<del>3</del>
	2022	3
	2023	3
	<u>2024</u>	<u>2</u>
	<del>2021+2023</del>	<del>3</del>
	2023	3
	<u>2024</u>	<u>2</u>
	<del>2023</del>	<del>3</del>
Utah	<del>2021</del>	<del>1</del>
	<del>2022</del>	<del>0</del>
	<del>2023</del>	<del>0</del>
Vermont	<del>2021</del>	<del>0</del>
	2022	1
	2023	0
	<u>2024</u>	<u>1</u>
Virginia	<del>2021</del>	<del>0</del>
	2022	0
	2023	2
	<u>2024</u>	<u>0</u>
Washington	<del>2021</del>	<del>4</del>
	2022	5
	2023	4
	<u>2024</u>	<u>2</u>
West Virginia	<del>2021</del>	<del>0</del>
	2022	1
	2023	0
	<u>2024</u>	<u>1</u>
Wisconsin	<del>2021</del>	<del>1</del>
	2022	5
	2023	2
	<u>2024</u>	<u>3</u>
Wyoming	<del>2021</del>	<del>0</del>
	<del>2022</del>	<del>0</del>
	<del>2023</del>	<del>0</del>
<b>TOTAL</b>	<b>2021</b>	<b>78</b>
<b>TOTAL</b>	<b>2022</b>	<b>74</b>
	<b>2023</b>	<b>79</b>
	<b>2024</b>	<b>65</b>

(1) This chart reflects information for fiscal years ended ~~June 26, 2021~~, June 25, 2022, June 24, 2023, and June ~~24~~29, ~~2023~~2024.

**TABLE NUMBER 3A**

**Do it Best Members**

**Status of Member Businesses  
For Fiscal Years ~~2021~~, 2022, 2023 and 2023<sup>(1)</sup>~~2024~~<sup>(1)</sup>**

State	Year	Businesses at the Start of the Year	Businesses Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations / Other Reasons	Businesses at the End of the Year
<del>Alabama</del>	<del>2021</del>	<del>35</del>	<del>1</del>	<del>1</del>	<del>0</del>	<del>0</del>	<del>1</del>	<del>34</del>
<u>Alabama</u>	2022	34	4	1	0	0	0	33
	2023	33	4	0	0	0	0	37
	2024	<u>37</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>38</u>
<del>Alaska</del>	<del>2021</del>	<del>7</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>7</del>
	2022	7	9	0	0	0	0	16
	2023	16	1	0	0	0	0	17
	2024	17	0	0	0	0	0	17
<del>Arizona</del>	<del>2021</del>	<del>30</del>	<del>0</del>	<del>1</del>	<del>0</del>	<del>0</del>	<del>1</del>	<del>30</del>
	2022	30	2	0	0	0	0	32
	2023	32	1	1	0	0	0	32
	2024	32	0	0	0	0	1	31
<del>Arkansas</del>	<del>2021</del>	<del>35</del>	<del>0</del>	<del>5</del>	<del>0</del>	<del>0</del>	<del>1</del>	<del>29</del>
	2022	29	4	0	0	0	1	32
	2023	32	5	0	0	0	1	28
	2024	<u>28</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>27</u>
<del>California</del>	<del>2021</del>	<del>143</del>	<del>3</del>	<del>10</del>	<del>0</del>	<del>0</del>	<del>3</del>	<del>133</del>
<u>California</u>	2022	133	12	5	0	0	2	133
	2023	133	<u>9</u>	<u>3</u>	0	0	1	128
	2024	128	<u>1</u>	<u>0</u>	0	0	8	<u>121</u>
<del>Colorado</del>	<del>2021</del>	<del>38</del>	<del>0</del>	<del>1</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>37</del>
<u>Colorado</u>	2022	37	1	1	0	0	1	36
	2023	36	1	0	0	0	0	37
	2024	<u>37</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>39</u>
<del>Connecticut</del>	<del>2021</del>	<del>23</del>	<del>1</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>1</del>	<del>23</del>
	2022	23	3	1	0	0	0	25
	2023	25	0	0	0	0	1	24
	2024	24	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>25</u>
<del>Delaware</del>	<del>2021</del>	<del>5</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>1</del>	<del>4</del>
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
<del>Florida</del>	<del>2021</del>	<del>73</del>	<del>2</del>	<del>3</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>72</del>
<u>Florida</u>	2022	72	11	0	0	0	2	81
	2023	81	<u>8</u>	<u>2</u>	0	0	1	76
	2024	<u>76</u>	<u>3</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>78</u>
<del>Georgia</del>	<del>2021</del>	<del>38</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>38</del>
	2022	38	1	0	0	0	0	36
	2023	36	5	1	0	0	1	33
	2024	<u>33</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36</u>
<del>Hawaii</del>	<del>2021</del>	<del>7</del>	<del>4</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>11</del>
<u>Hawaii</u>	2022	11	2	0	0	0	0	13

State	Year	Businesses at the Start of the Year	Businesses Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations / Other Reasons	Businesses at the End of the Year
	2023	13	1	0	0	0	0	14
	2024	14	1	0	0	0	0	15
<del>Idaho</del>	2021	49	6	0	0	0	0	25
<u>Idaho</u>	2022	25	0	0	0	0	0	25
	2023	25	1	0	0	0	0	26
	2024	26	2	0	0	0	0	28
<del>Illinois</del>	2021	174	3	0	0	0	3	174
<u>Illinois</u>	2022	174	10	1	0	0	5	178
	2023	178	18	2	0	0	8	166
	2024	166	4	0	0	0	4	166
<del>Indiana</del>	2021	138	8	0	0	0	4	138
<u>Indiana</u>	2022	138	9	1	0	0	0	146
	2023	146	15	1	0	0	2	133
	2024	133	4	0	0	0	4	133
<del>Iowa</del>	2021	99	4	4	0	0	2	100
<u>Iowa</u>	2022	100	4	0	0	0	1	103
	2023	103	4	7	0	0	1	99
	2024	99	2	0	0	0	1	100
<del>Kansas</del>	2021	74	0	4	0	0	0	70
<u>Kansas</u>	2022	70	6	0	0	0	1	75
	2023	75	3	1	0	0	1	76
	2024	76	2	0	0	0	2	76
<del>Kentucky</del>	2021	75	0	2	0	0	2	71
	2022	71	0	0	0	0	1	70
	2023	70	4	0	0	0	2	72
	2024	72	1	1	0	0	0	72
<del>Louisiana</del>	2021	32	4	0	0	0	4	32
	2022	32	4	0	0	0	2	34
	2023	34	10	0	0	0	2	44
	2024	44	5	1	0	0	1	41
<del>Maine</del>	2021	22	4	0	0	0	0	23
<u>Maine</u>	2022	23	1	0	0	0	0	24
	2023	24	1	0	0	0	1	24
	2024	24	0	0	0	0	0	24
<del>Maryland</del>	2021	24	0	0	0	0	4	23
	2022	23	1	0	0	0	1	23
	2023	23	2	0	0	0	1	24
	2024	24	0	0	0	0	3	21
<del>Massachusetts</del>	2021	30	4	0	0	0	4	30
	2022	30	9	0	0	0	0	39
	2023	39	2	0	0	0	1	40
	2024	40	0	0	0	0	1	39
<del>Michigan</del>	2021	199	3	4	0	0	3	198
	2022	198	6	4	0	0	1	199
	2023	199	5	2	0	0	3	199
	2024	199	3	0	0	0	2	200
<del>Minnesota</del>	2021	123	2	0	0	0	0	125
	2022	125	1	1	0	0	2	123
	2023	123	2	20	0	0	0	123
	2024	123	4	0	0	0	3	124

State	Year	Businesses at the Start of the Year	Businesses Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations / Other Reasons	Businesses at the End of the Year
Mississippi	<del>2021</del>	28	2	0	0	0	4	29
	2022	29	3	1	0	0	0	31
	2023	31	5	0	0	0	0	36
	2024	36						
<del>Missouri</del>	<del>2021</del>	150	6	12	0	0	0	144
Missouri	2022	144	11	10	0	0	0	142
	2023	142	5	0	0	0	0	147
	2024	147	3	1	0	0	1	148
<del>Montana</del>	<del>2021</del>	52	4	4	0	0	4	51
Montana	2022	51	4	0	0	0	1	54
	2023	54	0	1	0	0	0	53
	2024	53	6	0	0	0	0	59
<del>Nebraska</del>	<del>2021</del>	95	4	0	0	0	2	94
Nebraska	2022	94	1	1	0	0	1	93
	2023	93	3	1	0	0	1	95
	2024	95	1	0	0	0	2	94
<del>Nevada</del>	<del>2021</del>	48	4	2	0	0	0	46
Nevada	2022	16	0	0	0	0	0	16
	2023	16	1	1	0	0	0	16
	2024	16	0	0	0	0	0	16
New Hampshire	<del>2021</del>	42	0	0	0	0	4	41
	2022	11	0	0	0	0	0	11
	2023	11	0	0	0	0	0	11
	2024	11	0	0	0	0	0	11
New Jersey	<del>2021</del>	28	2	0	0	0	4	27
	2022	27	3	1	0	0	1	28
	2023	28	4	0	0	0	1	31
	2024	31	4	2	0	0	2	31
New Mexico	<del>2021</del>	48	0	0	0	0	4	47
	2022	17	5	0	0	0	0	22
	2023	22	0	0	0	0	0	22
	2024	22	0	0	0	0	0	22
<del>New York</del>	<del>2021</del>	484	13	2	0	0	0	497
New York	2022	197	13	1	0	0	8	201
	2023	201	15	1	0	0	6	199
	2024	199	1	3	0	0	1	196
North Carolina	<del>2021</del>	56	2	4	0	0	4	54
	2022	54	7	0	0	0	0	61
	2023	61	7	1	0	0	2	57
	2024	57	2	0	0	0	0	59
North Dakota	<del>2021</del>	40	4	0	0	0	0	41
	2022	41	0	0	0	0	2	39
	2023	39	0	0	0	0	0	39
	2024	39	1	0	0	0	0	40
<del>Ohio</del>	<del>2021</del>	177	2	4	0	0	3	176
Ohio	2022	176	13	2	0	0	5	182
	2023	182	8	3	0	0	0	187
	2024	187	5	0	0	0	6	186
Oklahoma	<del>2021</del>	34	0	0	0	0	0	34
	2022	31	6	1	0	0	0	36
	2023	36	3	1	0	0	0	38
	2024	38	1	0	0	0	1	38

State	Year	Businesses at the Start of the Year	Businesses Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations / Other Reasons	Businesses at the End of the Year
<u>Oregon</u>	2021	52	4	0	0	0	0	56
<u>Oregon</u>	2022	56	3	0	0	0	0	59
	2023	59	4	0	0	0	0	63
	2024	63	2	0	0	0	2	63
Pennsylvania	2021	100	3	2	0	0	1	100
	2022	100	0	1	0	0	4	95
	2023	95	1	1	0	0	1	98
	2024	98	1	1	0	0	2	96
Rhode Island	2021	1	0	0	0	0	0	1
	2022	1	2	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
South Carolina	2021	30	0	0	0	0	0	30
	2022	30	4	0	0	0	0	33
	2023	33	3	1	0	0	0	35
	2024	35	3	0	0	0	2	36
South Dakota	2021	58	1	0	0	0	1	58
	2022	58	1	0	0	0	3	56
	2023	56	4	2	0	0	1	57
	2024	57	4	0	0	0	1	60
Tennessee	2021	44	0	1	0	0	4	43
	2022	43	4	0	0	0	0	47
	2023	47	6	0	0	0	2	51
	2024	51	3	0	0	0	1	53
<u>Texas</u>	2021	198	7	5	0	0	2	198
<u>Texas</u>	2022	198	13	3	0	0	2	206
	2023	206	25	2	0	0	3	226
	2024	226	11	1	0	0	5	231
Utah	2021	19	0	0	0	0	0	19
	2022	19	0	0	0	0	0	19
	2023	19	1	0	0	0	0	20
	2024	20	7	0	0	0	0	27
Vermont	2021	10	0	0	0	0	0	10
	2022	10	0	0	0	0	0	10
	2023	10	2	0	0	0	0	12
	2024	12	5	0	0	0	0	17
<u>Virginia</u>	2021	47	3	0	0	0	0	50
<u>Virginia</u>	2022	50	2	0	0	0	2	50
	2023	50	2	0	0	0	2	52
	2024	52	2	0	0	0	0	54
Washington	2021	72	5	1	0	0	1	75
	2022	75	3	1	0	0	1	76
	2023	76	7	0	0	0	0	83
	2024	83	4	0	0	0	0	87
West Virginia	2021	42	1	0	0	0	0	43
	2022	43	1	0	0	0	1	43
	2023	43	0	0	0	0	0	43
	2024	43	1	2	0	0	1	41
<u>Wisconsin</u>	2021	101	1	0	0	0	0	102
<u>Wisconsin</u>	2022	102	5	2	0	0	0	105
	2023	105	82	2	0	0	3	108
	2024	108	3	1	0	0	0	110

State	Year	Businesses at the Start of the Year	Businesses Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations / Other Reasons	Businesses at the End of the Year
Wyoming	2021	26	0	0	0	0	0	26
	2022	26	1	0	0	0	0	27
	2023	27	0	0	0	0	0	27
	2024	27	0	0	0	0	0	27
<b>TOTAL</b>	<b>2021</b>	<b>3,114</b>	<b>100</b>	<b>55</b>	<b>0</b>	<b>0</b>	<b>38</b>	<b>3,121</b>
<b>TOTAL</b>	<b>2022</b>	<b>3,121</b>	<b>205</b>	<b>40</b>	<b>0</b>	<b>0</b>	<b>53</b>	<b>3,233</b>
	<b>2023</b>	<b>3,233</b>	<b>220</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>44</b>	<b>3,371</b>
	<b>2024</b>	<b>3371</b>	<b>111</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>58</b>	<b>3407</b>

(1) This chart reflects information for fiscal years ending ~~June 26, 2021~~, June 25, 2022, ~~June 24, 2023~~, and June 24~~29, 2023~~2024.

**TABLE NUMBER 4A**

**Do it Best Members**

**Status of Company-Owned Businesses  
For Fiscal Years ~~2021, 2022, 2023~~ and ~~2023~~2024<sup>(1)</sup>**

State	Year	Businesses at the Start of the Year	Businesses Opened	Businesses Reacquired From Members	Businesses Closed	Businesses Sold to Members	Businesses at the End of the Year
<b>TOTAL</b>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

(1) ~~This chart~~The charts above reflects information for those Members who were not previously United Members for the fiscal years ended ~~June 26, 2021~~, June 25, 2022, and ~~June 24, 2023~~, and June 29, 2024.

**FORMER UNITED MEMBERS**

**TABLE NUMBER 1B**

**Former United Members**

**Systemwide Business Summary for Fiscal Years ended November 30, 2021 to 2023  
and June 29, 2024**

Business Type	Year	Businesses at the Start of the Year	Businesses at the End of the Year	Net Change
Member-Owned	2021	604	609	+5
	2022	609	578	-31
	2023	578	560	-18
	2024	560	512	-48
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0

<u>Business Type</u>	<u>Year</u>	<u>Businesses at the Start of the Year</u>	<u>Businesses at the End of the Year</u>	<u>Net Change</u>
	<u>2024</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Total Businesses</u>	<u>2021</u>	<u>604</u>	<u>609</u>	<u>+5</u>
	<u>2022</u>	<u>609</u>	<u>578</u>	<u>-31</u>
	<u>2023</u>	<u>578</u>	<u>560</u>	<u>-18</u>
	<u>2024</u>	<u>560</u>	<u>512</u>	<u>-48</u>

**TABLE NUMBER 2B**  
**Former United Members**

**Transfers of Businesses from Member to New Owners (Other than the Franchisor)**  
**For Fiscal Years ended November 30, 2021 to 2023 and June 29, 2024**

<u>State</u>	<u>Year</u>	<u>Number of Transfers</u>
<u>Iowa</u>	<u>2021</u>	<u>1</u>
	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>2</u>
	<u>2024</u>	<u>0</u>
<u>Michigan</u>	<u>2021</u>	<u>1</u>
	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Minnesota</u>	<u>2021</u>	<u>9</u>
	<u>2022</u>	<u>11</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>1</u>
<u>Montana</u>	<u>2021</u>	<u>6</u>
	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>2</u>
	<u>2024</u>	<u>0</u>
<u>Nebraska</u>	<u>2021</u>	<u>0</u>
	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>1</u>
<u>North Dakota</u>	<u>2021</u>	<u>1</u>
	<u>2022</u>	<u>3</u>
	<u>2023</u>	<u>2</u>
	<u>2024</u>	<u>1</u>
<u>South Dakota</u>	<u>2021</u>	<u>2</u>
	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Utah</u>	<u>2021</u>	<u>0</u>

<u>State</u>	<u>Year</u>	<u>Number of Transfers</u>
	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>1</u>
<u>Wisconsin</u>	<u>2021</u>	<u>1</u>
	<u>2022</u>	<u>2</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>3</u>
<u>Wyoming</u>	<u>2021</u>	<u>0</u>
	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>TOTAL</u>	<u>2021</u>	<u>21</u>
	<u>2022</u>	<u>19</u>
	<u>2023</u>	<u>7</u>
	<u>2024</u>	<u>7</u>

**TABLE NUMBER 3B**

**Former United Members**

**Status of Member Businesses for Fiscal Years ended November 30, 2021 to 2023  
and June 29, 2024**

<u>State</u>	<u>Year</u>	<u>Businesses at Start of Year</u>	<u>Businesses Opened</u>	<u>Terminations</u>	<u>Non-Rene wals</u>	<u>Reacquired by Franchisor</u>	<u>Ceased Operations Other Reasons</u>	<u>Businesses at End of the Year</u>
<u>Colorado</u>	<u>2021</u>	<u>13</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13</u>
	<u>2022</u>	<u>13</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>12</u>
	<u>2023</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
	<u>2024</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>	<u>0</u>	<u>5</u>
<u>Idaho</u>	<u>2021</u>	<u>5</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
	<u>2022</u>	<u>6</u>	<u>1</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
<u>Illinois</u>	<u>2021</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
	<u>2022</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
	<u>2023</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
	<u>2024</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>5</u>
<u>Iowa</u>	<u>2021</u>	<u>59</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>59</u>
	<u>2022</u>	<u>59</u>	<u>3</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>60</u>
	<u>2023</u>	<u>60</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>61</u>
	<u>2024</u>	<u>61</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>6</u>	<u>5</u>	<u>50</u>
<u>Kansas</u>	<u>2021</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>8</u>
	<u>2022</u>	<u>8</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
	<u>2023</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
	<u>2024</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
<u>Michigan</u>	<u>2021</u>	<u>11</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>

<u>State</u>	<u>Year</u>	<u>Businesses at Start of Year</u>	<u>Businesses Opened</u>	<u>Terminations</u>	<u>Non-Renewals</u>	<u>Reacquired by Franchisor</u>	<u>Ceased Operations Other Reasons</u>	<u>Businesses at End of the Year</u>
	<u>2022</u>	<u>12</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>10</u>
	<u>2023</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10</u>
	<u>2024</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10</u>
	<u>2021</u>	<u>175</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8</u>	<u>177</u>
<u>Minnesota</u>	<u>2022</u>	<u>177</u>	<u>13</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>20</u>	<u>169</u>
	<u>2023</u>	<u>169</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>9</u>	<u>158</u>
	<u>2024</u>	<u>158</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>6</u>	<u>6</u>	<u>147</u>
<u>Missouri</u>	<u>2021</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2022</u>	<u>3</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2023</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2024</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>2</u>
<u>Montana</u>	<u>2021</u>	<u>54</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>	<u>59</u>
	<u>2022</u>	<u>59</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>56</u>
	<u>2023</u>	<u>56</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>58</u>
	<u>2024</u>	<u>58</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>3</u>	<u>52</u>
<u>Nebraska</u>	<u>2021</u>	<u>22</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>23</u>
	<u>2022</u>	<u>23</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>21</u>
	<u>2023</u>	<u>21</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>19</u>
	<u>2024</u>	<u>19</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>17</u>
<u>North Dakota</u>	<u>2021</u>	<u>72</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>	<u>69</u>
	<u>2022</u>	<u>69</u>	<u>3</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>66</u>
	<u>2023</u>	<u>66</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>3</u>	<u>65</u>
	<u>2024</u>	<u>65</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>4</u>	<u>59</u>
<u>South Dakota</u>	<u>2021</u>	<u>59</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>59</u>
	<u>2022</u>	<u>59</u>	<u>1</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>6</u>	<u>52</u>
	<u>2023</u>	<u>52</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>52</u>
	<u>2024</u>	<u>52</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>50</u>
<u>Utah</u>	<u>2021</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2022</u>	<u>3</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2024</u>	<u>1</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
<u>Wisconsin</u>	<u>2021</u>	<u>86</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>87</u>
	<u>2022</u>	<u>87</u>	<u>2</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>82</u>
	<u>2023</u>	<u>82</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>7</u>	<u>75</u>
	<u>2024</u>	<u>75</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>7</u>	<u>71</u>
<u>Wyoming</u>	<u>2021</u>	<u>26</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>25</u>
	<u>2022</u>	<u>25</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>24</u>
	<u>2023</u>	<u>24</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>1</u>	<u>23</u>
	<u>2024</u>	<u>23</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>22</u>
<u>TOTAL</u>	<u>2021</u>	<u>604</u>	<u>36</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>31</u>	<u>609</u>
	<u>2022</u>	<u>609</u>	<u>30</u>	<u>21</u>	<u>0</u>	<u>0</u>	<u>40</u>	<u>578</u>
	<u>2023</u>	<u>578</u>	<u>17</u>	<u>0</u>	<u>0</u>	<u>9</u>	<u>26</u>	<u>560</u>
	<u>2024</u>	<u>560</u>	<u>13</u>	<u>2</u>	<u>0</u>	<u>29</u>	<u>30</u>	<u>512</u>

**TABLE NUMBER 4B**  
**Former United Members**

**Status of Company-Owned Businesses for Fiscal Years ended November 30, 2021 to 2023  
and June 29, 2024**

<u>State</u>	<u>Year</u>	<u>Businesses at Start of Year</u>	<u>Businesses Opened</u>	<u>Reacquired from Members</u>	<u>Businesses Closed</u>	<u>Businesses Sold to Members</u>	<u>Businesses at End of the Year</u>
<b>TOTAL</b>	2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2024	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Notes to Above Tables:

\*In May 2024, all former United Members became the Company's Members but some continue to operate under the Hardware Hank®, Trustworthy® Hardware or Golden Rule® Lumber Center trade name. Numbers are as of November 30th for years 2021-2023 and June 29<sup>th</sup> for year 2024.

**TABLE NUMBER 5**  
**Projected Openings**  
**As of October 21, 2023**

<u>State</u>	<u>Membership Agreements Signed But Business Not Opened</u>	<u>Projected New Member Businesses in the Next Fiscal Year</u>	<u>Projected New Company-Owned Businesses in the Next Fiscal Year</u>
Alabama	<u>0</u>	<u>2</u>	<u>0</u>
Alaska	<u>0</u>	<u>40</u>	<u>0</u>
Arizona	<u>0</u>	<u>1</u>	<u>0</u>
Arkansas	<u>0</u>	<u>20</u>	<u>0</u>
California	<u>0</u>	<u>32</u>	<u>0</u>
Colorado	<u>02</u>	<u>44</u>	<u>0</u>
Connecticut	<u>0</u>	<u>40</u>	<u>0</u>
Delaware	<u>0</u>	<u>0</u>	<u>0</u>
Florida	<u>01</u>	<u>51</u>	<u>0</u>
Georgia	<u>0</u>	<u>21</u>	<u>0</u>
Hawaii	<u>0</u>	<u>1</u>	<u>0</u>
Idaho	<u>0</u>	<u>1</u>	<u>0</u>
Illinois	<u>01</u>	<u>54</u>	<u>0</u>
Indiana	<u>03</u>	<u>54</u>	<u>0</u>
Iowa	<u>0</u>	<u>1</u>	<u>0</u>
Kansas	<u>05</u>	<u>44</u>	<u>0</u>
Kentucky	<u>01</u>	<u>21</u>	<u>0</u>

State	Membership Agreements Signed But Business Not Opened	Projected New Member Businesses in the Next Fiscal Year	Projected New Company-Owned Businesses in the Next Fiscal Year
Louisiana	<u>0</u> <u>1</u>	<u>3</u> <u>4</u>	0
Maine	0	1	0
Maryland	0	1	0
Massachusetts	0	1	0
Michigan	<u>0</u> <u>1</u>	3	0
Minnesota	<u>0</u> <u>1</u>	<u>4</u> <u>3</u>	0
Mississippi	0	2	0
Missouri	1	<u>2</u> <u>3</u>	0
Montana	<u>4</u> <u>2</u>	<u>4</u> <u>2</u>	0
Nebraska	<u>4</u> <u>0</u>	<u>2</u> <u>1</u>	0
Nevada	0	1	0
New Hampshire	<u>0</u> <u>1</u>	<u>4</u> <u>3</u>	0
New Jersey	0	2	0
New Mexico	0	1	0
New York	0	<u>6</u> <u>4</u>	0
North Carolina	<u>0</u> <u>1</u>	<u>3</u> <u>1</u>	0
North Dakota	<u>0</u> <u>2</u>	<u>4</u> <u>2</u>	0
Ohio	<u>4</u> <u>3</u>	<u>6</u> <u>3</u>	0
Oklahoma	0	<u>2</u> <u>1</u>	0
Oregon	0	2	0
Pennsylvania	0	<u>2</u> <u>1</u>	0
Rhode Island	0	1	0
South Carolina	0	<u>2</u> <u>3</u>	0
South Dakota	<u>0</u> <u>2</u>	<u>2</u> <u>4</u>	0
Tennessee	<u>0</u> <u>4</u>	3	0
Texas	<u>0</u> <u>3</u>	5	0
Utah	<u>0</u> <u>2</u>	<u>4</u> <u>4</u>	0
Vermont	0	<u>4</u> <u>5</u>	0
Virginia	0	<u>4</u> <u>2</u>	0
Washington	0	3	0
West Virginia	0	<u>4</u> <u>2</u>	0
Wisconsin	0	<u>5</u> <u>4</u>	0
Wyoming	0	1	0
TOTAL	<u>4</u> <u>3</u> <u>7</u>	105	0

A list of all Members in Minnesota as of ~~September 1~~October 1, 20232024, is included in this disclosure document as Exhibit C.

A list of the names, last known city, state, and business telephone number of every Member whose Membership Agreement has, within the one-year period immediately preceding June ~~24~~29, 20232024, been terminated, canceled, not renewed, or who has, during the same period, otherwise voluntarily or involuntarily ceased to do business pursuant to the Membership Agreement, or who has not communicated with the Company within ten weeks of the date of this disclosure document, also is attached as Exhibit C.

If Members buy a membership in the Company, Members' contact information may be disclosed to other buyers when Members discontinue with the Company. During the last three fiscal years, no current or former Members have signed confidentiality clauses that restrict them from discussing with you their experiences as a Member in the Company's system. There are no member associations required to be disclosed in this Item 20.

## **ITEM 21. CONTRACTS**

A copy of the Membership Agreement is attached as Exhibit "B."

## **ITEM 22. COMPETITION**

The Company's management believes that its greatest competition is found in the vertically integrated distribution of goods by the national chain stores, including Home Depot, Lowes, Sears and Menards. These national chains have substantially greater resources than the Company and the Company cannot make any assurances that the Company can continue to compete with these companies in the future. The welfare of the Company depends upon its ability to help its Members compete with the chains for consumer dollars.

Throughout the areas served by the Company there are various other wholesale concerns which sell different lines of hardware, lumber and building supply items.

Although the extent of competitors' activities can only be estimated, the Company's management believes that it is one of the larger wholesale hardware and building materials companies operating in its principal trading area. The Company's competitors offer differing economic packages to prospective customers, and some are franchises with restrictive agreements.

In addition, there are a number of companies with cooperative-type structures similar to that of the Company and also compete with the Company and which operate nationally in most of the states served by the Company. The major competitors include Ace Hardware Corporation, Oak Brook, Illinois, and Lumbermens Merchandising Corporation, Wayne, Pennsylvania (a lumber and building materials cooperative).

## **ITEM 23. DESCRIPTION OF PROPERTY**

The Company has constructed and operates distribution centers near Dixon, Illinois (450,000 square feet; opened in 1974 and modified in 1979), Medina, Ohio (500,000 square feet; opened in 1977 and modified in 1982), Waco, Texas (529,000 square feet; opened in 1979 and modified in 2004), Columbia, South Carolina (382,000 square feet; opened in 1986), and Woodburn, Oregon (389,000 square feet; opened in 1991). The Woodburn, Oregon, distribution center is currently undergoing an expansion of approximately 167,000 square feet, which is expected to be completed in approximately October/November of 2024. The construction of the Medina, Waco, Columbia and Woodburn facilities and the second portion of Dixon were financed internally. In 1999, the Company opened a new distribution center in Montgomery, New York (360,000 square feet) the construction of which was financed internally. In 2006, the Company opened a new distribution center in Mesquite, Nevada (526,000 square feet) the construction of which was financed internally. In 2014, the Company opened a new distribution center in Sikeston, Missouri (550,000 square feet) the construction of which was financed internally. The Sikeston distribution center replaced the prior distribution center located near Cape Girardeau, Missouri, which the Company sold in February of 2015.

## ITEM 24. EMPLOYEES

The Company has a total of approximately ~~1,658~~1,676 full-time and ~~111~~119 part-time employees in its home office and eight distribution centers (as of ~~October 1, 2023~~September 24, 2023), which number fluctuates slightly with seasonal requirements.

The full-time employees receive the following major benefits: paid vacations and holidays, sick leave, health care and a profit sharing plan, which is comprised of a defined contribution plan and a defined benefit plan. Management considers its labor relations to be very good. Part-time employees may be eligible to participate in the Company's profit sharing and pension plans if they meet the eligibility requirements of those plans. The defined benefit/pension plan is closed to employees hired on or after January 1, 2016.

## ITEM 25. SHARE OWNERSHIP OF OFFICERS AND DIRECTORS

The following shares of the Company are owned by its officers and directors either personally, by corporations or entities of which they are officers, directors, members, shareholders owning at least ten percent (10%) of the outstanding shares, or by partnerships in which they are partners:

Name	Capacity	Shares Owned
Joseph Taylor, II	Chairman and Director	<del>460</del> Common Shares <del>43,328</del> <u>43,416</u> Preference Shares
David Sturdivant	Vice Chairman and Director	200 Common Shares 310 Common Non-Voting Shares <del>26,281</del> <u>26,443</u> Preference Shares
Tim Post	Secretary and Director	<del>120</del> <u>250</u> Common Shares <del>9,085</del> <u>2,361</u> Preference Shares
<del>Eli Bliffert</del>	<del>Treasurer and Director</del>	<del>280</del> Common Shares <del>310</del> Common Non-Voting Shares <del>9,932</del> Preference Shares
Rob Gardiner	<u>Treasurer and</u> Director	40 Common Shares <del>9,055</del> <u>9,551</u> Preference Shares
<del>Doug Mans</del> <u>Jeff Blair</u>	Director	<del>80</del> <u>620</u> Common Shares 310 Common Non-Voting Shares <del>2,375</del> <u>11,686</u> Preference Shares
<u>Sharona Eiserer</u>	<u>Director</u>	<u>100</u> Common Shares
Lee Nabors	Director	<del>80</del> <u>100</u> Common Shares <del>7,940</del> <u>3,445</u> Preference Shares
Diana Newton	Director	<del>200</del> <u>80</u> Common Shares <del>12,460</del> <u>7,796</u> Preference Shares

<del>Jeff Pardini</del>	<del>Director</del>	<del>40 Common Shares</del> <del>17,265 Preference Shares</del>
Scott Pesavento	Director	20 Common Shares 2,450 Preference Shares
Ryan Ringer	Director	180 Common Shares <u>10,889 Preference Shares</u> <del>11,813 Preference Shares</del>
<u>Scott Sommers</u>	<u>Director</u>	<u>120 Common Shares</u> <u>310 Common Non-Voting Shares</u> <u>3,024 Preference Shares</u>
Bob Vaughan	Director	340 Common Shares <del>9,977</del> <u>10,008</u> Preference Shares
Daniel B. Starr	President/CEO	None
William Dent Johnson	Executive Vice President of Operations	None
Nick Talarico	Executive Vice President of Sales and Marketing	<u>None</u>
Allison Flatjord	Vice President of Ecommerce & <u>Marketing</u>	None
Greg Fuller	Vice President Sales & Business Development	None
Gary C. Furst	Vice President of Human Resources, General Counsel and Corporate Assistant Secretary	None
<del>Richard J. Lynch</del>	<del>Vice President Marketing</del>	<del>None</del>
John Mergy	Vice President IT	None
Russell Kathrein	Vice President Lumber & Building Products	None
Doug Roth	Vice President Finance/CFO	None
Timothy E. Miller	Vice President of Logistics	None

All of the Preference shares held by officers and directors were issued in payment of patronage dividends. There will be no change in the share ownership of any of the officers or directors as a result of this offering.

During and since the Company's last fiscal year, no director or officer of the Company received any remuneration directly or indirectly from the Company or any subsidiary in the form of shares, options, warrants, rights or other property or through the exercise or disposition of any of them, nor any direct or indirect material interest in any contracts or in any assets proposed to be acquired or operated by the Company other than purchases of merchandise in the ordinary course of business under the same terms quoted to all Members of the Company.

Under the Company's By-Laws, no individual may be elected a Director if: (a) the Member entity in which the individual is interested has failed to discount invoices from the Company for any significant portion of the preceding 18 months, (b) the Member has any past due indebtedness to the Company, (c) the Member has failed to meet the conditions of membership prescribed in the By-Laws, or (d) the presence of such person on the Board of Directors would preclude the Company or any subsidiary of the Company under applicable State or Federal statutes or regulations from selling its shares in the manner and style now employed. The Board is divided into 3 classes and each Director serves until the respective shareholder's meetings at which such classes of Directors are elected. Each Director holds office until a successor is elected and qualified. In addition, no individual may continue serve as a Director if: (a) the Member entity in which the individual is interested the Member fails to discount invoices from the Corporation for any significant portion of any rolling 12 month period, (b) the Member has any past due indebtedness to the Company, (c) the Member has failed to meet the conditions of membership prescribed in Article II of the By-Laws, (d) the Member has failed to provide the Company, promptly after the close of the Member's fiscal year, full financial statements, or (e) the continued presence of the Director on the Board would preclude the Company or any subsidiary of the Company under any applicable State or Federal statutes or regulations from selling its shares in the manner and style now employed. In making any past due determination under this Section, any indebtedness to the Company created to eliminate any past dues shall be ignored and such indebtedness shall continue to be considered past due. Any Director who is unable to meet these qualifications shall immediately resign as a Director and, if the Director does not immediately resign, the Director shall be removed by the Board in accordance with Section 4.11. of the By-Laws. The Board is divided into 3 classes, each class of which consists, as nearly as may be, of 1/3 of the number of directors then constituting the whole board with 1 class to be elected annually by the shareholders for a term of 3 years, to hold office until their respective successors are elected and qualified, except that: (a) the term of office of a Director who is elected by either the Directors or the shareholders to fill a vacancy in the Board shall expire at the end of the term of the office of the succeeded Director's class or at the end of the term of office of such other class as determined by the Board to be necessary or desirable to equalize the number of Directors among the classes; and (b) the Board may adopt a policy of limiting the time beyond which certain Directors are not to continue to serve, the effect of which may be to produce classes of unequal size or to cause certain Directors either to be nominated for election for a term of less than 3 years or to cease to be a Director before expiration of the term of the Director's class. In case of any increase in the number of Directors, the additional Directors are distributed among the several classes to make the size of the classes as equal as possible. Any Director may be removed, with or without cause, at any meeting of the shareholders by an affirmative vote of shareholders holding of record not less than a majority of the voting power of all the Company's Common shares issued and outstanding and entitled to vote for the election of Directors, if notice of the intention to act upon such matter shall have been given in the notice calling such meeting, or by the Directors by an affirmative vote of a majority of the Directors designated for the full Board.

The Company has a provision in its Articles of Incorporation for indemnification of directors, officers and others. The Company will indemnify a director or officer of the Company who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director or officer was a party because the director or officer is or was a director or officer of the Company against reasonable expenses incurred by the director or officer in connection with the proceeding. The Company may indemnify an individual made a party to a proceeding because the individual is or was a director, officer, employee or agent of the Company against liability if authorized in the specific case after determination, in the manner required by Indiana Code § 23-1-37-12, that indemnification of the director, officer, employee or agent, as the case may be, is permissible in the circumstances because the director, officer, employee or agent has met the standard of conduct set forth in Indiana Code § 23-1-37-8. The indemnification and advancement of expenses for directors, officers, employees and agents of the Company shall apply when such persons are serving at the Company's request while a director, officer, employee or agent of the Company, as the case may be, as a director, officer, partner, trustee, employee or agent of another foreign or domestic Company, partnership, joint venture, trust, employee benefit plan or other enterprise, whether or not for profit, as well as in their official capacity with the Company. The Company also may pay for or reimburse the reasonable expenses incurred by a director, officer, employee or agent of the Company who is a party to a proceeding in advance of final disposition of the proceeding upon compliance with the provisions of Indiana Code § 23-1-37-10. The Company has obtained insurance coverage against indemnification liability.

**ITEM 26. INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS**

During the past two years, there have been no transactions in which the Company and any director, officer, relative or spouse of any director or officer (collectively a "Related Party") have been parties, nor are there presently any transactions proposed, other than purchases of merchandise, services or programs from the Company on terms which are the same as are offered to other Members of the Company. From time to time, the Company provides assistance to Members in order to assist the Member in retaining or acquiring retail locations which participate in the program. Such financial assistance, although not a standard program, is not uncommon and, if a Related Party is involved, the transaction is approved by a majority of disinterested directors. Generally, any financing is provided to assist the Member in acquiring additional retail member locations and is secured by the accounts, inventory, equipment and other business assets of the Member.

**ITEM 27. SHARES OFFERED**

The Common shares offered have voting rights. Holders of Common shares have the right to cast one vote for each share of common stock on each matter in respect of which under the Indiana Business Corporation Law, such holders are entitled to vote by class. The holders also have the right to cast one vote for each 20 shares of common stock held by them on matters submitted generally to shareholders in respect of which class voting is not required by the Indiana Business Corporation Law. The Non-Voting Common and Preference shares only have class voting rights. Each holder of Common shares holds one unit of 20 shares and cannot hold more or less than one unit per retail store served by the Company. Reference is made to the payment of refunds to Members under the heading "The Company, its Predecessors and Affiliates" (See Item 1).

The outstanding Non-Voting Common shares are similar to the Common shares, but possess no voting rights. Non-Voting Common shares were formerly issued to holders of Common shares who owned more than one store but are no longer issued to holders of Common shares on such a basis. Effective January 1, 2001, however, Non-Voting Common shares are issued to Members who participate in the LDP Program (See Item 1).

No dividends have ever been paid on any shares of the Company. Neither the Common nor the Non-Voting Common shares have any preemptive rights, conversion rights or liquidation rights except upon liquidation of the Company, when the Common and Non-Voting Common shares would participate ratably in

the assets of the Company available for distribution to Members after payment of the amounts to which the holders of any outstanding Preference shares would be entitled.

Neither the Common nor the Non-Voting Common shares have any sinking fund provision nor are they liable to any future assessment by the Company. The rights of the holders of the Common shares and Non-Voting Common shares may not be modified except by a vote of a majority of the holders of such shares voting separately by class with respect to modifications affecting that class. The Company may redeem or repurchase Common or Non-Voting Common shares if the assets of the Company exceed its liabilities by more than the amount of any preferential rights of shares which are not scheduled for repurchase.

Because Members occasionally discontinue affiliation with the Company and the Company then repurchases their shares, the shares offered to prospective Members may be treasury shares. At the present time, terminating Members whose business continues in operation but decide to source product from another source generally receive the full issue price of their Preference shares within approximately 60 months after approval by the Board of Directors of a request that the Company repurchase those shares. Members whose business operations continue sourcing from the Company (through new or succeeding ownership) or close their location or otherwise go out of business will generally receive the full issue price of their preference shares within approximately 18-24 months after approval by the Board of Directors. While the Company has, in the past, approved requests for redemption of Preference Shares on the terms described above, the Company is not required to repurchase Preference Shares upon request of a Member. All shares of the Company (in the amount of the lower of the issue price or book value of the shares) and year-end rebates of Members are subject to set-off at the option of the Company for the payment of any indebtedness or outstanding obligations of the Member or an insider of the Member to the Company. For purposes of the Membership Agreement, "insider" has the meaning ascribed to such term in Title 11 of the United States Code.

The Preference shares are senior to the Non-Voting Common and the Common shares. If the Company is liquidated for any reason whatsoever, holders of the Preference shares will be entitled to receive \$100 per share before any distribution is made to holders of the Non-Voting Common or Common shares.

The Preference shares are subject to redemption by the Company in whole at any time or in part at several times upon the payment of the issue price (*i.e.*, \$100 per share) of the shares redeemed and 30 days written notice to the holders of the shares to be redeemed. No fraction of a share will be redeemed.

The number of Preference shares of any Member will not be redeemed below a number of shares having an issue price less in amount than the greater of (i) \$30,000 or (ii) the Minimum Preference Share Requirement plus \$5,000.

The Company has periodically repurchased Preference shares accumulated by Members in excess of the Minimum Preference Share Requirement.

The Articles of Incorporation authorize the directors to divide the Preference shares into series and to fix and to determine the variations in the relative rights and preference between the series.

## **ITEM 28. PLAN OF DISTRIBUTION**

The Common shares of the Company are offered for sale by the Company in units of 20 shares for the sum of \$1,000 per unit. No commission or underwriting discount of any kind will be paid to anyone making any sale, as the shares will be sold only by a few regular employees of the Company as part of the performance of their ordinary duties. There is no underwriter for this offering.

## **ITEM 29. USE OF PROCEEDS TO ISSUER**

If the 10,000 Common shares are sold, the cash proceeds received by the Company will be \$500,000 less the estimated expenses payable by the Company in the amount of \$10,000 for a net to the Company of \$490,000. The addition of new Members ordinarily increases the amount of business done by the Company and, therefore, ordinarily requires additional working capital to carry increased inventories. It is presently contemplated that all of the net cash proceeds, which may be received from the sale of shares, will also be used to purchase and carry increased inventories.

### **ITEM 30. TRANSFER AGENT**

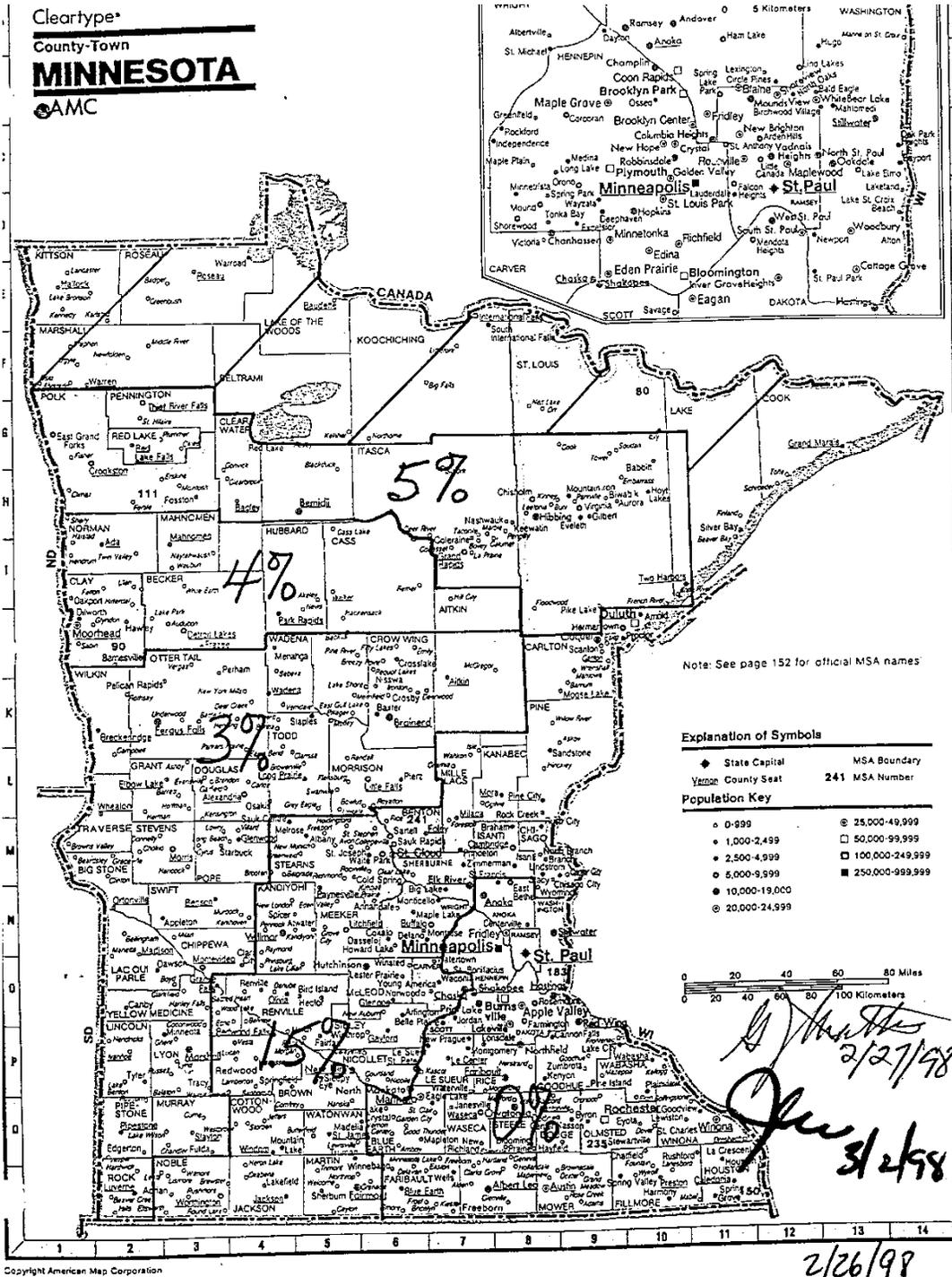
The Company serves as its own transfer agent. The shares are subject to the limitation on transfer described in the Introductory Statement.

### **ITEM 31. FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company as of June ~~24~~29, ~~2023~~2024 and June ~~25~~24, ~~2022~~2023, and for each of the three years in the period ended June ~~24~~29, ~~2023~~2024, are attached hereto as Exhibit E:

- (a) Consolidated balance sheets of the Company as of June ~~24~~29, ~~2023~~2024 and June ~~25~~24, ~~2022~~2023.
- (b) Consolidated statements of income of the Company for the years ended June 29, 2024, June 24, 2023, ~~June 25, 2023~~, and June ~~26~~25, ~~2021~~2022.
- (c) Consolidated statements of comprehensive income (loss) of the Company for the years ended June 29, 2024, June 24, 2023, and June 25, 2022, and ~~June 26, 2021~~.
- (d) Consolidated statements of changes in shareholders' equity of the Company for the years ended June 29, 2024, June 24, 2023, and June 25, 2022, and ~~June 26, 2021~~.
- (e) Consolidated statements of cash flows for the years ended June 29, 2024, June 24, 2023, and June 25, 2022, and ~~June 26, 2021~~.
- (f) Notes to Consolidated financial statements.

# EXHIBIT A



Minnesota

Freight Analysis is required before adder/delivery options can be determined for the crossed out areas.

## EXHIBIT B

# Do it Best Corp. Membership Agreement

THIS AGREEMENT is made between, \_\_\_\_\_ d/b/a \_\_\_\_\_ [insert entity type] organized and existing under the laws of the state of \_\_\_\_\_ with its principal place of business at \_\_\_\_\_ and a Federal Tax I.D. No. of \_\_\_\_\_. (“Member”) and Do it Best Corp., an Indiana corporation headquartered at 1626 Broadway Suite 100, Fort Wayne, Indiana 46802 (the “Corporation”). WITNESS THAT:

1. The Corporation agrees to sell its goods and provide its advertising programs, training services and other programs to Member (so long as Member makes timely payment therefore) at the Corporation’s established prices, terms, and conditions and in accordance with the Corporation’s established business policies and practices which are in effect from time to time, for sale and use by Member only at the above location; and, at the end of each fiscal year the Corporation will return to Member in the form of a patronage dividend, a portion of the net earnings of the Corporation determined in such manner and according to such formulas as are then in effect. Detailed descriptions of the goods, services, delivery programs and schedules and training available to Member from time to time are contained in the catalog (in any form, whether electronic, online, or any other media and currently contained in the Corporation’s intranet sites at [www.mydoitbest.com](http://www.mydoitbest.com), which is accessed through [www.doitbestonline.com](http://www.doitbestonline.com)), which, as it is amended from time to time, is incorporated herein by reference (“Catalog”).
2. Member shall:
  - A. Comply with the Corporation’s Articles of Incorporation and By-Laws (as amended from time to time) and with the policies, rules, and regulations for the transaction of business with the Corporation now in effect and from time to time hereafter adopted by the Corporation, including those now and hereafter set forth in the Catalog, which Member acknowledges reviewing and a copy of which will be delivered to Member upon acceptance of this Agreement by the Corporation.
  - B. Use Member’s best efforts to promote, in a manner consistent with the size of Member’s business, in the Member’s trading area, those lines of merchandise available from the Corporation which are appropriate for Member’s business.
  - C. Purchase through the Corporation (for resale at the business location identified above) the majority of the Member’s purchases for that store of items which are available through the Corporation at competitive quality and price.
  - D. Use the Corporation’s “Intellectual Property,” which includes but is not limited to the Corporation’s common law and registered trademarks, service marks, trade names, slogans, trade dress (such as, but not only, color combinations and designs), patents and copyrights, only in the manner and to the extent authorized by the Corporation and only for such time that the Member remains a Member in good standing of the Corporation.
  - E. Cease any and all use of the Corporation’s Intellectual Property when Member is no longer a Member of the Corporation in good standing for any reason.
  - F. Maintain a neat, clean, orderly and safe place of business, including maintaining professional and civil interactions with Corporation’s employees at all times by not taking (for example) any violent actions (e.g. assault, harassment, etc.) or threatening acts of violence against Corporation’s employees.
  - G. Pay promptly when due (a) all obligations for merchandise and services purchased from the Corporation according to the terms set forth in the Catalog from time to time, and (b) all other obligations due and owing by Member to the Corporation. Member agrees that its failure to timely perform any obligations under any other agreement(s) with Corporation shall be treated as

a breach of the terms of this Agreement, and Member's failure to timely perform this Agreement shall be treated as a breach by Member of any other agreement(s) it has with the Corporation.

- H. Continue the energetic operation of a successful and adequately capitalized retail business.
  - I. Keep all confidential information about the Corporation and its programs, prices, rules, financial information, governing documents and procedures ("Confidential Information") confidential within Member's organization, and disclose Confidential Information only to those employees of Member who need the Confidential Information to enable Member to effectively use the programs and services offered by the Corporation; and to make this policy about Confidential Information known to all persons to whom any Confidential Information is disclosed.
  - J. Operate Member's business in compliance with applicable laws, regulations and ordinances, including the payment of all applicable taxes, including any and all sales/use taxes, related to the sale or resale of goods by Member. Member further agrees to indemnify, defend and hold the Corporation and its subsidiaries, affiliates, officers, directors, employees, and agents harmless from and against, and to reimburse them for, any and all claims, demands, loss, liability, damages, judgments, fines, and/or penalties (including costs and reasonable attorneys' fees) arising out of or related to (i) Member's non-compliance with applicable laws, (ii) any breach by Member of the terms of this Agreement, (iii) the operation of Member's business, including but not limited to, the payment of all sales/use taxes to the extent such taxes may be claimed against Corporation, or (vi) any negligent act or omission of Member, or an officer, director, manager, stockholder, member, employee or agent of Member. Member's indemnity obligations under this Paragraph 2(J) shall survive termination of the Agreement or Member's discontinuance as a Member of the Corporation.
  - K. Not permit a change in the form of organization, ownership or control of Member's business (whether by merger, consolidation, re-incorporation, incorporation, dissolution or any similar or dissimilar manner) without prior written notice to and approval by the Corporation.
  - L. Notify the Corporation in writing immediately upon Member having knowledge that Member's net worth decreased by 20%. When the Corporation has required a guarantee of the obligations of Member to the Corporation, (i) notify the Corporation in writing immediately upon Member learning of a decrease of 20% or more in the net worth of any guarantor, and (ii) find and offer to the Corporation within thirty (30) days of such notice an additional guarantor or guarantors reasonably acceptable to the Corporation.
  - M. Provide financial information concerning Member's business (including financial statements) as requested from time to time by the Corporation.
  - N. Solely be responsible for all supervision, management, direction, discipline, payment, hiring, termination and training of Member's employees under state, federal and local laws, including those regarding anti-harassment, anti-retaliation, anti-discrimination, workplace safety training and any other applicable laws. Member acknowledges that Corporation has no control whatsoever over the terms or conditions of the employment for Members' employees.
3. Member understands that the Corporation, acting through officers designated by its Board of Directors, may, with or without prior notice, give notice to Member of the termination of all services of the Corporation to Member if one or more of those officers has reason to believe Member is not complying with the provisions of this Agreement. The provisions relating to termination and member's obligations upon termination are set forth in the Catalog.
4. Member understands that the Corporation grants no territorial rights under this Agreement, and the Corporation may accept as a member one or more other retailers serving the same retail trading area as Member serves. Member acknowledges it shall have no recourse against the Corporation for any such action by Corporation.

5. Member acknowledges that the Intellectual Property, Catalog, hampers, order forms, and the like of Corporation are exclusively property of the Corporation and are not property of Member, and no Member of the Corporation has nor may claim any interest therein.
6. Member, by signing this Agreement, subscribes for the purchase of 20 Voting Common Shares at Fifty Dollars (\$50) each. Shares in the Corporation are transferable solely to the Corporation or, if the Corporation gives its prior written approval, to a person determined by the Corporation to meet its then existing standards for membership.
7. Member tenders a \$7,500 initial member services fee with this Agreement, which entitles Member to various services including the CORE® (College Of Retail Education) new member training program, and includes the initial fee for a personal, non-exclusive and non-transferable license to use the Catalog, which license shall expire upon termination of Member's membership in the Corporation and which shall be otherwise subject to the restrictions set forth in the Catalog. If Member is an existing Do it Best® member and currently purchases goods from the Corporation for resale at another location Member owns, the member services fee is \$1,500 for the additional location but access to CORE® is not included.
8. Member acknowledges that (a) the relationship with the Corporation is personal between the Corporation and Member, (b) Member has been carefully selected by the Corporation and, accordingly, the rights and obligations of Member hereunder are limited to Member and cannot be enforced or performed by any other person, and (c) this Agreement cannot be transferred or assigned without the Corporation's prior written approval.
9. The Corporation shall have the exclusive right to set off or recoup the lower of the issue price or book value of Member's shares in the Corporation (represented by certificates or otherwise) and other amounts owing by the Corporation to Member, against any indebtedness or obligation of any type (including but not limited to any damage, reimbursement or other monetary obligation) owed to the Corporation by Member, by any insider of Member, and by any other member of the Corporation that is related to Member. Upon set off or recoupment, the shares shall be deemed to have been repurchased by the Corporation, and the shares shall no longer be outstanding. For purposes of this paragraph, "insider" shall have the meaning ascribed to such term in Title 11 of the United States Code and "related" shall mean any relationship of an individual, corporation, partnership, limited liability company or other entity with the Member described in Section 267(b), (c), (e) and (f) of the Internal Revenue Code of 1986, as amended.
10. Member shall have the right, at any time and for any reason, to discontinue membership in the Corporation and, subject to the Corporation's set off and recoupment rights, to require the Corporation to repurchase the Common shares then held by Member, to the extent that the Corporation can lawfully make such purchases. Notice of termination shall be in writing and shall be effective when received by the Corporate Assistant Secretary of the Corporation. The Corporation is not obligated to repurchase or redeem Preference shares upon discontinuance of membership or at Member's request. However and subject to such schedule as may be approved from time to time by the Corporation's Directors, the Corporation may redeem Preference shares (or other forms of written notices of allocation issued by the Corporation) after the Corporation is requested to make such repurchases. The price for any shares repurchased by the Corporation shall be net of the balance of outstanding obligations owing by Member to the Corporation.
11. Member consents that the amount of distributions with respect to Member's patronage which are made in "written notices of allocation" which are received by Member from the Corporation, will be taken

into account by Member at their stated dollar amount in the manner provided in Section 1385(a) of the Internal Revenue Code of 1986, as amended (26 U.S.C. 1385(a) (the “Code”) in the taxable year in which received. Member understands that stock certificates, notes or checks which may be distributed by the Corporation in part payment of patronage dividends may be “written notices of allocation.” A “written notice of allocation” is defined in Section 1388 of the Code (26 U.S.C. 1388)

12. Member shall report to the Corporation any advertisement, whether in print or electronic media, which may infringe upon or confuse the public with respect to Intellectual Property; but only the Corporation shall have the right to take any action against any person or organization which is considered to be infringing upon or making improper use of the Intellectual Property or any component thereof.
13. The Corporation shall have the right, at any time and from time to time during a Member’s regular business hours, with or without advance notice, to enter Member’s place of business for the purpose of verifying Member’s compliance with the requirements of this Agreement.
14. Member’s signature constitutes an offer to enter into this Agreement, and this Agreement shall be deemed to have been made when it has been accepted by the Corporation at its principal office in Fort Wayne, Indiana, which will not occur before ten (10) business days after the date Member signed this Agreement, during which period Member may withdraw this Agreement and it shall not be binding on Member.
15. This Agreement and all other agreements and transactions between Member and the Corporation shall be governed by and construed in accordance with the laws of the State of Indiana, without application of its conflict of laws principles.
16. **Member agrees that any action to enforce this Agreement, arising out of or related to this Agreement, or to collect indebtedness for merchandise and services purchased by Member from the Corporation shall be brought in a court located in Allen County, Indiana unless prohibited by applicable law. Unless prohibited by applicable law, Member further consents to the exclusive jurisdiction of the state and federal courts located in Allen County for all disputes with Corporation including all disputes arising out of or related to this Agreement and Member waives all defenses relating to and any right to contest personal jurisdiction, venue, convenience of the Member and forum *non-conveniens* for all such disputes.**
17. **Member acknowledges that the Corporation’s approval of a proposed business site does not constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the location or the successful operation or profitability of Member’s business. The Corporation’s approval or acceptance of any site indicates only that the Corporation believes that the site falls within acceptable minimum criteria established by the Corporation solely for the Corporation’s own purposes and benefit as those criteria exist at the time of the Corporation’s approval. The application of criteria that have been effective with respect to other sites and premises may not be predictive of potential for the proposed location. Demographic and economic factors, such as competition from other similar businesses (included in or excluded from the Corporation’s own criteria) could change, thereby altering the validity of the criteria. Such factors are unpredictable and are beyond the Corporation’s control. The Corporation shall not be responsible for the failure of any site approved by the Corporation to meet Member’s expectations as to revenue or operating results. Member also represents its agreement for/of membership is based on its own independent investigation of the suitability of any business site proposed by Member.**

18. **As an inducement to the Corporation to enter into this Agreement, Member further represents that (a) Member has conducted an independent investigation of the business relationship contemplated by this Agreement, and recognizes that the nature of the business or its market area are subject to change over time, (b) Member's investment involves business risks; (c) no representations have been made by the Corporation or by any of its officers, directors, employees or agents that are contrary to the terms contained in this Agreement or contrary to any statements contained in the Corporation's Disclosure Document/Prospectus heretofore delivered to Member, and (d) Member has not received or relied upon any guarantee, whether express or implied, of the sales, revenues, profits or success of the business relationship as a Member of the Corporation.**
19. **The Corporation makes no warranties - express or implied - as a result of membership. The Corporation makes no promises of sales or profit results to be obtained by any Member using the Corporation's program. While the Corporation controls the use of the Intellectual Property, the Corporation has no control over the day-to-day ownership or management of the business. The Corporation makes recommendations from time to time that may or may not be used at Member's discretion. The Corporation is not limited in making available any or all of its Intellectual Property and its services and programs to other Members regardless of where they may be located. The Corporation reserves the right to determine the use of its Intellectual Property and services and programs. Though the Corporation believes its Intellectual Property and services and programs will help improve the business of any Member who uses them, Member acknowledges that many other factors, which are solely within Member's control, affect business results achieved by any other Members who use the Corporation's Intellectual Property and services and programs.**
20. **Member acknowledges receipt of the Disclosure Document/Prospectus of the Corporation and a copy of this Agreement.**
21. Member acknowledges that any merchandise or goods and all associated, drawings, instructions, and other technical data, purchased by Member and supplied by Do it Best Corp. or any of its designated suppliers in the United States may not be sold, resold, exported, or re-exported contrary to United States law, including, but not limited to, the U.S. Export Administration Regulations, the U.S. International Traffic in Arms Regulations, and regulatory and sanctions programs administered by the U.S. Department of Treasury's Office of Foreign Assets Control. No merchandise or goods sold to Member pursuant to this Agreement shall be sold, resold, exported, or re-exported: (i) into Cuba, Iran, North Korea, Sudan, Syria, or any other country to which the U.S. maintains an embargo; or (ii) to any person or entity on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Commerce Department's Denied Persons List or Entity List, or otherwise designated as subject to financial sanctions or prohibited from receiving U.S. exports. Moreover, by entering into this Agreement, the Member represents and warrants that it is not controlled by any such person or entity and is not controlled by a national or resident of any such country. Member further agrees to notify Corporation of any change in ownership or control that might violate this Section 21 of this Agreement.
22. This Agreement, together with the Catalog and the Corporation's Articles of Incorporation and By-Laws which may change from time to time, represent the entire understanding between the parties on the subjects herein treated. Any preceding agreements or communications relating to the subject matter hereof, whether written or oral, are hereby merged into this Agreement. Further, if Member is a party to a currently effective membership agreement with the Corporation for any location owned or controlled by the Member other than the location for this Agreement, each other membership agreement is modified to conform the prior agreements to be consistent with all of the terms in this Agreement.

23. The Corporation's agent for services of process and his address are: Corporate Assistant Secretary, Do it Best Corp., 1626 Broadway Suite 100, Fort Wayne, Indiana 46802.
24. The determination by a court of competent jurisdiction that any provision of this Agreement is invalid shall not affect the enforceability of the remaining provisions of this Agreement.
25. Member agrees to pay promptly when due all obligations due and owing to the Corporation, including but not limited to, all obligations for merchandise and services purchased from the Corporation according to the terms set forth in the Catalog from time to time, which terms include (but are not limited to) the provision for late payment charges (presently set at one and one-half percent (1 ½ %) per month, but which may be changed from time to time by agreement of the Member) per month, or any fraction of a month, for any past-due balance(s). For example and in the event Member fails to pay its account on time, discontinues its membership, or its membership is terminated, Corporation may charge interest at the rate of one and one half percent (1 ½ %) per month, or any fraction of a month, for any outstanding balance.
26. If Member breaches any agreement with the Corporation or any wholly owned subsidiary of the Corporation, all obligations of Member to the Corporation and to any wholly owned subsidiary of the Corporation shall, at the option of the Corporation, be immediately due and owing, and Corporation shall have all rights and remedies available to it under any such agreement between Corporation and Member, and pursuant to applicable law and equity. Corporation's remedies shall be cumulative, and the exercise of any one remedy shall not preclude the exercise of any other remedy. Unless prohibited by applicable law, Member agrees to pay on demand all of Corporation's expenses incurred in any efforts to enforce any term of this Agreement and/or the terms of any agreement with a wholly owned subsidiary of the Corporation, whether or not any lawsuit is filed, including but not limited to reasonable legal/attorneys' fees and expenses.
27. Unless otherwise specified, any notices, requests and other communications required hereunder shall be deemed to have been duly given if delivered by hand or if mailed by certified or registered mail, return receipt requested, postage prepaid at the address set forth in the opening paragraph of this Agreement. Either party to this Agreement may change the address to which notices are to be delivered by giving the other party written notice in the manner set forth herein.
28. The Member and the undersigned representatives of the Member acknowledge and represent that they have carefully read this Agreement, fully understand its terms, and have been provided with an opportunity to consult with an attorney regarding its legal obligations.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_,  
Date                      Month                      Year                      City

\_\_\_\_\_

State

\_\_\_\_\_ dba \_\_\_\_\_

By: \_\_\_\_\_ \*Witness:

By: \_\_\_\_\_ \*Witness:

By: \_\_\_\_\_ \*Witness:

**INSTRUCTIONS:** IF MEMBER IS A CORPORATION, SIGNATURE SHOULD BE BY PRESIDENT AND SECRETARY. IF MEMBER IS A PARTNERSHIP, ALL GENERAL PARTNERS SHOULD SIGN. IF THE MEMBER IS A LIMITED LIABILITY COMPANY, THE PERSONS AUTHORIZED TO ACT ON THE LIMITED LIABILITY COMPANY'S BEHALF (MANAGER(S) OR MEMBERS) SHOULD SIGN.

Any signatures not witnessed by an Employee of the Corporation must be notarized below.

State of: \_\_\_\_\_  
SS: \_\_\_\_\_

County of: \_\_\_\_\_  
Before the undersigned, a Notary Public for said county and state, personally appeared \_\_\_\_\_ who acknowledged execution of this instrument on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature: \_\_\_\_\_ Affix Seal  
My Commission expires: \_\_\_\_\_

-----  
State of: \_\_\_\_\_  
SS: \_\_\_\_\_

County of: \_\_\_\_\_  
Before the undersigned, a Notary Public for said county and state, personally appeared \_\_\_\_\_ who acknowledged execution of this instrument on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature: \_\_\_\_\_ Affix Seal  
My Commission expires: \_\_\_\_\_

-----  
State of: \_\_\_\_\_  
SS: \_\_\_\_\_

County of: \_\_\_\_\_  
Before the undersigned, a Notary Public for said county and state, personally appeared \_\_\_\_\_ who acknowledged execution of this instrument on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature: \_\_\_\_\_ Affix Seal  
My Commission expires: \_\_\_\_\_

-----  
Accepted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at Fort Wayne, Indiana by Do it Best Corp.

By: \_\_\_\_\_, its: Corporate Assistant Secretary  
Gary C. Furst

Is prospective member affiliated with an existing Member under the same corporation? \_\_\_\_\_

If yes, please list affiliated Member number(s) \_\_\_\_\_

Is prospective member affiliated with an existing Member under a different corporation, but same ownership?

\_\_\_\_\_  
If yes, please list affiliated Member number(s) \_\_\_\_\_

Complete checklist below.

Current financial statements dated \_\_\_\_\_ attached (Balance Sheet and Profit/Loss Statement)

Name of person to be on Member listing: \_\_\_\_\_

Name of active manager of the business: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Business Type: \_\_\_\_\_

1. Former Member # \_\_\_\_\_ Fax: \_\_\_\_\_

2. Please transfer \_\_\_\_\_ Pre-Sold F.A. \_\_\_\_\_ % \_\_\_\_\_ IMCS® File

**EXHIBIT C**

LIST OF MINNESOTA MEMBERS  
AS OF ~~SEPTEMBER 11~~ OCTOBER 1, 2023 ~~2024~~

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
<u>Mccollum Hardware</u>	<u>402 East Main Street</u>	<u>Ada</u>	<u>MN</u>	<u>56510</u>	<u>218-784-3581</u>
<u>Adams Builders Supply</u>	<u>205 Commerce St SW</u>	<u>Adams</u>	<u>MN</u>	<u>55909</u>	<u>507-582-3210</u>
<u>Adrian Hardware</u>	<u>301 North Main</u>	<u>Adrian</u>	<u>MN</u>	<u>56110</u>	<u>507-483-2348</u>
<u>Hyytinen Hdwe Hank Store</u>	<u>312 2nd St NE</u>	<u>Aitkin</u>	<u>MN</u>	<u>56431</u>	<u>218-927-3117</u>
Hilltop Do it Best Lumber Co	1405 N Nokomis NE	Alexandria	MN	56308	320-763-9663
<del>Simonson Lbr of Alexandria Inc</del>	<del>1802 Fillmore Street</del>	<del>Alexandria</del>	<del>MN</del>	<del>56308</del>	<del>320-763-5143</del>
Kaz Do it Best Hardware	19 Oak Avenue	Annandale	MN	55302	320-274-5214
Lampert Lumber - Apple Valley	14555 Galaxie Ave	Apple Valley	MN	55124	952-432-0600
<u>Appleton Power &amp; Hdwe</u>	<u>421 N Munsterman</u>	<u>Appleton</u>	<u>MN</u>	<u>56208</u>	<u>320-289-2663</u>
Scherer Bros Lumber Co	4797 Hwy 10	Arden Hills	MN	55112	651-638-1432
<u>Argyle Building Center Inc</u>	<u>810 Washington Ave</u>	<u>Argyle</u>	<u>MN</u>	<u>56713</u>	<u>218-201-0757</u>
Thomes Bros	414 W Main, P O Box 469	Arlington	MN	55307	507-964-2310
<u>Ashby Hardware Hank</u>	<u>102 Melby Street</u>	<u>Ashby</u>	<u>MN</u>	<u>56309</u>	<u>218-747-2869</u>
<u>23 Hardware And Lumber</u>	<u>6380 County Road 33</u>	<u>Askov</u>	<u>MN</u>	<u>55704</u>	<u>320-838-3332</u>
<u>Bradach Lumber &amp; Hardware</u>	<u>216 West 3rd Ave N</u>	<u>Aurora</u>	<u>MN</u>	<u>55705</u>	<u>218-229-3356</u>
<u>Austin Builders Sply Gr</u>	<u>206 10th Street NE</u>	<u>Austin</u>	<u>MN</u>	<u>55912</u>	<u>507-437-3206</u>
Runnings - Austin	1400 18th Avenue NW	Austin	MN	55912	507-433-7437
Lossing Building Center	30 North Drive	Babbitt	MN	55706	218-827-2522
<u>Galens Hardware</u>	<u>19 Main Ave S</u>	<u>Bagley</u>	<u>MN</u>	<u>56621</u>	<u>218-694-6212</u>
<u>Barnesville Drug &amp; Hardware</u>	<u>117 Front Street South</u>	<u>Barnesville</u>	<u>MN</u>	<u>56514</u>	<u>218-354-2131</u>
<u>Battle Lake Cenex</u>	<u>36879 State Highway 210</u>	<u>Battle Lake</u>	<u>MN</u>	<u>56515</u>	<u>218-864-5574</u>
Everts Do it Best Lumber	205 Lake Ave South	Battle Lake	MN	56515	218-864-5983
<u>Hometown Hardware</u>	<u>804 West Main Street</u>	<u>Baudette</u>	<u>MN</u>	<u>56623</u>	<u>218-634-3366</u>
<del>Simonson Lumber of Baxter</del>	<del>3855 Independence Rd</del> <del>Rd #200</del>	<del>Baxter</del>	<del>MN</del>	<del>56425</del>	<del>218-829-5798</del> <del>320-251-57</del>

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
					<u>62</u>
<u>Becker True Value</u>	<u>13350 1st Street</u>	<u>Becker</u>	<u>MN</u>	<u>55308</u>	<u>763-261-4464</u>
<u>Belgrade Hardware</u>	<u>337 Washburn Avenue</u>	<u>Belgrade</u>	<u>MN</u>	<u>56312</u>	<u>320-254-8285</u>
<u>Bemidji Cooperative Associatio</u>	<u>320 3rd Street NW</u>	<u>Bemidji</u>	<u>MN</u>	<u>56601</u>	<u>218-751-4260</u>
<u>My Store</u>	<u>12471 71 Connection NE</u>	<u>Bemidji</u>	<u>MN</u>	<u>56601</u>	<u>320-894-5765</u>
Runnings - Benson	1920 Minnesota Ave	Benson	MN	56215	320-842-6351
Schultz Family Lumber	116 2nd Avenue NW	Bertha	MN	56437	218-924-2121
<u>Becklers Hardware Hank</u>	<u>245 S Main ST</u>	<u>Bird Island</u>	<u>MN</u>	<u>55310</u>	<u>320-365-3310</u>
<u>Big Lake Lumber Inc</u>	<u>791 Rose Drive</u>	<u>Big Lake</u>	<u>MN</u>	<u>55309</u>	<u>763-263-3400</u>
B-Z Hardware	323 East Main Street	Blooming Prairie	MN	55917	507-583-4469
<u>Jerry's Jerrys Do it Best Hdwe</u>	<u>10530 France Avenue South</u>	<u>Bloomington</u>	<u>MN</u>	<u>55431</u>	<u>952-884-2209</u>
Lampert Lumber - Blue Earth	1201 Buccaneer	Blue Earth	MN	56013	507-526-2149
<u>Braham Hardware</u>	<u>104 W Central</u>	<u>Braham</u>	<u>MN</u>	<u>55006</u>	<u>320-396-4155</u>
<u>Weidell Hardware</u>	<u>19124 Bocks Corner</u>	<u>Brainerd</u>	<u>MN</u>	<u>56401</u>	<u>218-764-2945</u>
<u>Hardware Hank</u>	<u>711 Buffalo Avenue</u>	<u>Breckenridge</u>	<u>MN</u>	<u>56520</u>	<u>701-474-5440</u>
<u>Browns Valley Hardware Hank</u>	<u>16 3rd Street North</u>	<u>Browns Valley</u>	<u>MN</u>	<u>56219</u>	<u>605-880-1417</u>
<u>Krumreys Hometown Hardware</u>	<u>217 East Hall Avenue</u>	<u>Buffalo Lake</u>	<u>MN</u>	<u>55314</u>	<u>320-833-2228</u>
<u>1 Source Innovative Office Solutions</u>	<u>12550 W Frontage Rd 151 Cliff Road East</u>	Burnsville	MN	55337	<u>330-212-5985</u> <u>952-808-9900</u>
Runnings - Canby	116 Fairgrounds St. East	Canby	MN	56220	507-223-5446
<u>Clems Hardware</u>	<u>419 Aspen Avenue NW</u>	<u>Cass Lake</u>	<u>MN</u>	<u>56633</u>	<u>218-335-6551</u>
Casey Drug	121 West Lake Street	Chisholm	MN	55719	218-254-7113
<u>Sweep Hardware</u>	<u>26 West Center Avenue</u>	<u>Clara City</u>	<u>MN</u>	<u>56222</u>	<u>320-847-3317</u>
<u>Briggs Lake General Store</u>	<u>4258 105th Avenue</u>	<u>Clear Lake</u>	<u>MN</u>	<u>55319</u>	<u>320-743-2791</u>
<u>North Country Hardware</u>	<u>106 Main Street South</u>	<u>Clearbrook</u>	<u>MN</u>	<u>56634</u>	<u>218-776-3615</u>
<u>Tri County Lumber Company</u>	<u>17383 County Road 75</u>	<u>Clearwater</u>	<u>MN</u>	<u>55320</u>	<u>320-558-3333</u>

Company	Address	City	ST	Zip	Phone
	<u>NW</u>				
Wenner Do it Best Hdwe & Rentl	319 Main St	Cold Spring	MN	56320	320-685-8673
<u>Cook Building Center</u>	<u>10 No River St</u>	<u>Cook</u>	<u>MN</u>	<u>55723</u>	<u>218-666-5344</u>
Crookston Building Ctr	537 Marin Ave	Crookston	MN	56716	218-281-1170
Build All Lumber Co	13204 Fawn Lake Road	Crosslake	MN	56442	218-692-3025
<u>Als Mercantile</u>	<u>744 6th Street</u>	<u>Dawson</u>	<u>MN</u>	<u>56232</u>	<u>320-769-2382</u>
<u>Dodge Center Hardware Hank</u>	<u>14 3rd Avenue SW</u>	<u>Dodge Center</u>	<u>MN</u>	<u>55927</u>	<u>507-374-6344</u>
<u>Marshall Hdwe Hank</u>	<u>4415 East Superior St</u>	<u>Duluth</u>	<u>MN</u>	<u>55804</u>	<u>218-525-3638</u>
<u>Simonson Lbr of Crosslake Inc</u>	<u>37568 County Road 66</u>	<u>Crosslake</u>	<u>MN</u>	<u>56442</u>	<u>218-692-3101</u>
Lumber Mart Inc	1910 Business Hwy 2	E Grand Forks	MN	56721	218-773-1151
<u>Eagan Hardware Hank</u>	<u>1320 Duckwood Drive</u>	<u>Eagan</u>	<u>MN</u>	<u>55123</u>	<u>651-454-7258</u>
Eagle Bend Farm & Lumber	124 E Main	Eagle Bend	MN	56446	218-738-2452
<u>Jerry's Jerrys Hardware &amp; Rental</u>	9607 Anderson Lakes Pkwy	Eden Prairie	MN	55344	952-374-5500
<u>Tinklenberg Lbr &amp; Hdwe Of Edge</u>	<u>341 Mill Street East</u>	<u>Edgerton</u>	<u>MN</u>	<u>56128</u>	<u>507-442-3101</u>
<u>Jerry's Jerrys Do it Best Hardware</u>	5115 Vernon Ave South	Edina	MN	55436	952-929-4601
<u>Grant County Lumber</u>	<u>412 2nd Street NE</u>	<u>Elbow Lake</u>	<u>MN</u>	<u>56531</u>	<u>218-685-5321</u>
<u>Ely Hardware</u>	<u>303 E Sheridan St</u>	<u>Ely</u>	<u>MN</u>	<u>55731</u>	<u>218-365-6724</u>
Voyageur Lumber	101 West Sheridan Street	Ely	MN	55731	218-365-5100
<u>Lakeside Building Center</u>	<u>Hwy 2 E</u>	<u>Erskine</u>	<u>MN</u>	<u>56535</u>	<u>218-687-3655</u>
<u>Evansville Hardware</u>	<u>119 Main St</u>	<u>Evansville</u>	<u>MN</u>	<u>56326</u>	<u>218-948-2238</u>
Porky's Building Supply	7556 Metske Road	Eveleth	MN	55734	218-744-3111
Lampert Lumber - <u>Fairbault Faribault</u>	320 NW 8th Ave	<u>Fairbault Faribault</u>	MN	55021	507-332-7436
<u>Farm Mercantile</u>	<u>110 1st St SE</u>	<u>Fairfax</u>	<u>MN</u>	<u>55332</u>	<u>507-426-8120</u>
Boekett Building Supply	709 North State Street	Fairmont	MN	56031	507-235-6611
Met-Con Lumber & Hdwe	15760 Acorn Trail	Faribault	MN	55021	507-332-6823

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
<u>Fergus Home And Hardware</u>	<u>1005 N Tower Road</u>	<u>Fergus Falls</u>	<u>MN</u>	<u>56537</u>	<u>218-998-5070</u>
<u>FERTILE HARDWARE COMPANY</u>	<u>209 North Mill Street</u>	<u>Fertile</u>	<u>MN</u>	<u>56540</u>	<u>218-945-6162</u>
<u>Fertile Hardware Hank</u>	<u>209 Mill Street</u>	<u>Fertile</u>	<u>MN</u>	<u>56540</u>	<u>218-945-6162</u>
<u>Finland Cooperative Co</u>	<u>Hwy 1</u>	<u>Finland</u>	<u>MN</u>	<u>55603</u>	<u>218-353-7389</u>
Finlayson Ag & Hardware	6476 Broadway	Finlayson	MN	55735	320-233-7372
<u>Foley Hardware</u>	<u>190 Glen Street</u>	<u>Foley</u>	<u>MN</u>	<u>56329</u>	<u>320-968-7262</u>
<u>Fulda Hardware Llc</u>	<u>205 East Front Street</u>	<u>Fulda</u>	<u>MN</u>	<u>56131</u>	<u>507-425-2351</u>
<u>The Hardware Center</u>	<u>112 4th Street</u>	<u>Gaylord</u>	<u>MN</u>	<u>55334</u>	<u>507-237-5241</u>
<u>Gibbon Lumber</u>	<u>1003 First Ave</u>	<u>Gibbon</u>	<u>MN</u>	<u>55335</u>	<u>507-834-6366</u>
<del>Buck's</del> <u>Bucks Hardware</u>	18 1st Avenue West	Grand Marais	MN	55604	218-387-2280
<u>Bucks Hardware #2</u>	<u>18 1st Avenue W</u>	<u>Grand Marais</u>	<u>MN</u>	<u>55604</u>	
<u>Cole Hdwe Hank Store</u>	<u>508 NE Fourth Street</u>	<u>Grand Rapids</u>	<u>MN</u>	<u>55744</u>	<u>218-326-6652</u>
<u>Granite Hardware</u>	<u>150 9th Avenue</u>	<u>Granite Falls</u>	<u>MN</u>	<u>56241</u>	<u>320-564-3130</u>
<u>Neville Hardware</u>	<u>121 State Street East</u>	<u>Grey Eagle</u>	<u>MN</u>	<u>56336</u>	<u>320-285-2000</u>
<u>Farmers Union Oil Company</u>	<u>100 Main St</u>	<u>Grygla</u>	<u>MN</u>	<u>56727</u>	<u>218-294-6117</u>
Hackensack Lumber & Hardware	124 State Hwy 371 N	Hackensack	MN	56452	218-675-6188
<u>Valley General Store</u>	<u>320 Hwy 75</u>	<u>Halstad</u>	<u>MN</u>	<u>56548</u>	<u>218-456-2148</u>
<u>Ham Lake Hardware Hank</u>	<u>17426 Highway 65 NE</u>	<u>Ham Lake</u>	<u>MN</u>	<u>55304</u>	<u>763-434-4199</u>
Kingsley Mercantile	2 Main Avenue North	Harmony	MN	55939	507-886-2323
<del>Terry's</del> <u>Terrys Hardware</u>	375 West 33rd Street	Hastings	MN	55033	651-437-3653
<u>Hardware Hank</u>	<u>1515 Hartford St</u>	<u>Hawley</u>	<u>MN</u>	<u>56549</u>	<u>218-483-3339</u>
Country Wide Lumber Ltd	151 Birch	Hector	MN	55342	320-848-2241
<u>Hendricks Farmers Lumber</u>	<u>219 South Main Street</u>	<u>Hendricks</u>	<u>MN</u>	<u>56136</u>	<u>507-275-3634</u>
<u>Henning Hardware</u>	<u>501 Douglas Avenue</u>	<u>Henning</u>	<u>MN</u>	<u>56551</u>	<u>218-583-2030</u>
Sim Supply - Hibbing MN	1001 7th Avenue E	Hibbing	MN	55746	218-262-6125
<u>Holdingsford Hardware Hank</u>	<u>561 W Main Street</u>	<u>Holdingsford</u>	<u>MN</u>	<u>56340</u>	<u>320-746-2973</u>

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
Scherer Bros Lumber Co	330 11th Ave So	Hopkins	MN	55343	952-277-1612
<u>Joes Sport Shop &amp; Hardware</u>	<u>835 6th St</u>	<u>Howard Lake</u>	<u>MN</u>	<u>55349</u>	<u>320-543-2715</u>
<u>Hugo Feed &amp; Tw Hdwe</u>	<u>5582 146th St No</u>	<u>Hugo</u>	<u>MN</u>	<u>55038</u>	<u>651-429-3361</u>
Runnings - Hutchinson	1090 Hwy 15 South	Hutchinson	MN	55350	320-299-4192
<del>Simonson Lbr of Hutchinson Inc</del>	<del>16808 Hwy 7 East</del>	<del>Hutchinson</del>	<del>MN</del>	<del>55350</del>	<del>320-587-2826</del>
Northern Lumber & Hardware	300 7th Street	International Falls	MN	56649	218-283-2595
<u>Federated Coops Inc</u>	<u>303 Dahlin Ave SE</u>	<u>Isanti</u>	<u>MN</u>	<u>55040</u>	<u>763-389-1431</u>
<u>Urbans Isanti Hardware</u>	<u>403 W Dual Blvd</u>	<u>Isanti</u>	<u>MN</u>	<u>55040</u>	<u>763-444-9200</u>
<u>Isle Hardware Hank</u>	<u>150 W Main Street</u>	<u>Isle</u>	<u>MN</u>	<u>56342</u>	<u>320-676-8670</u>
Boekett Building Supply Inc	171 Industrial Park	Jackson	MN	56143	507-800-1600
<u>Thurmert Hardware</u>	<u>701 3rd St</u>	<u>Jackson</u>	<u>MN</u>	<u>56143</u>	<u>507-847-4210</u>
<del>Lampert Lumber—Janesville Hardware</del>	<del>110 E Front</del> <u>213 North Main Street</u>	Janesville	MN	56048	<del>507-234-6292</del> <u>507-234-5278</u>
Siwek Lumber & Millwork Inc	350 Valley View Drive	Jordan	MN	55352	952-492-6666
<u>Karlstad Hardware Hank</u>	<u>301 South Main</u>	<u>Karlstad</u>	<u>MN</u>	<u>56732</u>	<u>218-253-4304</u>
<u>Kasson Hardware Hank</u>	<u>11 4th Street SE</u>	<u>Kasson</u>	<u>MN</u>	<u>55944</u>	<u>507-634-2771</u>
<u>Kimball Parts City</u>	<u>35 Maus Dr</u>	<u>Kimball</u>	<u>MN</u>	<u>55353</u>	<u>320-398-2850</u>
Lampert Lumber - Lake Elmo	9220 Hudson Blvd	Lake Elmo	MN	55042	651-739-5400
<u>Community Coops Of Lake Park</u>	<u>14583 US Hwy 10 W</u>	<u>Lake Park</u>	<u>MN</u>	<u>56554</u>	<u>218-238-5911</u>
<u>Hanson Hardware</u>	<u>115 Central Ave S</u>	<u>Lancaster</u>	<u>MN</u>	<u>56735</u>	<u>218-762-5765</u>
<u>Le Center Hardware Hank</u>	<u>165 South Park Avenue</u>	<u>Le Center</u>	<u>MN</u>	<u>56057</u>	<u>507-357-4484</u>
Leroy Lumber	207 W Main	Le Roy	MN	55951	507-324-5184
Siwek Lumber & Millwork	600 Southside Drive	Le Sueur	MN	56058	507-665-6426
<u>Trustworthy Hw of Lesueur</u>	<u>203 Valley Green Square</u>	<u>Le Sueur</u>	<u>MN</u>	<u>56058</u>	
<u>Pinks Hardware</u>	<u>418 Central Avenue</u>	<u>Lester Prairie</u>	<u>MN</u>	<u>55354</u>	<u>320-395-2211</u>
<u>Lewiston Hardware</u>	<u>400 Debra Drive</u>	<u>Lewiston</u>	<u>MN</u>	<u>55952</u>	<u>507-523-3400</u>

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
Lindstrom Hardware Inc	30482 Park St	Lindstrom	MN	55045	651-257-1119
Litchfield Building Center	124 East Commercial St	Litchfield	MN	55355	320-693-3616
Runnings - Litchfield	975 East Frontage Rd	Litchfield	MN	55355	320-593-0009
<u>Little Falls Hardware Hank &amp; R</u>	<u>211 East Broadway Ave</u>	<u>Little Falls</u>	<u>MN</u>	<u>56345</u>	<u>320-632-5740</u>
<u>Polkinghornes Hardware</u>	<u>404 Main St</u>	<u>Littlefork</u>	<u>MN</u>	<u>56653</u>	<u>218-278-6611</u>
Generation Home & Building Ctr	601 Central Street E	Lonsdale	MN	55046	507-744-3120
<u>Lonsdale Hardware &amp; Rental</u>	<u>101 North Main</u>	<u>Lonsdale</u>	<u>MN</u>	<u>55046</u>	<u>507-744-2373</u>
<u>Madison Hardware Hank</u>	<u>212 6th Avenue</u>	<u>Madison</u>	<u>MN</u>	<u>56256</u>	<u>320-598-7776</u>
<u>Jerry's Jerrys Do it Best Hdwe &amp; Rntl</u>	13151 Weaver Lake Rd	Maple Grove	MN	55369	763-494-8773
<u>Maintenance Supply LeVahn Bros Hardware Hank</u>	<u>10950 85th Ave N, Ste B12700 Bass Lake Rd</u>	Maple Grove	MN	55369	<u>800-431-3000</u> <u>763-553-1222</u>
<u>Cenex Lake Region Coop</u>	<u>4825 Hwy 55 East</u>	<u>Maple Lake</u>	<u>MN</u>	<u>55358</u>	<u>320-963-6074</u>
Mapleton Farm & Home	216 Main Street NE	Mapleton	MN	56065	507-524-3617
<u>Lakeside Lumber &amp; Hardware LLC</u>	<u>49208 State Hwy 38</u>	<u>Marcell</u>	<u>MN</u>	<u>56657</u>	<u>218-832-3300</u>
Independent Lbr Co of Marshall	508 Baseline Rd E Hwy 23	Marshall	MN	56258	507-537-1479
<u>Patzers Hardware Hank</u>	<u>411 West Main</u>	<u>Marshall</u>	<u>MN</u>	<u>56258</u>	<u>507-532-4401</u>
Runnings - Marshall	901 N Highway 59	Marshall	MN	56258	507-337-1031
Runnings - Marshall	1101 E Main	Marshall	MN	56258	507-532-2286
Mayer Do it Best Lumber	201 Ash Avenue S	Mayer	MN	55360	952-657-2291
<u>Sather Tw Hardware</u>	<u>47952 State Hwy 65</u>	<u>Mc Gregor</u>	<u>MN</u>	<u>55760</u>	<u>218-426-3255</u>
<u>Teds Tw Hardware 2</u>	<u>114 Aspen Av SE</u>	<u>Menahga</u>	<u>MN</u>	<u>56464</u>	<u>218-837-5012</u>
<u>Youngs Store</u>	<u>155 Hill Avenue</u>	<u>Middle River</u>	<u>MN</u>	<u>56737</u>	<u>218-222-3513</u>
<u>Koch Hardware Hank</u>	<u>12500 State Hwy 23</u>	<u>Milaca</u>	<u>MN</u>	<u>56353</u>	<u>320-294-5544</u>
Milaca Building Center	100 3rd Ave SW	Milaca	MN	56353	320-983-2132

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
<u>Bryant Hardware</u>	<u>818 West 36th</u>	<u>Minneapolis</u>	<u>MN</u>	<u>55408</u>	<u>612-823-4748</u>
<u>Guse Hardware</u>	<u>4602 Bryant Ave South</u>	<u>Minneapolis</u>	<u>MN</u>	<u>55419</u>	<u>612-824-7655</u>
<u>Nokomis Hardware</u>	<u>5155 S 34th Avenue</u>	<u>Minneapolis</u>	<u>MN</u>	<u>55417</u>	<u>612-722-4322</u>
North End Do it Best Hardware	3117 Penn Avenue North	Minneapolis	MN	55411	612-529-9151
Siwek Lumber & Millwork	2536 NE Marshall St	Minneapolis	MN	55418	612-781-3333
<u>Monte Hardware</u>	<u>116 S 1st Street</u>	<u>Montevideo</u>	<u>MN</u>	<u>56265</u>	<u>320-269-2109</u>
<del>Spring Lake Park Lumber Co</del>	<del>8329 Central Ave NE</del>	<del>Minneapolis</del>	<del>MN</del>	<del>55432</del>	<del>763-784-3062</del>
Runnings - Montevideo	2202 E US Highway 7	Montevideo	MN	56265	320-269-6025
Runnings - Monticello	300 West 7th Street	Monticello	MN	55362	612-474-1224
Runnings - Moorhead	3000 US Highway 10 E	Moorhead	MN	56560	218-512-0382
<u>Federated Co-Ops Inc</u>	<u>580 Arrowhead Lane</u>	<u>Moose Lake</u>	<u>MN</u>	<u>55767</u>	<u>218-485-4111</u>
Lampert Lumber - Moose Lake	108 S Arrowhead Lane	Moose Lake	MN	55767	218-485-4471
<u>Federated Coops</u>	<u>1855 Frontage Road</u>	<u>Mora</u>	<u>MN</u>	<u>55051</u>	<u>218-485-4111</u>
<u>Johnsons Hardware And Rental</u>	<u>212 NW Railroad Street</u>	<u>Mora</u>	<u>MN</u>	<u>55051</u>	<u>320-679-2572</u>
Morris Lumber & Millwork	49110 State Hwy 28	Morris	MN	56267	320-589-2331
<u>Mound Family Hardware Inc</u>	<u>2250 Commerce Blvd</u>	<u>Mound</u>	<u>MN</u>	<u>55364</u>	<u>952-472-1819</u>
Nevis Lumber Inc	103 Highway 18 East	Nevis	MN	56467	218-652-4035
<del>Beisswenger's</del> <u>Beisswengers</u> Do it Best Hdwe	1823 Old Hwy 8 NW	New Brighton	MN	55112	651-633-1271
Runnings - New Ulm	2107 N Garden St	New Ulm	MN	56073	507-401-5110
<u>Lakes Community Coop</u>	<u>141 North Broadway</u>	<u>New York Mill</u>	<u>MN</u>	<u>56567</u>	<u>218-385-2865</u>
<u>Underdahl Hardware Hank</u>	<u>123 E Minnesota Avenue</u>	<u>Newfolden</u>	<u>MN</u>	<u>56738</u>	
Lampert Lumber - North Branch	39451 Flink Ave	North Branch	MN	55056	651-674-4415
<u>Peterson's North Branch Mill</u>	<u>38964 Branch Avenue</u>	<u>North Branch</u>	<u>MN</u>	<u>55056</u>	<u>651-674-4425</u>
Lampert Lumber - Northfield	1225 South Hwy 3	Northfield	MN	55057	507-645-9553
<del>X P X Hilger' True Valu</del>	<del>520 North Faxon Road</del>	<del>Norwood</del>	<del>MN</del>	<del>55368</del>	<del>320-864-5161</del>
Lampert Lumber - St Paul	3503 High Point Dr N	Oakdale	MN	55128	651-695-3600

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
<u>Agnew Hardware Hank</u>	<u>104 Wall Street South</u>	<u>Onamia</u>	<u>MN</u>	<u>56359</u>	<u>320-532-3202</u>
<u>Sam West</u>	<u>104 Wall Street S</u>	<u>Onamia</u>	<u>MN</u>	<u>56359</u>	<u>320-532-3202</u>
<u>Big Stone Area Hardware</u>	<u>249 NW Second Street</u>	<u>Ortonville</u>	<u>MN</u>	<u>56278</u>	<u>320-839-2212</u>
Hilltop Lumber	108 West Main Street	Ottertail	MN	56571	218-367-2265
Alexander Lumber Do It Center	419 N Cedar St	Owatonna	MN	55060	507-451-7710
<u>Skyline Hardware Hank</u>	<u>4003 Crane Creek Rd</u>	<u>Owatonna</u>	<u>MN</u>	<u>55060</u>	<u>507-377-2426</u>
M & M Do it Best Lbr & Rental	28584 State Hwy 55	Paynesville	MN	56362	320-243-4202
<u>The Cormorant Store</u>	<u>10839 County Highway 5</u>	<u>Pelican Rapids</u>	<u>MN</u>	<u>56572</u>	<u>218-532-2440</u>
Thurlow Hardware	31027 Front St	Pequot Lakes	MN	56472	218-568-4635
<del>Bob's</del> <u>Bobs Lumber &amp; Supply</u>	304 South Edward St	Pierz	MN	56364	320-468-6442
<u>Hartmanns</u>	<u>105 3rd Avenue NW</u>	<u>Pierz</u>	<u>MN</u>	<u>56364</u>	<u>320-468-2506</u>
<del>Sausers's</del> <u>Sausers Incorporated</u>	229 5th St	Pine City	MN	55063	320-629-3437
<u>Pine Island Hardware Hank</u>	<u>201 So Main St</u>	<u>Pine Island</u>	<u>MN</u>	<u>55963</u>	<u>507-356-4431</u>
<u>Gardiners Hardware &amp; Furniture</u>	<u>203 Barclay</u>	<u>Pine River</u>	<u>MN</u>	<u>56474</u>	<u>218-587-2585</u>
<del>Kreofsky Do it Best Bldg Sply</del> <u>Building Supplies</u>	865 Enterprise Dr SW	Plainview	MN	55964	507-534-3855
Fullerton Lbr - Plymouth M N	13605 1st Ave N Ste 200	Plymouth	MN	55441	763-543-2700
<u>Root River Hardware</u>	<u>613 Spring Avenue NW</u>	<u>Preston</u>	<u>MN</u>	<u>55965</u>	<u>507-765-2101</u>
<u>Federated Coop Princeton Ctry</u>	<u>6467 100th Ave</u>	<u>Princeton</u>	<u>MN</u>	<u>55371</u>	<u>763-389-1431</u>
B & F Fastener Supply	7100 Sunwood Dr	Ramsey	MN	55303	763-252-2300
<u>Red Lake Falls Hardware Hank</u>	<u>105 Internatl Dr; Ste 118</u>	<u>Red Lake Falls</u>	<u>MN</u>	<u>56750</u>	<u>218-253-4304</u>
Running - Red Wing	411 Potter St	Red Wing	MN	55066	651-388-7161
Redwood Building Center	811 East Bridge Street	Redwood Falls	MN	56283	507-637-8461
Runnings - Redwood	1220 East Bridge St	Redwood Falls	MN	56283	507-637-2975
Holkers Do it Best Remer Lbr	6761 State Hwy 200 Ne	Remer	MN	56672	218-566-2358
<u>Rice Hardware Hank</u>	<u>2333 125th Street NW</u>	<u>Rice</u>	<u>MN</u>	<u>56367</u>	<u>320-393-3117</u>

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
Main Street General	65 Main Street W	Richmond	MN	56368	320-597-2025
<u>Wagon Wheel One Stop</u>	<u>101 Main Street South</u>	<u>Richville</u>	<u>MN</u>	<u>56576</u>	<u>218-346-2048</u>
Lampert Lumber - Rockford	6601 Bleck Drive	Rockford	MN	55373	763-498-7228
<u>Royalton Lumber Inc</u>	<u>209 West Centre St</u>	<u>Royalton</u>	<u>MN</u>	<u>56373</u>	<u>320-584-5557</u>
<u>Sunrise Ag Coop Little Rock</u>	<u>4859 Hwy 25</u>	<u>Royalton</u>	<u>MN</u>	<u>56373</u>	<u>320-584-5487</u>
Lampert Lumber - Sandstone	123 N Main Street	Sandstone	MN	55072	320-245-2276
<u>Riverside Hardware Llc</u>	<u>101 7th Street N #10</u>	<u>Sartell</u>	<u>MN</u>	<u>56377</u>	<u>320-230-8665</u>
<u>Czarnetzki Hdwe Hank</u>	<u>8 No Benton Dr</u>	<u>Sauk Rapids</u>	<u>MN</u>	<u>56379</u>	<u>320-251-5383</u>
<u>Savage Surplus</u>	<u>5505 W 123rd St</u>	<u>Savage</u>	<u>MN</u>	<u>55378</u>	<u>952-314-8937</u>
<u>Federated Coops</u>	<u>14860 Scandia Trail</u>	<u>Scandia</u>	<u>MN</u>	<u>55073</u>	<u>218-485-4111</u>
<u>Teds Tw Hardware</u>	<u>206 W Minnesota Ave</u>	<u>Sebeka</u>	<u>MN</u>	<u>56477</u>	<u>218-837-5012</u>
<u>Midwest Supply Of Slayton</u>	<u>2117 Maple Avenue</u>	<u>Slayton</u>	<u>MN</u>	<u>56172</u>	<u>507-836-8238</u>
<u>Bonnema Hardware &amp; Flooring</u>	<u>110 Manitoba Street</u>	<u>Spicer</u>	<u>MN</u>	<u>56288</u>	<u>320-796-5531</u>
<u>MAC SUPPLY AND HARDWARE</u>	<u>110 Manitoba Street</u>	<u>Spicer</u>	<u>MN</u>	<u>56288</u>	<u>320-796-5531</u>
<u>Valley Farm &amp; Home</u>	<u>1313 So Section Ave</u>	<u>Spring Valley</u>	<u>MN</u>	<u>55975</u>	<u>507-346-2945</u>
<u>Steiner Lumber Co Inc</u>	<u>520 S 12th St</u>	<u>Sauk Centre</u>	<u>MN</u>	<u>56378</u>	<u>320-352-2255</u>
Runnings - Springfield	1115 West Central Avenue	Springfield	MN	56087	507-401-5500
<u>Max Mini Store Inc</u>	<u>50758 State Highway 46</u>	<u>Squaw Lake</u>	<u>MN</u>	<u>56681</u>	<u>218-659-4235</u>
<u>Handyman's Hardware Hank</u>	<u>604 E St Germain</u>	<u>St Cloud</u>	<u>MN</u>	<u>56304</u>	<u>320-251-3292</u>
Runnings - St Cloud	501 US Highway 10	St Cloud	MN	56304	320-281-6620
<u>Simonson Lbr Co of St Cloud Lumber</u>	<u>535 1st Street St NE</u>	<u>St Cloud</u>	<u>MN</u>	<u>56304</u>	<u>320-251-5762</u>
<u>Jerry's Jerrys Do it Best Hardware</u>	<u>2326 Louisiana Ave S</u>	<u>St Louis Park</u>	<u>MN</u>	<u>55426</u>	<u>952-927-9701</u>
<u>Mondloch Inc</u>	<u>125 Main Street</u>	<u>St Martin</u>	<u>MN</u>	<u>56376</u>	<u>320-548-3255</u>
<u>Hardware Hank</u>	<u>313 Central Ave.</u>	<u>St Michael</u>	<u>MN</u>	<u>55376</u>	<u>763-497-2111</u>
<u>General Industrial Supply</u>	<u>1979 W County Rd C2</u>	<u>St Paul</u>	<u>MN</u>	<u>55113</u>	<u>651-636-2550</u>

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
<u>Noll Hardware Hank</u>	<u>789 Raymond Ave</u>	<u>St Paul</u>	<u>MN</u>	<u>55114</u>	<u>651-646-5408</u>
Rice Street Do it Best Hdwe	1110 Rice St	St Paul	MN	55117	651-488-4064
<u>S&amp;S Hardware</u>	<u>1818 Randolph Ave</u>	<u>St Paul</u>	<u>MN</u>	<u>55105</u>	<u>651-699-8080</u>
St Peter Do it Best Lumber	200 S Front St	St Peter	MN	56082	507-931-3200
<del>Simonson Lbr of St Cloud D C</del>	<del>30409 76th Ave N</del>	<del>St. Cloud</del>	<del>MN</del>	<del>56303</del>	<del>320-252-1920</del>
<del>Simonson Lbr of St Cloud Dtw</del>	<del>127 6th Ave N</del>	<del>St. Cloud</del>	<del>MN</del>	<del>56303</del>	<del>320-252-1920</del>
Stacy Hardware	6125 Stacy Trail	Stacy	MN	55079	651-462-4342
<del>Nilson's</del> <u>Nilsons Hdwe &amp; Rental</u>	207 Degraff Avenue	Swanville	MN	56382	320-547-2241
<u>Swanville Coop Creamery Assn</u>	<u>107 Rohda Avenue</u>	<u>Swanville</u>	<u>MN</u>	<u>56382</u>	<u>320-547-2455</u>
<u>Trf Hardware</u>	<u>17108 US Hwy 59 NE</u>	<u>Thief River Falls</u>	<u>MN</u>	<u>56701</u>	<u>218-681-3999</u>
<u>Vermilion Golden Rule Lumber</u>	<u>302 Main St</u>	<u>Tower</u>	<u>MN</u>	<u>55790</u>	<u>218-753-2230</u>
<u>Midwest Supply Of Tracy Inc</u>	<u>1048 Craig Avenue</u>	<u>Tracy</u>	<u>MN</u>	<u>56175</u>	<u>507-629-3428</u>
Boekett Building Supply	106 North 5th Ave East	Truman	MN	56088	507-800-1500
<del>Twin Valley</del> <u>Buckles Hardware</u>	115 West Main	Twin Valley	MN	56584	218-584-5189
<u>North Shore Lumber</u>	<u>822 4th Avenue</u>	<u>Two Harbors</u>	<u>MN</u>	<u>55616</u>	<u>218-834-2261</u>
<u>Tyler Hardware Hank</u>	<u>145 Tyler Street</u>	<u>Tyler</u>	<u>MN</u>	<u>56178</u>	<u>507-247-5553</u>
Tyler Lumber Company	215 West Lincoln St	Tyler	MN	56178	507-247-5546
<u>Upsala Farm Store Inc</u>	<u>211 South Main Street</u>	<u>Upsala</u>	<u>MN</u>	<u>56384</u>	<u>320-573-2216</u>
<u>Hanson's Plumbing And Heating</u>	<u>99 Railway Ave</u>	<u>Vergas</u>	<u>MN</u>	<u>56587</u>	<u>218-342-2422</u>
<u>Vergas Hardware</u>	<u>137 East Main Street</u>	<u>Vergas</u>	<u>MN</u>	<u>56587</u>	<u>218-342-2421</u>
<u>Tools &amp; More</u>	<u>102 1st Ave SE</u>	<u>Verndale</u>	<u>MN</u>	<u>56481</u>	<u>218-296-2552</u>
<u>Pohaki Lumber Co</u>	<u>804 N 6th Avenue</u>	<u>Virginia</u>	<u>MN</u>	<u>55792</u>	<u>218-741-3014</u>
<u>Hills Hardware Hank</u>	<u>180 West Main Street</u>	<u>Wabasha</u>	<u>MN</u>	<u>55981</u>	<u>651-565-3835</u>
<del>Weber's</del> <u>Webers Wadena Hardware Co</u>	109 Jefferson St South	Wadena	MN	56482	218-631-2454
<u>Reeds Family Outdoor Outfit</u>	<u>522 Minnesota Ave NW</u>	<u>Walker</u>	<u>MN</u>	<u>56484</u>	<u>218-547-1505</u>

<b>Company</b>	<b>Address</b>	<b>City</b>	<b>ST</b>	<b>Zip</b>	<b>Phone</b>
<u>Reeds Family Outdoor Outfitter</u>	<u>6041 Ottertail Road NW</u>	<u>Walker</u>	<u>MN</u>	<u>56484</u>	<u>218-547-1505</u>
<u>Lees Tw Store</u>	<u>39985 181st Street</u>	<u>Wannaska</u>	<u>MN</u>	<u>56761</u>	<u>218-425-7281</u>
<u>Marvin Home Center</u>	<u>104 State Avenue North</u>	<u>Warroad</u>	<u>MN</u>	<u>56763</u>	<u>218-386-2570</u>
<u>Waterville Hardware Hank Llc</u>	<u>229 Main Street East</u>	<u>Waterville</u>	<u>MN</u>	<u>56096</u>	<u>507-362-4308</u>
<u>Watkins Hardware</u>	<u>101 Central Avenue</u>	<u>Watkins</u>	<u>MN</u>	<u>55389</u>	<u>320-764-2890</u>
<u>L&amp;B Hardware Llc</u>	<u>404 Highway 75 North</u>	<u>Wheaton</u>	<u>MN</u>	<u>56296</u>	<u>320-563-4255</u>
Perkins Lumber Co Inc	100 N 10th Street	Willmar	MN	56201	320-235-3242
Runnings - Willmar	3031 South 1st Street	Willmar	MN	56201	320-235-1325
<u>Willow River Lumber</u>	<u>8147 Co Road 61</u>	<u>Willow River</u>	<u>MN</u>	<u>55795</u>	<u>218-372-3442</u>
Lampert Lumber - Windom	121 1st Avenue	Windom	MN	56101	507-831-2000
Runnings - Windom	2420 Hwy 60 East	Windom	MN	56101	507-831-2010
<u>Lakes Area Coop- Wolf Lake</u>	<u>132 Johnson St</u>	<u>Wolf Lake</u>	<u>MN</u>	<u>56593</u>	<u>218-538-6660</u>
Lampert Lumber - Worthington	849 10th Street	Worthington	MN	56187	507-372-7384
Runnings - Worthington	1727 Oxford Street	Worthington	MN	56187	507-372-7351
Hudson Hardware	12860 Fremont	Zimmerman	MN	55398	763-856-2661
Busby Hardware & Furniture	321 S Main Street	Zumbrota	MN	55992	507-732-4460

## LIST OF DISCONTINUED MEMBERS

<b>Company</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
Forschler Home Center	Ash Flat	AR	870-994-2290
Kick's Hardware	Holbrook	AZ	928-524-6946
Core Materials Dist LLC	Phoenix	AZ	480-838-5001
Pagano's Hardware Mart	Alameda	CA	510-522-1345
Rainbow Agricultural Services	Lakeport	CA	707-279-0550
Rainbow Ag Services	Middletown	CA	707-987-9771
Conlin Supply—Modesto	Modesto	CA	209-818-0577
Rainbow Agricultural Services	Ukiah	CA	707-462-2404
Lassen TV Hardware and Lumber	Westwood	CA	530-256-3141
Burlington Home Center	Burlington	CO	719-346-8089
Home Market	Coahuila	COA	830-872-9963
Carr Hardware	Enfield	CT	860-265-3901
Sun Hardware	Fort Myers Beach	FL	239-765-5000
B-D-I—134789	Medley	FL	216-642-9100
Studstill's	Perry	FL	850-584-5515
Crowder Bros Hardware	Spring Hill	FL	352-686-4743
Handyman Hardware & Supply	St Cloud	FL	407-892-7700
Bob's Do it Best Supply	Baxley	GA	912-367-3664
A-D-A Supply Inc	Bonaire	GA	478-329-8898
Industrial Bearing Do it Best	Dalton	GA	706-278-8130
Baldon & Son Hardware	Adel	IA	515-993-4113
Ankeny Hardware	Ankeny	IA	515-964-5838
Spahn & Rose Lbr—Cresco IA	Cresco	IA	563-547-3025
Spahn & Rose Lbr—Dyersville	Dyersville	IA	563-875-7165
Spahn & Rose Lbr—Edgewood IA	Edgewood	IA	563-928-6832
Merschman Hdwe & Bldg Supply	Eldridge	IA	563-285-2241
Spahn & Rose Lbr—Monticello	Monticello	IA	319-465-3593
Southwest Builder Supply	Mount Ayr	IA	641-464-2500
Egli's Hometown Supply	Saint Charles	IA	641-396-2475
Spahn & Rose Lbr—Waverly IA	Waverly	IA	319-352-3276
Smith's Hometown Hardware	Glenns Ferry	ID	208-366-2227
The Home Center	Altamont	IL	618-483-3648
Ashland Building Supply	Chicago	IL	773-891-2333
J-J Supply Partners	Downers Grove	IL	833-557-8779
Pratt Lumber Do It Center	Lewistown	IL	309-547-3587
Stephenitch Do it Best Hdwe	Mendota	IL	815-539-9394
House Lumber Co	Newman	IL	217-837-2435

<b>Company</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
RP Lbr Co Inc—O Fallon	O Fallon	IL	618-624-5075
RP Lbr Co Inc—Peoria	Peoria	IL	309-697-8150
RP Lbr Co Inc—Springfield	Springfield	IL	217-788-8134
Tuscola Home Center	Tuscola	IL	217-253-5241
Do it Best Kincaids	Wayne City	IL	618-895-7170
Krug Lumber	Attica	IN	765-764-4148
Corner Hardware	Brookston	IN	765-563-8162
Fremont Hardware Inc	Fremont	IN	260-495-2715
Holmes Hardware	Mitchell	IN	812-849-4200
Londeen's Hardware	Chapman	KS	7859226550
Kingman Hardware	Kingman	KS	620-532-3742
Lindsborg Hardware	Lindsborg	KS	785-227-2696
Osage Do it Best Bldg Material	Osage City	KS	785-528-3914
Farmer's Pro Hardware	London	KY	606-389-5539
James Do it Best Hdwe	Olive Hill	KY	606-286-2692
Taylorville Hardware	Taylorville	KY	502-477-2211
D & S Hardware	Winchester	KY	859-745-1144
Carr Hardware	Lee	MA	413-243-2541
Belle Hardware	Baltimore	MD	410-728-4844
Sportsman's Hardware	Westbrook	ME	207-854-5868
Alden Lumber Co	Alden	MI	231-331-6112
Redbud Hardware	Buchanan	MI	269-695-6891
Forslund Do it Best Bldg Suply	Caspian	MI	906-265-1047
Brigham Hardware	Concord	MI	517-524-8310
Drummond Island Home Ctr	Drummond Island	MI	906-493-5532
Grosse Ile Hardware	Grosse Ile	MI	734-676-0411
Forslund Bldg Supply Do It Ctr	Ironwood	MI	906-932-2311
Somsel Lumber Co	Kaleva	MI	231-362-3103
Lake City Lumber Co LLC	Lake City	MI	231-839-4345
Lake City Lumber Yard	Lake City	MI	231-839-4345
Wright Hardware & Services	Livonia	MI	231-357-0154
Wahr Hardware	Manistee	MI	231-723-8335
Forslund Building Supply	Norway	MI	906-563-9239
Ellenberger Lumber	Onaway	MI	989-733-8023
Warner Supply Do it Center	Paw Paw	MI	269-657-3605
Cottin's Do it Best Hardware	Sturgis	MI	269-651-9286
Burke Lumber Do It Center	Waterford	MI	248-673-1211
Pete's Lumber	Bertha	MN	218-924-2121
Hackensack Lumber & Hardware	Hackensack	MN	218-675-6188
Carlson Hardware of Nisswa	Nisswa	MN	218-963-7645
Wenners Do it Best Hardware	Richmond	MN	320-597-2025
Minnesota Building Pros	Rogers	MN	763-447-6110

<b>Company</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
Brock White Company	St Paul	MN	651-647-0950
Gastineau Hdwe & Lbr Co Inc	Ellington	MO	573-663-2333
Rose Hardware	Memphis	MO	660-465-2495
Pacific Do it Best Lumber	Pacific	MO	636-271-4863
H A Cover & Son Lumber Co	Thayer	MO	417-264-7232
Crafton Farm and Home Center	Van Buren	MO	573-323-8753
Beaverhead Home Center	Dillon	MT	406-683-4911
Ennis Lumber Company	Ennis	MT	406-682-3889
Northwest Drywall & Bldg Suply	Kalispell	MT	406-752-2644
Stevensville Hardware	Stevensville	MT	406-777-3252
Hudsons Hardware	Castle Hayne	NC	910-675-9205
Foothills Family Hardware	Forest City	NC	828-245-6496
Mitchell Do it Best Hardware	Franklinton	NC	919-494-2378
Mountain View Home & Hardware	King	NC	336-985-8015
Carolina Hdwe Garden & Pool Ct	Lincolnton	NC	704-473-7677
Beaver Hardware	Beaver Crossing	NE	402-532-2205
Mercer's Do it Best Hardware	Nebraska City	NE	402-873-7347
Syracuse Do it Best Hardware	Syracuse	NE	402-269-2124
E C Hardware LLC	Elizabeth	NJ	732-200-1555
Kingsbury Hardware	Stateline	NV	775-588-5681
A & M Hardware	Accord	NY	845-626-2788
Valu Home Center #21	Batavia	NY	585-344-1300
C Hughes Hardware	Boonville	NY	315-942-2013
Materials Direct LLC	East Syracuse	NY	315-656-7271
Valu Home Center #20	Fredonia	NY	716-673-1771
Valu Home Center #28	Lakewood	NY	716-763-9691
B Wankel & Son Hardware	New York	NY	646-634-6138
Chazy Hardware Incorporated	Rouses Point	NY	518-297-2989
Hectors Hardware	Williamsville	NY	716-689-8333
Barnesville Do it Best Hdwe	Barnesville	OH	740-425-1949
Renner Plumbing	Canton	OH	330-454-7001
Roush Hardware Inc	Dublin	OH	614-764-8900
MaeDonald Supply Inc	Findlay	OH	419-422-2353
Central Hardware & Furniture	Ironton	OH	740-532-5163
X HOLD X Crescent & Sprague	Marietta	OH	740-373-2331
Hockaday Hdwe & Well Svs	Thomas	OK	580-661-3570
Millers Do it Best Home Center	Baker City	OR	541-523-6404
Millers Dib Home Ctr & Lumber	La Grande	OR	541-963-3113

<b>Company</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
Hess Hardware Do-It Center	Orangeville	PA	570-683-5162
Forge Hardware	Spring Grove	PA	717-225-6060
Gus's Home Center	Belton	SC	864-338-6650
White Hardware	Mc Cormick	SC	864-852-2200
Palmetto Home Center	Summerville	SC	843-871-4741
Walterboro Hardware	Walterboro	SC	843-549-5713
Precision Wall Systems	Britton	SD	605-448-2929
Truss Pro's	Britton	SD	605-448-5971
Mead Lumber – Vermillion SD	Vermillion	SD	605-624-2655
Proyextos Tauca S A	San Jose	SJ	
Colonial Heights Hardware	Kingsport	TN	423-239-9117
Hollywood Furn & Hardware Co	Memphis	TN	901-452-1978
Matthews Do it Best Hardware	Memphis	TN	901-785-2712
Camp Wood Hardware	Camp Wood	TX	830-597-3299
Johnston Hardware	Canyon	TX	806-282-8566
East Texas Hardware	Kilgore	TX	903-984-2036
East Texas Lumber Inc	Kilgore	TX	903-984-3629
Alspaugh's Hardware	Kingwood	TX	281-360-2231
M E Hardware LLC	Laredo	TX	956-722-2111
Wilson & Riggins Lumber	Lockhart	TX	512-398-2345
Spur Hardware	Spur	TX	806-271-3501
Treated Do it Best Lbr Outlet	Newport News	VA	757-870-9456
Patrick Building Supply LLC	Stuart	VA	276-694-4916
Colville Hardware Do It Center	Colville	WA	509-684-6505
Montgomery Hardware	Spokane	WA	509-928-6163
Bloomer Hardware LLC	Bloomer	WI	715-568-4821
Dietrich Hardware	Cadott	WI	715-289-4297
Farm & Home	Chilton	WI	920-849-9391
Ederer's Do it Best	Dodgeville	WI	608-935-1630
Koltes Do it Best	Lodi	WI	608-592-3331
Viegut's Do it Express	Tomahawk	WI	715-453-8417

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>General Hdwe Dist - Comm Dr</u>	<u>Anchorage</u>	<u>AK</u>	<u>907-272-1441</u>
<u>General Hdwe Dist - Old Seward</u>	<u>Anchorage</u>	<u>AK</u>	<u>907-561-1781</u>
<u>General Hdwe Dist-Eagle River</u>	<u>Eagle River</u>	<u>AK</u>	<u>907-694-2988</u>
<u>General Hdwe Dist - Fairbanks</u>	<u>Fairbanks</u>	<u>AK</u>	<u>907-452-4788</u>
<u>General Hdwe Dist - Juneau</u>	<u>Juneau</u>	<u>AK</u>	<u>907-790-3300</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>General Hdwe Dist - Kenai</u>	<u>Kenai</u>	<u>AK</u>	<u>907-283-3531</u>
<u>General Hdwe Dist - Wasilla</u>	<u>Wasilla</u>	<u>AK</u>	<u>907-376-5274</u>
<u>Noble Supply &amp; Logistics</u>	<u>Pine Bluff</u>	<u>AR</u>	<u>870-540-7348</u>
<u>Alliance Lumber-Casa Grande</u>	<u>Casa Grande</u>	<u>AZ</u>	<u>623-889-6963</u>
<u>Alliance Truss LLC</u>	<u>Casa Grande</u>	<u>AZ</u>	<u>520-251-5718</u>
<u>Alliance Lumber S W LLC</u>	<u>Glendale</u>	<u>AZ</u>	<u>623-931-2240</u>
<u>Lindsay Home &amp; Hardware</u>	<u>Mesa</u>	<u>AZ</u>	<u>480-471-8647</u>
<u>Alliance Home Improvement Ctr</u>	<u>Prescott Valley</u>	<u>AZ</u>	<u>928-327-5080</u>
<u>Alliance Lumber-Queen Creek</u>	<u>Queen Creek</u>	<u>AZ</u>	<u>623-889-6963</u>
<u>Kay Supply Inc</u>	<u>Taylor</u>	<u>AZ</u>	<u>928-457-2817</u>
<u>Picture Rocks Hardware</u>	<u>Tucson</u>	<u>AZ</u>	<u>520-682-0614</u>
<u>Tucson Estates Hardware</u>	<u>Tucson</u>	<u>AZ</u>	<u>520-578-3989</u>
<u>Noble Supply &amp; Logistics</u>	<u>Beale AFB</u>	<u>CA</u>	<u>530-513-6170</u>
<u>Ganahl Lumber Company</u>	<u>Capistrano Beach</u>	<u>CA</u>	<u>949-496-5765</u>
<u>Prims Hardware &amp; Home</u>	<u>Carmel</u>	<u>CA</u>	<u>831-620-1251</u>
<u>Yancey Lumber</u>	<u>Newman</u>	<u>CA</u>	<u>209-862-2855</u>
<u>Hollywood Hardware</u>	<u>Sacramento</u>	<u>CA</u>	<u>916-455-6488</u>
<u>Nels Tahoe Hardware</u>	<u>South Lake Tahoe</u>	<u>CA</u>	<u>530-544-4126</u>
<u>Friedman's Home Improvement</u>	<u>Windsor</u>	<u>CA</u>	<u>707-687-0370</u>
<u>Sustainable Supply</u>	<u>Broomfield</u>	<u>CO</u>	<u>303-325-7938</u>
<u>Walkers Do it Best</u>	<u>Ignacio</u>	<u>CO</u>	<u>970-563-4230</u>
<u>Timberline Builders Supply</u>	<u>Walden</u>	<u>CO</u>	<u>970-723-4422</u>
<u>Action Hardware</u>	<u>Wilmington</u>	<u>DE</u>	<u>302-475-5811</u>
<u>Whits Building Supply</u>	<u>Bartow</u>	<u>FL</u>	<u>863-533-0806</u>
<u>Mar Jam Supply Inc</u>	<u>Fort Myers</u>	<u>FL</u>	<u>561-832-5541</u>
<u>Crowder Bros Hardware</u>	<u>St Pete Beach</u>	<u>FL</u>	<u>727-873-6911</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Connie Liles Fleet Solutions</u>	<u>Tallahassee</u>	<u>FL</u>	<u>850-350-7002</u>
<u>Morrison Home Center</u>	<u>Nashville</u>	<u>GA</u>	<u>229-686-2014</u>
<u>Builders First Choice</u>	<u>Cedar Rapids</u>	<u>IA</u>	<u>319-297-7900</u>
<u>Spahn &amp; Rose Lbr - Decorah IA</u>	<u>Decorah</u>	<u>IA</u>	<u>563-382-8733</u>
<u>Farm &amp; City Supply</u>	<u>Des Moines</u>	<u>IA</u>	<u>515-285-5500</u>
<u>Spahn &amp; Rose Lbr - Dewitt IA</u>	<u>Dewitt</u>	<u>IA</u>	<u>563-659-2332</u>
<u>Spahn &amp; Rose Lbr - Dubuque IA</u>	<u>Dubuque</u>	<u>IA</u>	<u>563-583-6481</u>
<u>Spahn &amp; Rose Lbr-Independence</u>	<u>Independence</u>	<u>IA</u>	<u>319-334-2531</u>
<u>Spahn &amp; Rose Lbr - Jesup IA</u>	<u>Jesup</u>	<u>IA</u>	<u>319-827-1448</u>
<u>Spahn &amp; Rose Lbr - Knoxville</u>	<u>Knoxville</u>	<u>IA</u>	<u>641-842-2146</u>
<u>Spahn &amp; Rose Lbr-Marshalltown</u>	<u>Marshalltown</u>	<u>IA</u>	<u>641-752-1541</u>
<u>Spahn &amp; Rose Lbr - Newton</u>	<u>Newton</u>	<u>IA</u>	<u>641-792-4409</u>
<u>Spahn &amp; Rose Lbr - Osage IA</u>	<u>Osage</u>	<u>IA</u>	<u>641-732-3748</u>
<u>Spahn &amp; Rose Lbr - Reinbeck</u>	<u>Reinbeck</u>	<u>IA</u>	<u>319-825-3316</u>
<u>Spahn &amp; Rose Lbr - Tipton IA</u>	<u>Tipton</u>	<u>IA</u>	<u>563-886-6111</u>
<u>Spahn &amp; Rose Lbr - W Union IA</u>	<u>West Union</u>	<u>IA</u>	<u>563-422-3806</u>
<u>Gillards Hdw &amp; Rntl - Albion</u>	<u>Albion</u>	<u>IL</u>	
<u>Beecher Hardware Inc</u>	<u>Beecher</u>	<u>IL</u>	<u>708-231-1170</u>
<u>RP Lbr Co Inc - Bourbonnais</u>	<u>Bourbonnais</u>	<u>IL</u>	<u>815-937-0600</u>
<u>Remodelers Supply Center</u>	<u>Chicago</u>	<u>IL</u>	<u>773-235-2500</u>
<u>Stotlar-Herrin Lumber Co Inc</u>	<u>Christopher</u>	<u>IL</u>	<u>618-724-2331</u>
<u>White Distribution and Supply</u>	<u>Fairbury</u>	<u>IL</u>	<u>815-692-3372</u>
<u>RP Lbr Co Inc - Granite City</u>	<u>Granite City</u>	<u>IL</u>	<u>618-876-3605</u>
<u>Mt Carroll Home Center</u>	<u>Mt Carroll</u>	<u>IL</u>	<u>815-244-1566</u>
<u>Spahn &amp; Rose Lbr - Pearl City</u>	<u>Pearl City</u>	<u>IL</u>	<u>815-443-2718</u>
<u>Wright Building Center</u>	<u>Sparta</u>	<u>IL</u>	<u>618-443-5335</u>
<u>Spahn &amp; Rose Lbr - Stockton IL</u>	<u>Stockton</u>	<u>IL</u>	<u>815-947-3214</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Spahn &amp; Rose Lbr - Warren IL</u>	<u>Warren</u>	<u>IL</u>	<u>815-745-2130</u>
<u>Mackeys Do it Best Hardware</u>	<u>Bicknell</u>	<u>IN</u>	<u>812-735-2779</u>
<u>Noble Supply &amp; Logistics</u>	<u>Crane</u>	<u>IN</u>	
<u>Black Industrial &amp; Safety Sup</u>	<u>Hammond</u>	<u>IN</u>	<u>219-932-8665</u>
<u>Clark Lumber Do it Center</u>	<u>Herington</u>	<u>KS</u>	<u>785-258-2269</u>
<u>Fleetwood Mower &amp; Rental</u>	<u>Lawrence</u>	<u>KS</u>	<u>785-841-3112</u>
<u>Stanley Hardware</u>	<u>Oberlin</u>	<u>KS</u>	<u>785-475-2331</u>
<u>Western Auto</u>	<u>Valley Falls</u>	<u>KS</u>	<u>785-945-3242</u>
<u>Pilot Lumber</u>	<u>Alexandria</u>	<u>KY</u>	<u>859-635-2125</u>
<u>Pilot Lumber</u>	<u>Bellevue</u>	<u>KY</u>	<u>859-491-0100</u>
<u>Florence Hardware</u>	<u>Florence</u>	<u>KY</u>	<u>859-525-1464</u>
<u>Malone Lumber Do it Best</u>	<u>Greenville</u>	<u>KY</u>	<u>270-338-3252</u>
<u>Sebree Hardware and Rental</u>	<u>Sebree</u>	<u>KY</u>	<u>270-835-0126</u>
<u>Mains Market</u>	<u>Franklinton</u>	<u>LA</u>	<u>985-859-4471</u>
<u>Ralow Do it Best Services</u>	<u>Morgan City</u>	<u>LA</u>	<u>985-631-9532</u>
<u>Louie's Hardware</u>	<u>River Ridge</u>	<u>LA</u>	<u>504-737-0396</u>
<u>Metropolitan Staple Corp</u>	<u>Milford</u>	<u>MA</u>	<u>508-498-8715</u>
<u>National Lumber Co</u>	<u>Newton Highlands</u>	<u>MA</u>	<u>617-244-8020</u>
<u>Sampson Lumber Co Inc</u>	<u>Pembroke</u>	<u>MA</u>	<u>781-294-8033</u>
<u>Lehman Hardware Inc</u>	<u>Baltimore</u>	<u>MD</u>	<u>410-483-5888</u>
<u>Zeskinds Hardware &amp; Millwork</u>	<u>Baltimore</u>	<u>MD</u>	<u>844-464-5596</u>
<u>Christopher's Hardware</u>	<u>Sandy Spring</u>	<u>MD</u>	<u>301-570-1300</u>
<u>Rival Build</u>	<u>Grand Rapids</u>	<u>MI</u>	<u>616-530-8200</u>
<u>Standale Lumber</u>	<u>Grandville</u>	<u>MI</u>	<u>616-530-8200</u>
<u>Van Wieren Hardware</u>	<u>Holland</u>	<u>MI</u>	<u>616-396-2378</u>
<u>Lambertville Do it Best Hdwe</u>	<u>Lambertville</u>	<u>MI</u>	<u>734-856-3703</u>
<u>Wingerts Do it Best</u>	<u>Mayville</u>	<u>MI</u>	<u>989-843-6141</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Craigs Hardware Inc</u>	<u>Muskegon</u>	<u>MI</u>	<u>231-744-1308</u>
<u>Sturges Hardware</u>	<u>Sturgis</u>	<u>MI</u>	<u>269-651-4444</u>
<u>Keck Hardware &amp; Hobbies</u>	<u>Trenton</u>	<u>MI</u>	<u>734-676-2282</u>
<u>Peasley Hardware &amp; Furn Inc</u>	<u>Vestaburg</u>	<u>MI</u>	<u>989-268-5211</u>
<u>Vicksburg Hardware</u>	<u>Vicksburg</u>	<u>MI</u>	<u>269-649-1918</u>
<u>Big Lake Lumber Inc</u>	<u>Big Lake</u>	<u>MN</u>	<u>763-263-3400</u>
<u>Sawtooth Lumber</u>	<u>Grand Marais</u>	<u>MN</u>	<u>218-387-1033</u>
<u>Lampert Lumber - Janesville</u>	<u>Janesville</u>	<u>MN</u>	<u>507-234-6292</u>
<u>Kath Fuel Oil Service Co</u>	<u>Little Canada</u>	<u>MN</u>	<u>651-484-3325</u>
<u>Spring Lake Park Lumber Co</u>	<u>Minneapolis</u>	<u>MN</u>	<u>763-784-3062</u>
<u>Nisswa Hardware LLC</u>	<u>Nisswa</u>	<u>MN</u>	<u>218-963-7645</u>
<u>Stacy Do it Best Hardware</u>	<u>Stacy</u>	<u>MN</u>	<u>651-462-4342</u>
<u>Twin Valley Hardware</u>	<u>Twin Valley</u>	<u>MN</u>	<u>218-584-5189</u>
<u>Roerig Hardware &amp; Appliance</u>	<u>Winnebago</u>	<u>MN</u>	<u>507-893-4113</u>
<u>Cameron Lumber</u>	<u>Cameron</u>	<u>MO</u>	<u>816-632-8880</u>
<u>Pat Thorne Lumber</u>	<u>Chillicothe</u>	<u>MO</u>	<u>660-646-2000</u>
<u>Gerald Home Center</u>	<u>Gerald</u>	<u>MO</u>	<u>573-764-5000</u>
<u>Walkers 5 And 10</u>	<u>Holden</u>	<u>MO</u>	<u>816-732-4662</u>
<u>Sladek Do it Best Hardware</u>	<u>Independence</u>	<u>MO</u>	<u>816-833-3555</u>
<u>P E Jepson Lumber Co</u>	<u>Kirksville</u>	<u>MO</u>	<u>660-665-0313</u>
<u>P E Jepson Lumber Co</u>	<u>Macon</u>	<u>MO</u>	<u>660-385-4712</u>
<u>Reeves Lumber</u>	<u>Pilot Knob</u>	<u>MO</u>	<u>573-546-7465</u>
<u>Thorne Plattsburg Lumber</u>	<u>Plattsburg</u>	<u>MO</u>	<u>816-539-2167</u>
<u>Meek Lbr Co - Poplar Bluff</u>	<u>Poplar Bluff</u>	<u>MO</u>	<u>573-686-2435</u>
<u>Roth Hardware</u>	<u>Scott City</u>	<u>MO</u>	<u>573-264-2477</u>
<u>Wholesale Lbr &amp; Mtrls - Sprgfl</u>	<u>Springfield</u>	<u>MO</u>	<u>417-862-6487</u>
<u>Scruggs Farm Lawn &amp; Garden</u>	<u>Saltillo</u>	<u>MS</u>	<u>662-620-6165</u>
<u>Homesteaders Ranch &amp; Feed</u>	<u>Libby</u>	<u>MT</u>	<u>406-293-4911</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Sply</u>			
<u>Sykes Supply Company</u>	<u>Burlington</u>	<u>NC</u>	<u>336-227-2723</u>
<u>Stoc Products</u>	<u>Dickinson</u>	<u>ND</u>	<u>701-483-3634</u>
<u>Olsen Hardware Inc</u>	<u>Hillsboro</u>	<u>ND</u>	<u>701-636-4151</u>
<u>Elite Cabinets &amp; Bldg Sup LLC</u>	<u>Killdeer</u>	<u>ND</u>	<u>701-764-7575</u>
<u>Farmers Union Oil Company Pett</u>	<u>Pettibone</u>	<u>ND</u>	<u>701-273-6615</u>
<u>Keller Hardware Hank</u>	<u>Strasburg</u>	<u>ND</u>	<u>701-336-7616</u>
<u>Werner Do it Best Hardware</u>	<u>Humphrey</u>	<u>NE</u>	<u>402-923-0727</u>
<u>League Builders Supply Inc</u>	<u>Stratton</u>	<u>NE</u>	<u>308-276-2142</u>
<u>Mar Jam Supply Inc</u>	<u>Manchester</u>	<u>NH</u>	<u>603-668-1000</u>
<u>Elgen Manufacturing</u>	<u>Closter</u>	<u>NJ</u>	<u>201-964-0008</u>
<u>Denville Do it Best Hardware</u>	<u>Denville</u>	<u>NJ</u>	<u>973-627-2800</u>
<u>Shopfresh Marketplace</u>	<u>Mt Olive</u>	<u>NJ</u>	<u>201-741-3858</u>
<u>Metropolitan Staple Corp</u>	<u>Springfield</u>	<u>NJ</u>	<u>973-564-9500</u>
<u>Valley Paint &amp; Hardware</u>	<u>Vernon</u>	<u>NJ</u>	<u>973-764-6600</u>
<u>Crest Supply Co</u>	<u>Wildwood</u>	<u>NJ</u>	<u>609-729-4063</u>
<u>Mar Jam Supply Inc</u>	<u>Brooklyn</u>	<u>NY</u>	<u>718-388-6465</u>
<u>George Lumber</u>	<u>Dolgeville</u>	<u>NY</u>	<u>315-429-9962</u>
<u>Karp Hardware</u>	<u>East Northport</u>	<u>NY</u>	<u>631-261-1235</u>
<u>Mar Jam Supply Inc</u>	<u>Farmingdale</u>	<u>NY</u>	<u>631-249-4900</u>
<u>Best Hardware &amp; Mill Supplies</u>	<u>Floral Park</u>	<u>NY</u>	<u>516-354-0529</u>
<u>Burkes Home Center</u>	<u>Fulton</u>	<u>NY</u>	<u>315-592-2244</u>
<u>Kitchen Plus More (5th Street)</u>	<u>Long Island City</u>	<u>NY</u>	<u>718-685-2173</u>
<u>Kitchen Plus More (Hunter St)</u>	<u>Long Island City</u>	<u>NY</u>	<u>212-300-6327</u>
<u>Prince Lumber Company</u>	<u>New York</u>	<u>NY</u>	<u>212-777-1150</u>
<u>Burkes Do it Best Home Center</u>	<u>Oswego</u>	<u>NY</u>	<u>315-343-6147</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Mar Jam Supply Inc</u>	<u>Riverhead</u>	<u>NY</u>	<u>631-298-8559</u>
<u>Valu Home Center #52</u>	<u>Syracuse</u>	<u>NY</u>	<u>315-414-0186</u>
<u>Village Variety Ltd</u>	<u>Unadilla</u>	<u>NY</u>	<u>607-369-9444</u>
<u>Zettler Hardware</u>	<u>Columbus</u>	<u>OH</u>	<u>614-263-1846</u>
<u>Ross Hardware LLC</u>	<u>Hamilton</u>	<u>OH</u>	<u>513-738-2800</u>
<u>Centerra Co-op</u>	<u>Jefferson</u>	<u>OH</u>	<u>440-576-3010</u>
<u>Calandra Industrial Supply Co</u>	<u>Lancaster</u>	<u>OH</u>	<u>740-653-0541</u>
<u>Slaters Inc</u>	<u>Lancaster</u>	<u>OH</u>	<u>740-654-2204</u>
<u>Medina Hardware</u>	<u>Medina</u>	<u>OH</u>	<u>330-722-6541</u>
<u>Millersport Hardware</u>	<u>Millersport</u>	<u>OH</u>	<u>740-467-2500</u>
<u>Oak Harbor Hardware</u>	<u>Oak Harbor</u>	<u>OH</u>	<u>419-898-2011</u>
<u>Higgins Lumber Company</u>	<u>Roseville</u>	<u>OH</u>	<u>740-697-7326</u>
<u>Seaman Hardware</u>	<u>Seaman</u>	<u>OH</u>	<u>937-386-2353</u>
<u>Hixwood</u>	<u>Shiloh</u>	<u>OH</u>	<u>419-895-0040</u>
<u>Affiliated Cash &amp; Carry</u>	<u>Swanton</u>	<u>OH</u>	<u>419-826-5866</u>
<u>Noble Supply &amp; Logistics</u>	<u>Oklahoma City</u>	<u>OK</u>	<u>405-279-6475</u>
<u>Gateway Hardware</u>	<u>Portland</u>	<u>OR</u>	<u>503-254-3100</u>
<u>Dahlgrens Do it Best Building</u>	<u>St Helens</u>	<u>OR</u>	<u>503-397-0086</u>
<u>Monje Exports</u>	<u>Tualatin</u>	<u>OR</u>	
<u>Valu Home Center #36</u>	<u>Meadville</u>	<u>PA</u>	<u>814-337-5900</u>
<u>Mar Jam Supply Inc</u>	<u>Philadelphia</u>	<u>PA</u>	<u>215-338-9900</u>
<u>T &amp; M Hardware &amp; Rental</u>	<u>Pittsburgh</u>	<u>PA</u>	<u>412-364-9300</u>
<u>Do it Best Lumber Store &amp; More</u>	<u>Saltsburg</u>	<u>PA</u>	<u>724-639-9663</u>
<u>Winner Do It Express</u>	<u>Williamsport</u>	<u>PA</u>	<u>570-323-6736</u>
<u>Noble Supply &amp; Logistics</u>	<u>Charleston AFB</u>	<u>SC</u>	<u>843-963-1569</u>
<u>Noble Supply &amp; Logistics</u>	<u>Goose Creek</u>	<u>SC</u>	<u>843-794-4429</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Custer Do it Best Hdwe &amp; Lbr</u>	<u>Custer</u>	<u>SD</u>	<u>605-673-3777</u>
<u>Twin City Hardware</u>	<u>Deadwood</u>	<u>SD</u>	<u>605-578-3782</u>
<u>Builders Cashway Inc</u>	<u>Miller</u>	<u>SD</u>	<u>605-853-3515</u>
<u>Buche Foods</u>	<u>Oacoma</u>	<u>SD</u>	<u>605-234-5064</u>
<u>Buche Hardware</u>	<u>Pine Ridge</u>	<u>SD</u>	<u>605-867-5183</u>
<u>Kuips Corner Hardware</u>	<u>Platte</u>	<u>SD</u>	<u>605-337-3346</u>
<u>Heislars Hardware</u>	<u>Spearfish</u>	<u>SD</u>	<u>605-642-2811</u>
<u>Cbh Co-Op Union Center Cenex</u>	<u>Union Center</u>	<u>SD</u>	<u>605-985-5253</u>
<u>Ball Hardware Co</u>	<u>Tazewell</u>	<u>TN</u>	<u>423-626-5311</u>
<u>Parkers Home Store</u>	<u>Beaumont</u>	<u>TX</u>	<u>409-678-7113</u>
<u>Rancher Supply Online</u>	<u>Beaumont</u>	<u>TX</u>	<u>409-832-2665</u>
<u>Porters</u>	<u>Big Spring</u>	<u>TX</u>	<u>432-296-4540</u>
<u>Big Country Hardware</u>	<u>Clyde</u>	<u>TX</u>	<u>325-893-5501</u>
<u>Ideal Lumber Co</u>	<u>Galveston</u>	<u>TX</u>	<u>409-744-7181</u>
<u>Gilmer Lumber</u>	<u>Gilmer</u>	<u>TX</u>	<u>903-843-2568</u>
<u>Feed and Thangs LLC</u>	<u>Idalou</u>	<u>TX</u>	<u>806-892-2626</u>
<u>Henne Hardware</u>	<u>New Braunfels</u>	<u>TX</u>	<u>830-606-6707</u>
<u>Whites Hardware</u>	<u>Rotan</u>	<u>TX</u>	<u>325-735-2501</u>
<u>Craggs DIB Lumber &amp; Home Ctr</u>	<u>Spring Branch</u>	<u>TX</u>	<u>830-438-4732</u>
<u>Craggs DIB Lumber &amp; Home Ctr</u>	<u>Wimberley</u>	<u>TX</u>	<u>512-847-5232</u>
<u>Valley Building Supply Inc</u>	<u>Staunton</u>	<u>VA</u>	<u>540-886-3990</u>
<u>Chester Hardware</u>	<u>Chester</u>	<u>VT</u>	<u>802-875-2693</u>
<u>Carson Hardware</u>	<u>Carson</u>	<u>WA</u>	<u>509-724-3428</u>
<u>Otis Orchards Hardware</u>	<u>Otis Orchards</u>	<u>WA</u>	<u>509-926-9414</u>
<u>Pax Supply LLC</u>	<u>Vancouver</u>	<u>WA</u>	<u>360-907-6283</u>
<u>Amery Farm &amp; Home Hardware</u>	<u>AMERY</u>	<u>WI</u>	<u>715-268-7170</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>OK Hardware and Rental</u>	<u>Amherst</u>	<u>WI</u>	<u>715-824-5614</u>
<u>AO Industrial Supply</u>	<u>Brown Deer</u>	<u>WI</u>	<u>262-814-7338</u>
<u>Neuens Lumber Co</u>	<u>Fredonia</u>	<u>WI</u>	<u>262-692-2456</u>
<u>Darrell's Hardware Hank</u>	<u>Grantsburg</u>	<u>WI</u>	<u>715-463-3600</u>
<u>Kimps Hardware</u>	<u>Green Bay</u>	<u>WI</u>	<u>920-499-4040</u>
<u>Horicon Hardware Hank</u>	<u>Horicon</u>	<u>WI</u>	<u>920-485-4688</u>
<u>Husty Hardware</u>	<u>Hustisford</u>	<u>WI</u>	<u>920-349-3600</u>
<u>Mazo Hardware Hank</u>	<u>Mazomanie</u>	<u>WI</u>	<u>608-795-9919</u>
<u>Milltown Do it Best Hardware</u>	<u>Milltown</u>	<u>WI</u>	<u>715-825-2020</u>
<u>Stockman Farm Supply</u>	<u>Osseo</u>	<u>WI</u>	<u>715-597-2805</u>
<u>Johnson Hardware Hank</u>	<u>Phillips</u>	<u>WI</u>	<u>715-339-3331</u>
<u>Portage Lumber Do it Best</u>	<u>Portage</u>	<u>WI</u>	<u>608-742-7186</u>
<u>Spahn &amp; Rose Lbr-Prairie Du Ch</u>	<u>Prairie Du Chien</u>	<u>WI</u>	<u>608-326-8497</u>
<u>Northwoods Hardware Hank</u>	<u>Spooner</u>	<u>WI</u>	<u>715-635-7366</u>
<u>Frank's Hardware</u>	<u>Stevens Point</u>	<u>WI</u>	<u>715-344-4191</u>
<u>Aultmans</u>	<u>Fairmont</u>	<u>WV</u>	<u>304-363-6080</u>
<u>McNeely's Do it Center</u>	<u>Man</u>	<u>WV</u>	<u>304-583-6581</u>
<u>Local Lumber &amp; Supply LLC</u>	<u>Williamson</u>	<u>WV</u>	<u>304-236-3565</u>

**LIST OF DISCONTINUED MEMBERS**  
**FORMER UNITED HARDWARE MEMBERS**

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Jax Inc</u>	<u>Broomfield</u>	<u>CO</u>	<u>970-472-7799</u>
<u>Jax Inc</u>	<u>Fort Collins</u>	<u>CO</u>	<u>970-472-7799</u>
<u>Jax Inc</u>	<u>Fort Collins</u>	<u>CO</u>	<u>970-472-7799</u>
<u>Julesburg Family Market</u>	<u>Julesburg</u>	<u>CO</u>	<u>970-466-0994</u>
<u>Jax Inc</u>	<u>Lafayette</u>	<u>CO</u>	<u>970-472-7799</u>
<u>Jax Inc</u>	<u>Loveland</u>	<u>CO</u>	<u>970-472-7799</u>
<u>Jax Inc</u>	<u>Loveland</u>	<u>CO</u>	<u>970-472-7799</u>
<u>Ackley Super Foods</u>	<u>Ackley</u>	<u>IA</u>	
<u>Jax Inc</u>	<u>Ames</u>	<u>IA</u>	<u>970-472-7799</u>
<u>Shillington Hardware Hank</u>	<u>Bancroft</u>	<u>IA</u>	<u>515-227-4245</u>
<u>Westys Hardware Hank</u>	<u>Fredericksburg</u>	<u>IA</u>	<u>319-239-5582</u>
<u>North Central Iowa Supply</u>	<u>Humboldt</u>	<u>IA</u>	<u>515-368-1869</u>
<u>Malcoms Paint &amp; Hardware</u>	<u>Ida Grove</u>	<u>IA</u>	<u>712-371-3067</u>
<u>Swanson Hardware</u>	<u>Manson</u>	<u>IA</u>	<u>712-210-3053</u>
<u>Martin &amp; Sons Hardware Hank</u>	<u>Herscher</u>	<u>IL</u>	<u>815-426-2113</u>
<u>Argyle Building Center Inc</u>		<u>MN</u>	<u>218-201-0757</u>
<u>Argyle Builders Supply</u>	<u>Argyle</u>	<u>MN</u>	<u>218-201-1752</u>
<u>Althoff Hardware</u>	<u>Cannon Falls</u>	<u>MN</u>	<u>651-890-9931</u>
<u>Crookston Hardware Hank</u>	<u>Crookston</u>	<u>MN</u>	<u>218-791-5004</u>
<u>R&amp;S Hardware</u>	<u>Hinckley</u>	<u>MN</u>	<u>612-390-0752</u>
<u>Nokomis Hardware</u>	<u>Minneapolis</u>	<u>MN</u>	
<u>Marties Farm Service</u>	<u>Monticello</u>	<u>MN</u>	<u>763-807-1215</u>
<u>Hardware Hank</u>	<u>Newfolden</u>	<u>MN</u>	<u>218-689-0795</u>
<u>Lumber Orr Hardware</u>	<u>Orr</u>	<u>MN</u>	<u>218-780-7128</u>
<u>Staples Ace Hardware</u>	<u>Staples</u>	<u>MN</u>	<u>218-330-5713</u>
<u>Walkers 5 and 10</u>	<u>Holden</u>	<u>MO</u>	<u>816-726-9196</u>
<u>Hardware Hank</u>	<u>Anaconda</u>	<u>MT</u>	<u>406-239-2921</u>
<u>Hardware Hank</u>	<u>Boulder</u>	<u>MT</u>	<u>406-949-3346</u>
<u>Forsyth Hardware &amp; Home Center</u>	<u>Forsyth</u>	<u>MT</u>	<u>406-351-1104</u>
<u>CHS Mountain West Co-op</u>	<u>Kalispell</u>	<u>MT</u>	<u>406-370-2505</u>

<u>Company</u>	<u>City</u>	<u>State</u>	<u>Phone</u>
<u>Homesteaders Ranch &amp; Feed Sply</u>	<u>Libby</u>	<u>MT</u>	<u>406-293-1864</u>
<u>Mountain West Coop</u>	<u>Missoula</u>	<u>MT</u>	<u>406-370-2505</u>
<u>Mountain West Coop</u>	<u>Ronan</u>	<u>MT</u>	<u>406-370-2505</u>
<u>Stoc Products</u>	<u>Dickinson</u>	<u>ND</u>	<u>651-235-4305</u>
<u>Enderlin Hardware Hank</u>	<u>Enderlin</u>	<u>ND</u>	<u>701-820-0054</u>
<u>Fedje Hardware</u>	<u>Hoople</u>	<u>ND</u>	<u>701-331-9306</u>
<u>Western Choice Cooperative</u>	<u>Manning</u>	<u>ND</u>	<u>701-590-0693</u>
<u>Farmers Union Oil Company Pettibone</u>	<u>Pettibone</u>	<u>ND</u>	<u>701-273-6615</u>
<u>Keller Hardware Hank</u>	<u>Strasburg</u>	<u>ND</u>	
<u>Tappen Hdwe Hank &amp; Farm</u>	<u>Tappen</u>	<u>ND</u>	<u>701-327-4296</u>
<u>Ashby Lumber Company</u>	<u>Ashby</u>	<u>NE</u>	
<u>Hometown Hardware Inc</u>	<u>Kimball</u>	<u>NE</u>	<u>308-230-0112</u>
<u>Minden Hardware</u>	<u>Minden</u>	<u>NE</u>	
<u>G. F. Buche Company</u>	<u>Mission</u>	<u>SD</u>	<u>605-680-1040</u>
<u>Buche Foods</u>	<u>Oacoma</u>	<u>SD</u>	<u>605-680-1040</u>
<u>G. F. Buche Company</u>	<u>Pine Ridge</u>	<u>SD</u>	<u>605-680-1040</u>
<u>Zapp Hardware</u>	<u>Salem</u>	<u>SD</u>	<u>605-471-1200</u>
<u>G. F. Buche Company</u>	<u>Scotland</u>	<u>SD</u>	<u>605-680-1040</u>
<u>G. F. Buche Company</u>	<u>Wagner</u>	<u>SD</u>	<u>605-680-1040</u>
<u>Gregerson Ace Hardware</u>	<u>Baldwin</u>	<u>WI</u>	<u>715-781-1138</u>
<u>Darrells Hardware Hank</u>	<u>Grantsburg</u>	<u>WI</u>	<u>715-222-4991</u>
<u>Horicon Hardware Hank</u>	<u>Horicon</u>	<u>WI</u>	<u>920-485-0148</u>
<u>Johnson Hardware Hank</u>	<u>Phillips</u>	<u>WI</u>	<u>715-820-2126</u>
<u>Northwoods Hardware Hank</u>	<u>Spooner</u>	<u>WI</u>	<u>763-360-0127</u>
<u>Franks Hardware</u>	<u>Stevens Point</u>	<u>WI</u>	<u>715-340-0172</u>
<u>Jax Inc</u>	<u>Cheyenne</u>	<u>WY</u>	<u>970-472-7799</u>

**EXHIBIT D**

**ADDENDUM TO DO IT BEST CORP. MEMBERSHIP AGREEMENT AND  
DO IT BEST CORP. MINNESOTA CIRCULAR PROSPECTUS**

This Addendum shall apply to franchises located in the State of Minnesota and is for the purpose of compliance with Minnesota Statutes and Regulations. Notwithstanding anything which may be contained in the Do it Best Corp. Membership Agreement or the Do it Best Corp. Disclosure Document/Prospectus to the contrary, the Do it Best Corp. Membership Agreement shall be amended as follows:

1. The Minnesota Department of Commerce requires that the Company indemnify Minnesota Members against liability to third parties resulting from claims by third parties that the Members' use of the Company's trademarks infringe trademark rights of the third party. The Company does not indemnify against the consequences of Members' use of the trademarks except in accordance with the requirements of the franchise, and, as a condition to indemnification, Member must provide notice to the Company of any such claim within ten (10) days and tender the defense of the claim to the Company. If the Company accepts the tender of defense, the Company has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim. Member will cooperate with the Company in any reasonable manner, but Member is neither required nor permitted to defend or enforce the Company's trademarks.
  
2. With respect to franchises governed by Minnesota law, the Company will comply with Minn. Stat § 80C.14, subs. 3, 4 and 5 which require 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, except in the following circumstances:
  - (1) Voluntary abandonment of the franchise relationship by Member;
  - (2) The conviction of the Member of an offense directly related to the business conducted pursuant to the franchise; or
  - (3) Failure to cure a default under the franchise agreement which materially impairs the good will associated with the Company's trade name, trademark, service mark, logotype or other commercial symbol after the Member has received written notice to cure of at least twenty-four (24) hours in advance thereof.
  
3. The choice of Indiana law and Indiana courts in the Agreement shall not in any way abrogate or reduce any rights of "FRANCHISEE" as provided for in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to the jurisdiction of the courts of Minnesota.
  
4. In Minnesota, the Company's Agent for Service of Process is: Minnesota Department of Commerce

Commissioner of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101-2198  
(651) 296-6328

DO IT BEST CORP.

By: \_\_\_\_\_  
Member

**EXHIBIT E**

**Financial Statements**

NEW

**DO IT BEST CORP. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 29, 2024, JUNE 24, 2023,**  
**AND JUNE 25, 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors and Member-Shareholders  
Do it Best Corp. and Subsidiaries  
Fort Wayne, Indiana

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Do it Best Corp. and Subsidiaries (Do it Best Corp.) (an Indiana corporation), which comprise the consolidated balance sheets as of June 29, 2024 and June 24, 2023, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the three years in the period ended June 29, 2024, June 24, 2023, and June 25, 2022, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Do it Best Corp. as of June 29, 2024 and June 24, 2023, and the results of its operations and its cash flows for each of the three years in the period ended June 29, 2024, June 24, 2023, and June 25, 2022 in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Do it Best Corp. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Emphasis of Matter***

As discussed in Note 1 to the consolidated financial statements, in 2024 the Company changed its accounting policy for the treatment of shareholder refunds to members from treating them as a deduction from consolidated income to recording the refunds as an equity transaction in order to conform to the predominant industry practice for cooperatives. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Do it Best Corp.'s ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Do it Best Corp.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Do it Best Corp.'s ability to continue as a going concern for a reasonable period of time.

Board of Directors and Member-Shareholders  
Do it Best Corp. and Subsidiaries

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Indianapolis, Indiana  
August 23, 2024

**DO IT BEST CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**JUNE 29, 2024 AND JUNE 24, 2023**  
(IN THOUSANDS)

	2024	2023
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 29,042	\$ 54,395
Accounts and Notes Receivable, Less Allowance for Credit Losses of \$1,803 in 2024 (2023; \$758)	472,553	497,323
Merchandise Inventories	370,150	362,205
Prepaid Expenses	2,737	489
Total Current Assets	874,482	914,412
<b>PROPERTY AND EQUIPMENT, Net</b>	185,370	143,648
Right-of-Use Assets - Operating Leases	514	-
Right-of-Use Assets - Financing Leases	100,292	116,960
Accounts and Notes Receivable, Less Current Maturities	1,523	1,627
Deferred Income Taxes	10,613	10,527
Investment in Affiliates	53,522	41,539
Pension Asset	15,059	16,853
Other Assets	27,157	23,046
Total Assets	\$ 1,268,532	\$ 1,268,612
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Notes Payable - Line of Credit	\$ 15,000	\$ 20,000
Accounts Payable	631,499	633,649
Income Tax Payable	303	1,270
Short-Term Lease Liability - Operating	234	-
Short-Term Lease Liability - Financing	16,597	16,543
Accrued Expenses	100,460	99,285
Other Liabilities	765	-
Total Current Liabilities	764,858	770,747
<b>LONG-TERM LIABILITIES</b>		
Long-Term Lease Liability - Financing, Net of Current Portion	93,433	105,624
Long-Term Lease Liability - Operating, Net of Current Portion	280	-
Long-Term Portion of Accrued Pension and Other Postretirement Liabilities	3,029	2,715
Other Liabilities, Net of Current Portion	14,533	-
Total Long-Term Liabilities	111,275	108,339
Total Liabilities	876,133	879,086
<b>SHAREHOLDERS' EQUITY</b>		
Common Stock, Voting	3,730	3,207
Common Stock, Nonvoting	689	656
Preference Stock	380,383	379,178
Accumulated Other Comprehensive Loss	(10,992)	(9,982)
Retained Earnings	18,589	16,467
Total Shareholders' Equity	392,399	389,526
Total Liabilities and Shareholders' Equity	\$ 1,268,532	\$ 1,268,612

See accompanying Notes to Consolidated Financial Statements.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**YEARS ENDED JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Gross Sales	\$ 4,597,565	\$ 4,773,160	\$ 5,540,343
Returns and Allowances	<u>124,739</u>	<u>134,837</u>	<u>125,819</u>
Net Sales	4,472,826	4,638,323	5,414,524
Cost of Sales	<u>4,172,182</u>	<u>4,334,378</u>	<u>5,171,435</u>
Gross Profit	300,644	303,945	243,089
Selling, General, and Administrative Expenses	<u>124,264</u>	<u>131,591</u>	<u>94,114</u>
Income Before Other Income, Profit Sharing, and Pension Costs, and Income Taxes	176,380	172,354	148,975
Other Income, Net	<u>7,653</u>	<u>3,914</u>	<u>5,552</u>
Income Before Profit Sharing and Pension Costs, and Income Taxes	184,033	176,268	154,527
Profit Sharing and Pension Costs	<u>21,062</u>	<u>21,311</u>	<u>16,078</u>
Income Before Income Taxes	162,971	154,957	138,449
Federal and State Income Taxes: Income Tax Provision	<u>1,685</u>	<u>584</u>	<u>2,283</u>
Net Income	<u>\$ 161,286</u>	<u>\$ 154,373</u>	<u>\$ 136,166</u>
Shareholders' Refund:			
Cash	\$ 115,561	\$ 106,294	\$ 86,734
Preference Stock	43,603	45,749	42,476
Total Shareholders' Refund:	<u>\$ 159,164</u>	<u>\$ 152,043</u>	<u>\$ 129,210</u>

See accompanying Notes to Consolidated Financial Statements.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>NET INCOME</b>	\$ 161,286	\$ 154,373	\$ 136,166
Other Comprehensive Income (Loss):			
Change in Fair Value of Interest Rate Swaps, Net of Tax	(4)	127	-
Change in Defined Benefit Plans, Net of Tax	<u>(1,006)</u>	<u>1,465</u>	<u>(1,305)</u>
Total Other Comprehensive Income (Loss)	<u>(1,010)</u>	<u>1,592</u>	<u>(1,305)</u>
<b>COMPREHENSIVE INCOME</b>	<u>\$ 160,276</u>	<u>\$ 155,965</u>	<u>\$ 134,861</u>

See accompanying Notes to Consolidated Financial Statements.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**YEARS ENDED JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS)**

	Capital Shares			Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Preferred Shares	Common Shares Voting	Common Shares Non-Voting			
<b>BALANCE - JUNE 26, 2021</b>	\$ 363,891	\$ 3,049	\$ 645	\$ 8,694	\$ (10,269)	\$ 366,010
Net Income	-	-	-	136,166	-	136,166
Other Comprehensive Income	-	-	-	-	(1,305)	(1,305)
Shares Issued	-	257	-	-	-	257
Estimated Shareholder Refunds	42,476	-	-	(129,210)	-	(86,734)
Shares Repurchased	(36,150)	(165)	(4)	-	-	(36,319)
<b>BALANCE - JUNE 25, 2022</b>	370,217	3,141	641	15,650	(11,574)	378,075
Net Income	-	-	-	154,373	-	154,373
Other Comprehensive Income	-	-	-	-	1,592	1,592
Shares Issued	-	196	15	-	-	211
Cumulative Effect of ASC 842	-	-	-	(1,513)	-	(1,513)
Estimated Shareholder Refunds	45,749	-	-	(152,043)	-	(106,294)
Shares Repurchased	(36,788)	(130)	-	-	-	(36,918)
<b>BALANCE - JUNE 24, 2023</b>	379,178	3,207	656	16,467	(9,982)	389,526
Net Income	-	-	-	161,286	-	161,286
Other Comprehensive Income	-	-	-	-	(1,010)	(1,010)
Shares Issued	-	731	33	-	-	764
Estimated Shareholder Refunds	43,603	-	-	(159,164)	-	(115,561)
Shares Repurchased	(42,398)	(208)	-	-	-	(42,606)
<b>BALANCE - JUNE 29, 2024</b>	<u>\$ 380,383</u>	<u>\$ 3,730</u>	<u>\$ 689</u>	<u>\$ 18,589</u>	<u>\$ (10,992)</u>	<u>\$ 392,399</u>

See accompanying Notes to Consolidated Financial Statements.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS)**

	2024	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Income	\$ 161,286	\$ 154,373	\$ 136,166
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	17,509	16,479	15,418
Deferred Income Taxes	(1,183)	(2,286)	1,820
Gain on Business Combination	(2,951)	-	-
Gain (Loss) on Investments	(2,026)	(1,525)	3,047
Amortization of Right-of-Use Asset	20,010	17,763	-
Provision for Credit Losses	(8)	(6)	(164)
Gain on Sale of Assets	(49)	(1,444)	(40)
Equity in Earnings of Unconsolidated Affiliates, Net of Distributions	(1,983)	164	(6,883)
Changes in Operating Assets and Liabilities (Net of Acquisitions):			
Accounts and Notes Receivable, Net	45,781	80,802	11,590
Income Tax Receivable	-	822	(822)
Merchandise Inventories	20,415	76,897	(93,372)
Prepaid Expenses, Pension, and Other Assets	208	(1,322)	4,610
Accounts Payable	(32,172)	(23,517)	(5,430)
Income Tax Payable	(967)	1,270	(815)
Accrued Expenses, Pension, and Other Postretirement Liabilities	(7,505)	11,190	(18,571)
Net Cash Provided by Operating Activities	<u>216,365</u>	<u>329,660</u>	<u>46,554</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Investments	(4,680)	(6,431)	(3,496)
Proceeds from Redemption of Investments	3,447	5,515	4,877
Investment in Unconsolidated Affiliate	(10,000)	-	(11,500)
Cash Acquired in Business Combination	1,571	-	-
Proceeds from Sale of Property and Equipment	66	7,012	84
Capital Expenditures	(44,266)	(48,103)	(21,451)
Net Cash Used by Investing Activities	<u>(53,862)</u>	<u>(42,007)</u>	<u>(31,486)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net Change in Notes Payable - Line of Credit	(23,764)	(98,500)	118,500
Payments on Financing Leases	(15,479)	(14,069)	-
Issuance of Common Shares	254	196	257
Purchase of Common Shares	(208)	(130)	(165)
Issuance of Nonvoting Common Shares	33	15	-
Purchase of Nonvoting Common Shares	-	-	(4)
Shareholder Refunds Paid	(106,294)	(86,734)	(98,881)
Purchase of Preference Shares	(42,398)	(36,788)	(36,150)
Net Cash Used by Financing Activities	<u>(187,856)</u>	<u>(236,010)</u>	<u>(16,443)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>(25,353)</u>	<u>51,643</u>	<u>(1,375)</u>
Cash - Beginning of Year	<u>54,395</u>	<u>2,752</u>	<u>4,127</u>
<b>CASH - END OF YEAR</b>	<u>\$ 29,042</u>	<u>\$ 54,395</u>	<u>\$ 2,752</u>

See accompanying Notes to Consolidated Financial Statements.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

Do it Best Corp. is a member-owned wholesaler of hardware, lumber, builder supplies, and related products, operating as a wholesaler cooperative. Members are located principally in the United States, with some member locations abroad. Only dealers in hardware, lumber, builder supplies, and related products are eligible to hold shares in the Company. Nearly all of the Company's sales are to dealer-members, each of whom is required to purchase twenty voting common shares at \$50 per share on becoming a member and, in some cases, shares of nonvoting common stock.

**Fiscal Year**

The Company's fiscal year consists of 52 or 53 weeks ending on the last Saturday in June. A 53rd week will be added every five or six years. All references to 2024, 2023, and 2022 relate to the fiscal years ended June 29, 2024, June 24, 2023, and June 25, 2022, respectively.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Do it Best Corp. and its wholly owned subsidiaries (the Company or Do it Best). Transactions with unconsolidated affiliates that do not meet the consolidation criteria of the authoritative guidance for voting interest entities or variable interest entities are accounted for under the equity method. All significant intercompany accounts and transactions have been eliminated in consolidation.

**Adoption of New Accounting Standards**

The Company has adopted the current expected credit losses (CECL) methodology for estimating credit losses on financial assets, effective June 25, 2023, utilizing the modified retrospective transition method. The adoption of CECL resulted in changes to the Company's accounting policies, including the recognition of credit losses based on expected future credit losses rather than incurred credit losses. The Company also updated its accounting policies for determining the recoverability of trade receivables, loans, and other financial assets. The adoption of this Standard did not have a material impact on the Company's financial statements but did change how the allowance for credit losses is determined.

The Company changed its accounting policy for the treatment of shareholder refunds to members from treating them as a deduction from consolidated income to recording the refunds as an equity transaction in order to conform to the predominant industry practice for cooperatives. The change has been applied to the beginning of the earliest comparative period presented using a retrospective approach. As a result of the change in accounting, the Company recognized an increase in net income of \$152,043 and \$129,210, respectively, for the years ended June 24, 2023 and June 25, 2022. Additionally, the Company recognized an increase in operating cash flows and a reduction in cash flows from financing activities of \$106,294 and \$86,734, respectively, for the years ended June 24, 2023 and June 25, 2022. The change had no effect on the previously reported financial position for 2023 and 2022.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Structure**

The Company's capital is primarily derived from the issuance of voting common shares together with the preference shares issued in connection with the Company's annual shareholders' refund. The Articles of Incorporation require that each member shareholder accept preference shares in payment of refunds, under requirements of the formula set forth in the bylaws, and the payment of at least 20% in cash.

Upon a member's termination of membership with the Company and demand for repurchase, the Company will repurchase the voting and/or nonvoting common shares held by such shareholder at the lesser of cost or book value. After a holder of voting or nonvoting common shares requests repurchase of those shares concurrently with termination of their relationship with the Company as a member-shareholder, the board of directors may also authorize repurchase of the preference shares held by such shareholder, subject to statutory and bylaw restrictions, in sequence of termination, at the discretion of the board of directors.

Upon request of a shareholder, the Company may redeem part of a shareholder's preference shares where such shareholder has experienced a substantial uninsured financial loss through catastrophe, or where the member presents a plan for a new retail business. Any request is subject to standards and limitations imposed by the board of directors or the Company.

Upon liquidation of the Company for any reason, the holders of the preference shares shall be entitled to receive out of the assets of the Company, the sum of \$100 per share before any distribution is made to the holders of voting and nonvoting common shares.

**Shareholder Refund**

At the end of each fiscal year, the Company is obligated to refund to its member-shareholders the gross profit on sales of merchandise to the member-shareholders, less all operating expenses. Refunds are required to be made to each member-shareholder in the proportion of the gross profit on purchases to the total gross profit on purchases made by all member shareholders, adjusted for participation in the Enhanced Rebate program. Total cash shareholder refunds to be paid approximated \$115,600, \$106,300, and \$86,700 in 2024, 2023, and in 2022, respectively. These amounts are currently included in accounts payable. The Company also issued preference stock shareholder refunds of approximately \$43,600, \$45,700, and \$42,500 in 2024, 2023, and 2022, respectively. These amounts are included in equity.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

Preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates, making it reasonably possible that a change in certain of these estimates could occur in the near term. Certain significant estimates and assumptions used in the preparation of the Company's consolidated financial statements include those used for: pension and postretirement benefit plans; allowances for credit losses; and inventory valuation.

**Income Taxes and Uncertain Tax Positions**

The Company accounts for income taxes under the asset and liability method. The Company's taxable income is determined after deducting refunds to member-shareholders. Deferred tax assets and liabilities are recognized for operating loss and tax credit carryforwards and for the estimated future tax consequences attributable to differences between consolidated financial statement reporting basis of existing assets and liabilities and their respective income tax basis. Deferred tax assets and liabilities are measured using enacted tax rates anticipated to be in effect for the year in which those temporary differences are expected to be recovered or settled. The measurement of deferred tax assets is adjusted by a valuation allowance, if necessary, to recognize, based on available evidence, the future tax benefits that will more-likely-than-not be realized.

The Company accounts for uncertainty in income taxes under the provisions of ASC 740. A tax position is recognized as a benefit only if it is "more-likely-than-not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more-likely-than-not" test, no tax benefit is recorded. Management is not aware of any uncertain tax positions. The Company is no longer subject to examination by taxing authorities for years before June 30, 2021.

The Company is subject to U.S. federal income tax, as well as various state income taxes. The Company does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months. The Company recognizes interest and/or penalties related to income tax matters in income tax expense. The Company did not have any amounts accrued for interest and penalties at June 29, 2024 or June 24, 2023.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Inventory Valuation**

Merchandise inventories are valued at the lower of cost or net realizable value, with cost determined on a first-in, first-out (FIFO) basis. Do it Best Corp. enters into various purchase rebate programs with vendors, pursuant to binding arrangements. Where the rebate or incentive is probable and estimable, it is recognized as a reduction to cost of each underlying transaction. If a rebate is not probable or reasonably estimable, such rebates are recognized on their achievement.

**Comprehensive Income**

Comprehensive income is a more inclusive measurement of results, including items that are not recognized in the measurement of net income. Other comprehensive income represents the change in the Company's defined benefit pension plans and interest rate swaps.

**Accounts Receivable and Revenue Recognition**

Do it Best sells to members using credit terms customary in its industry. The Company determines delinquent accounts in accordance with sales terms. When an invoice becomes delinquent, it is generally subject to interest at 1.5% per month. Management establishes a reserve for credit losses on its accounts based on historic loss experience, current economic conditions, and certain forward-looking information. Losses are charged against the reserve when management deems further collection efforts will not produce additional recoveries. Do it Best has the right to set off amounts owed by the Company to its members against indebtedness owed the Company by its members.

The Company recognizes revenue when its customer obtains control of promised goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that the Company determines are within the scope of Topic 606, the Company performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the Company satisfies a performance obligation.

The Company enters into contracts with members to sell merchandise, which is typically the only performance obligation. The pricing and payment terms for contracts are based on the Company's standard terms and conditions. In some instances, extended repayment terms may be offered; however, standard terms and conditions generally are due within five days of the statement date.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts Receivable and Revenue Recognition (Continued)**

Revenues from the sale of warehouse merchandise to members are generally recognized when goods are shipped. Sales revenues for goods acquired and sold to members under drop-ship arrangements with vendors are generally recognized in accordance with vendor terms as to title and risk of loss passage. The Company recognizes the revenue and cost of goods sold from these arrangements on a gross basis as the principal in the transaction. The Company is primarily responsible for fulfilling the promise to customers to provide merchandise at negotiated prices with the vendors, assumes inventory risk if the product is returned by the members, and assumes all the credit risk for the vendors with the members. Therefore, the Company concluded it is the principal for these transactions. The Company provides cooperative advertising, among other services, to its members. Revenues for such services are recognized when the services are rendered.

The transaction price includes estimates for reductions in revenue from discounts, rebates, returns, freight damage, prompt payment discounts, or co-operative advertising contributions. These amounts are estimated based upon the most likely amount of consideration to which the customer will be entitled. All estimates are based on historical experience, anticipated performance, and the Company's best judgment at the time to the extent it is probable that a significant reversal of revenue recognized will not occur. All estimates for variable consideration are reassessed periodically.

The Company has elected to account for shipping and handling costs as fulfillment costs and are included in costs of sales in the consolidated statements of income.

The Company has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the member's product needs.

**Notes Receivable**

Notes receivable are stated at unpaid principal balances. Interest on loans is recognized over the term of the loan and is calculated using the simple-interest method on principal amounts outstanding.

**Financial Instruments**

The Company follows guidance in ASC 820 which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This requirement establishes a fair value hierarchy regarding the assumptions used to measure fair value and clarifies assumptions about risk and the effect of a restriction on the sale or use of an asset. This fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The requirement describes three levels of inputs that may be used to measure fair value. See Notes 8 and 10 for further discussion.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial Instruments (Continued)**

The Company is a party to interest rate swap agreements. The Company uses the interest rate swaps for the purpose of hedging exposure to changes in interest rates. The Company has designated its interest rate swaps as cash flow hedges. The Company considers its interest rate swaps to be highly effective and accordingly, accounts for the agreements as cash flow hedges with the changes in fair value of the swap agreements recorded as a component of other comprehensive income.

**Cash**

The Company considers all demand deposit accounts to be cash. The Company places its cash with high credit quality financial institutions. The Company maintains its cash accounts at various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Periodically throughout the year, the Company's cash balances may exceed this FDIC insurance coverage limit; however, management does not anticipate nonperformance by the institutions.

**Property and Equipment**

Property and equipment are stated at cost. Upon retirement or sale of assets, the cost of the disposed assets and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is credited or charged to income, respectively. Major additions and improvements are capitalized, while minor items, maintenance, and repairs are expensed currently. Depreciation and amortization are calculated using straight-line methods. Estimated useful lives range from 15 to 40 years for building and improvements, and from 3 to 10 years for equipment and fixtures. Depreciation expense for 2024, 2023, and 2022 was \$10,531, \$10,834, and \$10,435, respectively.

Included in property and equipment is the capitalized cost of internal-use software. The Company capitalizes costs incurred during the application development stage of internal-use software and amortizes these costs over its estimated useful life. Costs incurred related to design or maintenance of internal-use software are expensed as incurred. For 2024 and 2023, the Company capitalized approximately \$13,806 and \$8,997, respectively, of software development costs which consisted of both internally developed and purchased software costs. Amortization expense for all capitalized software was \$6,978, \$5,645, and \$4,983 for 2024, 2023, and 2022, respectively.

The Company evaluates long-lived assets, such as property and equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds its fair value. The Company has not incurred any impairment of long-lived assets during 2024, 2023, or 2022.

**DO IT BEST CORP. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 29, 2024, JUNE 24, 2023, AND JUNE 25, 2022**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Advertising and Promotion Costs**

Costs associated with advertising and promotions are charged to operations in the period incurred. The Company participates in cooperative advertising arrangements with its vendors. Reimbursements received under cooperative advertising arrangements with vendors are recognized as a reduction of associated advertising costs. Advertising and promotion costs, net, charged to operation in 2024, 2023, and 2022 were \$11,073, \$10,956, and \$10,384, respectively.

**Investments**

The Company has certain long-term investments that consist primarily of mutual funds and are recorded at fair value in the accompanying consolidated balance sheets. These investments are included in Other Assets and amounted to \$25,577 and \$22,318 at June 29, 2024, and June 24, 2023, respectively. Changes in fair value are included in earnings. Net realized and unrealized gains and losses during 2024, 2023, and 2022 on equity and fixed income securities were \$4,065, \$2,119, and \$1,303, respectively. Net gains and losses on equity and fixed income securities recognized during 2024, 2023, and 2022 were \$669, \$(69), and \$622, respectively. Unrealized gains and losses recognized on equity and fixed income securities still held during 2024, 2023, and 2022 were \$3,396, \$2,188, and \$681, respectively.

**Business Combinations**

The Company accounts for business acquisitions using the acquisition method of accounting and records any identifiable definite-lived intangible assets separate from goodwill. Intangible assets are recorded at their fair value based on estimates as of the date of acquisition. Goodwill is recorded as the residual amount of the purchase price consideration less the fair value assigned to the individual identifiable assets acquired and liabilities assumed as of the date of acquisition. A bargain purchase is recorded as the excess of the fair value of net assets acquired less the total consideration. Contingent consideration, which represents an obligation of the Company to make additional payments or equity interests to the former owner as part of the purchase price if specified future events occur or conditions are met, is accounted for at the acquisition date fair value either as a liability or as equity depending on the terms of the acquisition agreement.

The Company has elected the accounting alternative provided in Accounting Standards Update (ASU) 2014-02, *Intangibles - Goodwill and Other* (Topic 350): Accounting for Goodwill. Under this alternative, goodwill is amortized on a straight-line basis over 10 years and analyzed for impairment at the reporting unit level if a triggering event occurs. The Company has also adopted Accounting Standards Update (ASU) 2014-18, *Business Combinations* (Topic 805): Accounting for Identifiable Intangible Assets in a Business Combination which permits the Company to no longer separately recognize certain customer-related intangible assets or noncompetition agreements acquired in business combinations. These amounts are included as a part of goodwill for all acquisitions.

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease ROU assets, short-term operating lease liabilities, and long-term operating lease liabilities. Finance leases are included in finance lease ROU assets, short-term financing lease liabilities, and long-term financing lease liabilities on the consolidated balance sheet.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the consolidated balance sheet.

In evaluating contracts to determine if they qualify as a lease, the Company considers factors such as if the Company has obtained substantially all of the rights to the underlying asset through exclusivity, if the Company can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

In allocating consideration in the contract to the separate lease components and the nonlease components, the Company uses the standalone prices of the lease and nonlease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

In determining the discount rate used to measure the right-of-use asset and lease liability, the Company uses rates implicit in the lease, or if not readily available, the Company's incremental borrowing rate. The incremental borrowing rate used is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by Company assets. Determining a credit spread as secured by Company assets may require significant judgment.

**Subsequent Events**

Management evaluated subsequent events and transactions for potential recognition or disclosure through August 23, 2024, the date the consolidated financial statements were available to be issued.

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**NOTE 2 BUSINESS COMBINATION**

On March 13, 2024, Do It Best Corp (DIB) entered into an agreement to merge with United Hardware Distributing Co. to be effective May 1, 2024 (*the "Merger Agreement"*), and as a result, Project Irwin, LLC (*"Merger Sub"*) merged with and into United Hardware Distributing Co. with United Hardware Distributing Co. continuing as the surviving entity. United Hardware Distributing Co. is a hardware buying cooperative based in Maple Grove, Minnesota. Members of United Hardware Co. received consideration in the form of DIB common stock shares and consideration to be earned through the achievement of annual purchase targets for remaining members paid in the form of a credit against any outstanding or future amounts the member owes to DIB. All activity of the consolidated subsidiary since the date of acquisition is included in the operating results presented for the year ended June 29, 2024.

The Company accounted for the acquisition using the acquisition method of accounting. The purchase price was allocated to tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. The excess of the fair value of net assets acquired exceeding the consideration was recorded as a gain on acquisition.

The fair value of the consideration transferred is as follows:

Common Stock	\$	510
Contingent Consideration		15,298
Total		<u><u>\$ 15,808</u></u>

The following table summarizes the fair value of the assets acquired and liabilities assumed:

Cash and Cash Equivalents	\$	1,571
Trade Receivables		20,899
Inventories		28,360
Prepaid and Other Assets		1,110
Other Noncurrent Assets		410
Property, Plant, and Equipment		14,982
Right-of-Use Lease Assets		686
Accounts Payable and Accruals		(24,048)
Loan Payable		(18,764)
Loans Payable to Discontinued Members		(4,092)
Other Long-Term Obligations		(198)
Lease Liabilities		(686)
Deferred Income Tax Liability		(1,471)
Total Identifiable Net Assets		<u><u>\$ 18,759</u></u>
 Gain on Business Combination	 \$	 <u><u>2,951</u></u>

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**NOTE 2 BUSINESS COMBINATION (CONTINUED)**

The allocation of purchase price for the acquisition is preliminary determined by management based on various market and income analyses and recent asset appraisals. The tangible assets and liabilities were valued by management, except for the land and buildings which were valued by an independent third-party valuation specialist.

Primarily as a result of the remeasurement of the land and buildings, Do It Best Corp. recognized a gain of approximately \$2,900 on the business combination. The gain is included in other income in the consolidated income statement for the period ending June 29, 2024.

Transaction costs related to the acquisition amounted to \$1,130 and is included in other expense in the statement of operations for the year ended June 29, 2024.

The fair value of the assets acquired include trade receivables of \$20,899 that are not purchased financial assets with credit deterioration. The gross amount due is \$21,773 of which \$875 is expected to be uncollectible. The Company did not acquire any other class of receivables as a result of the acquisition.

In connection with the purchase the Company entered into a contingent consideration arrangement that required additional consideration to be paid by the Company to the sellers upon the selling members attaining certain volume targets annually over a 10-year period. The undiscounted amounts the Company could pay under the contingent consideration agreement totals up to \$15,800 based on the achievement of certain purchase volume targets over a ten-year period subsequent to the acquisition. The fair value of the contingent consideration recognized on the acquisition date of \$15,298 was estimated based upon a probability-weighted discounted cash flow valuation technique. The consideration is earned and payable over 10 years and is included in other liabilities on the consolidated balance sheet.

As of June 29, 2024, there were no changes in the recognized amounts or range of outcomes for the contingent consideration recognized as a result of the business combination.

**NOTE 3 CREDIT AGREEMENT**

The Company had an available revolving line of credit with a commercial bank in the base amount of \$250,000 from August 23, 2022, to June 13, 2023, at which time it decreased to \$225,000 until maturity on August 23, 2025, secured by all personal property. For the line, interest is payable monthly on outstanding balances at either Alternate Base Rate or SOFR plus an applicable margin.

There were total borrowings of \$15,000 and \$20,000 against the lines of credit at June 29, 2024, and June 24, 2023, respectively. There were no outstanding letters of credit at June 29, 2024, or June 24, 2023. The Company is subject to certain financial covenants.

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**NOTE 4 PROPERTY AND EQUIPMENT**

Property and equipment is summarized by major classification as follows at June 29, 2024, and June 24, 2023:

	2024	2023
Land, Building, and Site Improvements	\$ 164,477	\$ 140,339
Equipment and Fixtures	108,770	96,925
Capitalized Software	76,289	58,165
Software in Progress	14,727	7,437
Construction in Progress	31,927	19,331
Subtotal	396,190	322,197
Less: Accumulated Depreciation and Amortization	210,820	178,549
Property and Equipment, Net	\$ 185,370	\$ 143,648

**NOTE 5 LEASES UNDER ASC 842**

The Company leases office space, data processing equipment, office equipment, autos, and delivery equipment under finance leases expiring on various dates through 2052. Certain facility leases provide for increases in future minimum annual rental payments based on defined schedules. Various agreements are cancelable at the option of the Company upon fulfillment of certain conditions.

The following tables provide quantitative information concerning the Company's leases.

	2024	2023
<b>Lease Cost:</b>		
Finance Lease Costs:		
Amortization of ROU Assets	\$ 20,010	\$ 17,763
Interest on Lease Liabilities	8,408	7,320
Operating Lease Costs	38	-
Variable Lease Costs	7	-
Total Lease Costs	\$ 28,463	\$ 25,083

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**NOTE 5 LEASES UNDER ASC 842 (CONTINUED)**

**Other Information:**

Cash Paid for Amounts Included in the Measurement  
of Lease Liabilities:

Operating Cash Flows from Finance Leases	\$ 8,408	\$ 7,320
Operating Cash Flows from Operating Leases	\$ 77	\$ -
Financing Cash Flows from Finance Leases	\$ 15,479	\$ 14,069
Right-of-Use Assets Obtained in Exchange for New:		
Financing Lease Liabilities	\$ 3,342	\$ 85,673
Weighted-Average Remaining Lease Term -		
Financing Leases	17.60 years	16.59 years
Weighted-Average Remaining Lease Term -		
Operating Leases	2.28 years	N/A
Weighted-Average Discount Rate - Finance Leases	6.47%	6.75%
Weighted-Average Discount Rate - Operating Leases	3.00%	N/A

A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 29, 2024, is as follows:

<u>Year Ending June,</u>	<u>Operating</u>	<u>Finance</u>	<u>Totals</u>
2025	\$ 234	\$ 21,515	\$ 21,749
2026	227	18,799	19,026
2027	72	13,345	13,417
2028	-	7,257	7,257
2029	-	5,277	5,277
Thereafter	-	129,304	129,304
Total Lease Payments	533	195,497	196,030
Less: Imputed Interest	(19)	(85,467)	(85,486)
Total Present Value of Lease Liabilities	<u>\$ 514</u>	<u>\$ 110,030</u>	<u>\$ 110,544</u>
Short-Term Lease Liabilities	\$ (234)	\$ (16,597)	\$ (16,831)
Long-Term Lease Liabilities	(280)	(93,433)	(93,713)
Total	<u>\$ (514)</u>	<u>\$ (110,030)</u>	<u>\$ (110,544)</u>

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**NOTE 6 CAPITAL SHARE DATA**

Share data relevant to amounts reported in the consolidated statements of changes in shareholders' equity is as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Common Stock, Voting \$50 Par Value, 990,000			
Shares Authorized:			
Shares Outstanding - Beginning of Year	64,120	62,820	60,980
Shares Issued	14,620	3,890	5,140
Shares Repurchased	<u>(4,130)</u>	<u>(2,590)</u>	<u>(3,300)</u>
Shares Outstanding - End of Year	<u><u>74,610</u></u>	<u><u>64,120</u></u>	<u><u>62,820</u></u>
Common Stock, Nonvoting \$50 Par Value, 100,000 Shares Authorized:			
Shares Outstanding - Beginning of Year	13,140	12,810	12,890
Shares Issued	660	330	-
Shares Repurchased	<u>-</u>	<u>-</u>	<u>(80)</u>
Shares Outstanding - End of Year	<u><u>13,800</u></u>	<u><u>13,140</u></u>	<u><u>12,810</u></u>
Preference Share, \$100 Par Value, 4,000,000			
Shares Authorized:			
Shares Outstanding - Beginning of Year	3,791,782	3,702,174	3,638,911
Shares Issued	436,031	457,487	424,760
Shares Repurchased	<u>(423,984)</u>	<u>(367,879)</u>	<u>(361,497)</u>
Shares Outstanding - End of Year	<u><u>3,803,829</u></u>	<u><u>3,791,782</u></u>	<u><u>3,702,174</u></u>

**NOTE 7 TRANSACTIONS WITH UNCONSOLIDATED AFFILIATES**

Do it Best is a 50% stakeholder in Alliance International, LLC (the Alliance), a hardware and related products purchasing consortium consisting of Do it Best and an unrelated party engaged in the distribution and sale of hardware and related products. The Alliance procures vendor purchase contracts to enable vendor pricing on a larger scale than that which would be available to the individual companies. Virtually all purchases made by Do it Best are transacted through the Alliance.

Do it Best provides certain management services, including accounting assistance to the Alliance, for which the Alliance reimburses Do it Best in accordance with the management services arrangement. The parties share equally in the expenses of the Alliance. During 2024, 2023, and 2022, Do it Best was charged \$141, \$44, and \$43, respectively, by the Alliance for administrative costs. Do it Best was paid \$29, \$27, and \$27, respectively, in 2024, 2023, and 2022 for management services rendered to the Alliance.

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**NOTE 7 TRANSACTIONS WITH UNCONSOLIDATED AFFILIATES (CONTINUED)**

The Company formed a wholly-owned subsidiary (DIB Enterprises, LLC) to hold an investment in a joint venture formed as a limited liability company. The Company has a 25% interest in the earnings of the joint venture with Nation's Best, LLC (Nation's Best). Nation's Best is engaged in the acquisition and operations of hardware and lumber retail stores throughout the United States. The Company made an additional investment of \$10,000 during the year ended June 29, 2024. The difference between the company's investment and their share of the underlying net assets of the affiliate is attributable to preferred interests and other future distribution preferences.

Condensed financial information for Nation's Best at June 29, 2024, and June 24, 2023, is as follows:

	2024	2023
Balance Sheets:		
Current Assets	\$ 108,828	\$ 105,380
Net Property and Equipment	34,943	29,137
ROU Assets - Operating	24,870	25,594
Other Assets	46,993	44,858
Current Liabilities	27,874	33,119
Long-Term Liabilities	114,295	111,136
Members' Equity	48,595	35,120
Company's Share of Net Equity	\$ 52,239	\$ 40,320
Statements of Operations:		
Net Sales	\$ 388,435	\$ 384,338
Operating Expenses	376,562	371,104
Operating Income	11,873	13,234
Other (Income) Expense	4,298	226
Net Income	7,575	13,008
Company's Share of Income	\$ 1,983	\$ 3,252

**NOTE 8 EMPLOYEE BENEFIT PLANS**

**Retirement Plans**

The Company has a defined benefit pension plan and a defined contribution profit sharing plan (the Plans), both covering substantially all employees. Benefits are based on years of service and the employee's compensation during the last five years of employment.

The Company makes various defined and discretionary contributions to the Plans. Retirement plan costs related to the pension plan approximated \$600, \$1,400, and \$2,100 for 2024, 2023, and 2022, respectively. Benefits paid to employees related to this plan approximated \$7,600, \$8,300, and \$15,300 in 2024, 2023, and 2022, respectively. Cost related to the defined contribution profit sharing plan approximated \$20,500, \$19,900, and \$14,000 in 2024, 2023, and 2022, respectively.

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**NOTE 8 EMPLOYEE BENEFIT PLANS (CONTINUED)**

The Company has a defined benefit supplemental retirement plan (defined benefit pension plan) with its executives, designed to provide benefits that would have been received under the retirement plan were it not for maximum limitations imposed by ERISA and the Internal Revenue Code. Expense is incorporated into retirement plan cost noted above. Management estimates approximately \$-0- will be contributed to the defined benefit pension plan by the Company during the fiscal year-ending June 2025.

Expected benefit payments for the ensuing five years and in the aggregate related to the defined benefit pension plan approximate \$7,100, \$6,600, \$7,200, \$7,000, and \$6,900 in 2025, 2026, 2027, 2028, and 2029, respectively. Expected benefit payments from 2030 to 2034 approximate \$35,200, for an aggregate total of \$70,000.

Effective January 1, 2016, the defined benefit pension plan was closed such that no participants hired subsequent to December 31, 2015, are allowed in the plan. Further, participants' monthly and average monthly earnings as defined by the plan and used in the determination of benefits under the plan were frozen effective June 30, 2016.

On May 1, 2024, the Company acquired the defined benefit plan of United Hardware through the merger discussed in Note 2. As of the merger date, the plan included a fair value of plan assets of \$10,008 and a projected benefit obligation of \$10,550. The plan had an underfunded status of \$542.

**Postretirement Medical Benefit Plan**

The Company has a postretirement medical benefit plan (the Plan). The Plan covers retired employees who are less than 65 years of age and have greater than 10 years of service with the Company. Employees over 65 years of age are not covered beyond benefits provided by Medicare. Income related to the Plan approximated \$(61), \$360, and \$384 in 2024, 2023, and 2022, respectively. Participant contributions to the Plan aggregated \$-0- in 2024, 2023, and 2022. Benefits paid to employees related to the Plan aggregated \$237, \$236, and \$246 in 2024, 2023, and 2022, respectively.

Management estimates approximately \$237 will be contributed to the Plan by the Company during the fiscal year ending June 2025.

Expected benefit payments for the ensuing five years and in the aggregated related to the Plan approximate \$200, \$200, \$200, \$200, and \$100 in 2025, 2026, 2027, 2028, and 2029, respectively. Expected benefit payments from 2030 to 2034 approximate \$500, for an aggregate total of \$1,400.

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**NOTE 8 EMPLOYEE BENEFIT PLANS (CONTINUED)**

**Postretirement Medical Benefit Plan (Continued)**

Effective April 1, 2011, the Plan was frozen such that any participants who were not retired as of that date, ceased participation in the Plan. As a result of this change, the Plan was re-measured as of March 31, 2011, a negative prior service cost base was established equal to the reduction in Accumulated Postretirement Benefit Obligation for those individuals who ceased participation, and a curtailment charge was recognized equal to the change in the Plan's funded status due to the accelerated retirement.

The Plan contains an assumption about the annual rates of change in the cost of health care benefits currently provided by the Plan, due to factors other than changes in the composition of the Plan population by age and dependency status, for each year from the measurement date until the end of the period in which benefits are expected to be paid. The health care cost trend rate implicitly considers estimates of health care inflation, changes in health care utilization or delivery patterns, technological advances, and changes in the health status of the Plan participants. Differing types of services, such as hospital care and dental care, may have different trend rates.

The following schedule shows changes in the benefit obligation, Plan assets, and funded status of the Plans. Benefit obligation balances presented below reflect the projected benefit obligation for the Company's retirement and pension plans, and accumulated postretirement benefit obligations for the postretirement medical plan.

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**NOTE 8 EMPLOYEE BENEFIT PLANS (CONTINUED)**

The measurement date used to determine the benefit obligations were as follows:

	Retirement and Pension Plan			Postretirement Medical Plan		
	2024	2023	2022	2024	2023	2022
Change in Benefit Obligation:						
Beginning Balance	\$ 70,124	\$ 74,196	\$ 99,223	\$ 1,434	\$ 1,511	\$ 1,923
Acquisition of United Hardware	10,550	-	-	-	-	-
Service Cost	2,342	2,869	4,027	-	-	-
Interest Cost	3,618	3,491	3,336	86	71	60
Actuarial Gain (Loss)	(414)	(2,092)	(17,120)	(73)	88	(226)
Benefit Paid	(7,565)	(1,736)	(1,533)	(143)	(236)	(246)
Settlements	-	(6,604)	(13,737)	-	-	-
Ending Balance	<u>\$ 78,655</u>	<u>\$ 70,124</u>	<u>\$ 74,196</u>	<u>\$ 1,304</u>	<u>\$ 1,434</u>	<u>\$ 1,511</u>
Change in Plan Assets:						
Beginning Balance at Fair Value	\$ 85,418	\$ 88,370	\$ 116,629	\$ -	\$ -	\$ -
Acquisition of United Hardware	10,008	-	-	-	-	-
Actual Return on Plan Assets	3,710	3,578	(15,805)	-	-	-
Company Contributions	77	1,810	2,816	143	236	246
Benefits paid	(7,565)	(1,736)	(1,533)	(143)	(236)	(246)
Settlements	-	(6,604)	(13,737)	-	-	-
Ending Balance at Fair Value	<u>\$ 91,648</u>	<u>\$ 85,418</u>	<u>\$ 88,370</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Over (Under) Funded Status	<u>\$ 12,993</u>	<u>\$ 15,294</u>	<u>\$ 14,174</u>	<u>\$ (1,304)</u>	<u>\$ (1,434)</u>	<u>\$ (1,511)</u>
Amounts Recognized in Statement of Financial Position Consist of:						
Noncurrent Assets	\$ 15,059	\$ 16,853	\$ 15,808	\$ -	\$ -	\$ -
Current Liabilities	(94)	(32)	(49)	(247)	(246)	(293)
Noncurrent Liabilities	<u>(1,972)</u>	<u>(1,527)</u>	<u>(1,585)</u>	<u>(1,057)</u>	<u>(1,188)</u>	<u>(1,218)</u>
Net Assets (Liabilities) Recognized in Balance Sheet	<u>\$ 12,993</u>	<u>\$ 15,294</u>	<u>\$ 14,174</u>	<u>\$ (1,304)</u>	<u>\$ (1,434)</u>	<u>\$ (1,511)</u>
Reconciliation of Amounts Recognized in Accumulated Other Comprehensive Income (Loss):						
Prior Service Cost	\$ 4,225	\$ 5,718	\$ 7,210	\$ -	\$ 19	\$ 415
Net Actuarial Loss	<u>(19,664)</u>	<u>(19,717)</u>	<u>(23,733)</u>	<u>213</u>	<u>132</u>	<u>253</u>
Accumulated Other Comprehensive Income (Loss)	(15,439)	(13,999)	(16,523)	213	151	668
Accrued Benefits Cost	<u>28,432</u>	<u>29,293</u>	<u>30,697</u>	<u>(1,517)</u>	<u>(1,585)</u>	<u>(2,179)</u>
Net Asset (Liability) Recognized in Balance Sheet	<u>\$ 12,993</u>	<u>\$ 15,294</u>	<u>\$ 14,174</u>	<u>\$ (1,304)</u>	<u>\$ (1,434)</u>	<u>\$ (1,511)</u>
Change in Accumulated Other Comprehensive Income (Loss):						
Beginning of Year (No Tax Effect)	\$ (13,999)	\$ (16,523)	\$ (14,952)	\$ 151	\$ 668	\$ 885
Less Amounts Amortized During the Year:						
Prior Service Credit Arising During the Year	(1,493)	(1,493)	(1,493)	(19)	(396)	(396)
Net (Income) Loss Arising During the Year	1,187	1,881	1,413	8	(33)	(48)
Occurring During the Year:						
Plan Change	-	-	-	-	-	-
Amortization of Net Gain (Loss)	(1,134)	322	(5,766)	73	(88)	227
Settlement	-	1,814	4,275	-	-	-
End of Year	<u>\$ (15,439)</u>	<u>\$ (13,999)</u>	<u>\$ (16,523)</u>	<u>\$ 213</u>	<u>\$ 151</u>	<u>\$ 668</u>

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**NOTE 8 EMPLOYEE BENEFIT PLANS (CONTINUED)**

The allocation of income tax benefit (expense) for each component of other comprehensive income (loss) were as follows:

	Retirement and Pension Plan			Postretirement Medical Plan		
	2024	2023	2022	2024	2023	2022
Prior Service Credit Before Tax	\$ (1,493)	\$ (1,493)	\$ (1,493)	\$ (19)	\$ (396)	\$ (396)
Tax Benefit	(403)	(403)	(403)	(5)	(107)	(107)
Prior Service Credit Net of Tax	(1,090)	(1,090)	(1,090)	(14)	(289)	(289)
Net Loss Before Tax	1,187	1,881	1,413	8	(33)	(48)
Tax Expense	320	508	382	2	(9)	(13)
Net Loss Net of Tax	867	1,373	1,031	6	(24)	(35)
Amortization of Net Gain (Loss) Before Tax	(1,134)	322	(5,766)	73	(88)	227
Tax Expense (Benefit)	(306)	87	(1,557)	20	(24)	61
Amortization of Net Gain (Loss) Net of Tax	(828)	235	(4,209)	53	(64)	166
Settlement	-	1,814	4,275	-	-	-
Tax Expense	-	490	1,154	-	-	-
Settlement Net of Tax	-	1,324	3,121	-	-	-
Total	<u>\$ (1,051)</u>	<u>\$ 1,842</u>	<u>\$ (1,147)</u>	<u>\$ 45</u>	<u>\$ (377)</u>	<u>\$ (158)</u>

As of June 29, 2024, the defined benefit pension plans and the postretirement medical plan had accumulated benefit obligations of approximately \$79,000 and \$1,300, respectively. At June 24, 2023, the defined benefit pension plans and the postretirement medical plan experienced accumulated benefit obligations of approximately \$70,000 and \$1,400, respectively. At June 25, 2022, the defined benefit pension plans and the postretirement medical plan experienced accumulated benefit obligations of approximately \$74,000 and \$1,500, respectively.

The change in deferred taxes recognized in other comprehensive income (loss) approximated \$(100), \$(500), and \$600 during 2024, 2023, and 2022, respectively.

	and Pension Plan			Postretirement Medical Plan		
	2024	2023	2022	2024	2023	2022
Components of Net Periodic Benefit (Costs) Income:						
Service Cost	\$ (2,342)	\$ (2,869)	\$ (4,027)	\$ -	\$ -	\$ -
Interest Cost	(3,618)	(3,491)	(3,336)	(86)	(71)	(60)
Expected Return on Plan Assets	5,000	5,345	7,080	-	-	-
Amortization	194	(388)	80	11	431	444
Net Periodic Benefit (Costs) Income	<u>\$ (766)</u>	<u>\$ (1,403)</u>	<u>\$ (203)</u>	<u>\$ (75)</u>	<u>\$ 360</u>	<u>\$ 384</u>

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 8 EMPLOYEE BENEFIT PLANS (CONTINUED)**

**Assumptions**

Weighted average actuarial assumptions used to determine pension and other postretirement obligations as of year-end are as follows:

	2024		2023		2022	
	Retirement and Pension Plan	Postretirement Medical	Retirement and Pension Plan	Postretirement Medical	Retirement and Pension Plan	Postretirement Medical
Discount Rate	5.40%	5.40%	5.25%	5.25%	4.75%	4.75%
Salary Increase	4.00%	N/A	4.00%	N/A	4.00%	N/A
Current Year Trend	N/A	7.00%	N/A	7.00%	N/A	6.25%
Ultimate Year Trend	N/A	5.00%	N/A	5.00%	N/A	4.50%
Year of Ultimate Trend Date	N/A	2032	N/A	2032	N/A	2029

Weighted average assumptions used to determine net periodic pension cost:

	Retirement and Pension Plan	Postretirement Medical	Retirement and Pension Plan	Postretirement Medical	Retirement and Pension Plan	Postretirement Medical
Discount Rate	5.40%	5.25%	4.75%	4.75%	4.75%	4.75%
Salary Increase	N/A	N/A	N/A	N/A	N/A	N/A
Long-Term Rate of Return on Assets	6.07%	N/A	6.25%	N/A	6.25%	N/A
Current Year Trend	N/A	7.00%	N/A	6.00%	N/A	6.25%
Ultimate Year Trend	N/A	5.00%	N/A	4.50%	N/A	4.50%
Year of Ultimate Trend Date	N/A	2032	N/A	2029	N/A	2029

**Defined Benefit Plan Assets**

The investment policy and strategy is to invest plan assets in order to provide income and capital growth consistent with reasonable risk tolerance. In determining pension expense, the Company, as fiduciary of the plan, utilizes an expected long-term rate of return that, over time, should approximate the actual long-term rate of return earned on plan assets, based upon historical returns of plan assets and similar asset classes. The assumed rate for the long-term rates of return on plan assets was determined based upon target asset allocations and expected long-term rates of return by asset class. Plan fiduciaries set investment policies and strategies for the trust.

Long-term strategic investment objectives include preserving the funded status of the plan and balancing risk and return. The plan fiduciaries oversee the investment allocation process, which includes selecting investment managers, setting long-term strategic targets, and monitoring asset allocations. Target allocation ranges are guidelines, not limitations, and occasionally plan fiduciaries will approve allocations above or below a target range.

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 8 EMPLOYEE BENEFIT PLANS (CONTINUED)**

**Defined Benefit Plan Assets (Continued)**

The defined benefit plan's assets are composed primarily of corporate equity and debt securities and U.S. government securities and are directed by the employer. The defined benefit pension plan assets held consisted of the following at June 29, 2024, and June 24, 2023:

	2024		2023	
	Target Allocation	Retirement and Pension Plan	Target Allocation	Retirement and Pension Plan
Equity Securities	25 %	25 %	25 %	24 %
Debt Securities	70	68	70	65
Other	5	7	5	11
Total	100 %	100 %	100 %	100 %

No assets were held by the postretirement medical benefit plan at June 29, 2024 or June 24, 2023.

The following table summarizes the Company's financial assets measured at fair value on a recurring basis in accordance with ASC 820-10 as of June 29, 2024:

Defined Benefit Pension Plan	Total	in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Mutual Funds:				
Money Market	\$ 1,446	\$ 1,446	\$ -	\$ -
Domestic Equity	13,236	13,236	-	-
International Equity	9,478	9,478	-	-
Domestic Fixed	62,316	62,316	-	-
Alternative	5,172	-	5,172	-
Total	\$ 91,648	\$ 86,476	\$ 5,172	\$ -

The following table summarized the Company's financial assets measured at fair value on a recurring basis in accordance with ASC 820-10 as of June 24, 2023:

Defined Benefit Pension Plan	Total	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Mutual Funds:				
Money Market	\$ 2,515	\$ 2,515	\$ -	\$ -
Domestic Equity	12,372	12,372	-	-
International Equity	7,709	7,709	-	-
Domestic Fixed	55,204	55,204	-	-
Alternative	7,618	-	7,618	-
Total	\$ 85,418	\$ 77,800	\$ 7,618	\$ -

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 9 INCOME TAXES**

The provision for income taxes at June 29, 2024, June 24, 2023, and June 25, 2022, consisted of the following:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Federal Income Tax:			
Current	\$ 1,738	\$ 2,327	\$ 308
Deferred	(1,163)	(1,778)	1,416
State Income Tax:			
Current	1,130	543	155
Deferred	(20)	(508)	404
Total	<u>\$ 1,685</u>	<u>\$ 584</u>	<u>\$ 2,283</u>

Deferred income taxes are provided to recognize the effects of temporary differences between financial reporting and income tax reporting. The more significant temporary differences arise from various accrued liabilities, which exceed currently deductible amounts and deductible patronage dividends. Management believes it is more-likely-than-not that deferred income tax assets will be realized in full. Accordingly, no valuation allowance has been provided.

The Company's deferred tax assets and deferred tax liabilities are as follows:

	<u>2024</u>	<u>2023</u>
Assets:		
Accrued Assets	\$ 2,294	\$ 2,194
Deferred Compensation	6,310	4,436
Allowance for Credit Losses	464	205
Inventory Obsolescence	1,671	799
Postretirement Health Care Expense	323	427
Right-of-Use Lease Liability	27,315	32,985
Retirement and Pension Plan	3,906	3,779
Total Assets	<u>42,283</u>	<u>44,825</u>
Liabilities:		
Retirement Plan Expense	(809)	(1,825)
Fixed Assets	(2,621)	(182)
Prepays and Other	(1,419)	(129)
Investment in Nation's Best	(399)	(496)
Right-of-Use Lease Asset	(26,312)	(31,579)
Interest Rate Swaps	(44)	(47)
Postretirement Medical Plan	(66)	(40)
Total Liabilities	<u>(31,670)</u>	<u>(34,298)</u>
Net Deferred Tax Asset	<u>\$ 10,613</u>	<u>\$ 10,527</u>

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 9 INCOME TAXES (CONTINUED)**

The income tax provision differs from that calculated at the statutory rates for the following reasons:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Income Tax Expense at Statutory Rates	\$ 34,224	\$ 32,541	\$ 29,074
State Taxes, Net of Federal Benefit	877	138	437
Deductible Shareholder Refunds	(33,425)	(31,929)	(27,134)
Nondeductible Expenses	350	147	23
Other	(341)	(313)	(117)
Total	<u>\$ 1,685</u>	<u>\$ 584</u>	<u>\$ 2,283</u>

**NOTE 10 FAIR VALUE MEASUREMENTS**

FASB ASC 820-10, *Fair Value Measurements and Disclosures*, establishes a framework and provides guidance on measuring the fair value of assets in a pension plan and how an employer should disclose the same. The framework establishes a fair value hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value.

The three levels of fair value hierarchy are described as follows:

*Level 1* – Quoted prices (unadjusted) or identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2* – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

*Level 3* – Significant unobservable inputs that reflect a company’s own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In some cases, a valuation technique used to measure fair value may include inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Company to estimate the fair values of investments apply to investments held directly by the Company.

*Equity, Debt, and Inflation-Indexed Securities:* Fair values reflect the closing price reported in the active market in which the security is traded (Level 1 inputs).

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 10 FAIR VALUE MEASUREMENTS (CONTINUED)**

*Interest Rate Swaps:* The fair value of the interest rate swap is estimated by a third-party using a model that builds a yield curve from market data for actively traded securities at various times and maturities and takes into account current interest rates and the current credit worthiness of the respective counterparties (Level 2 inputs).

*Commodity Derivatives:* The commodity derivatives consist of lumber contracts on the Chicago Mercantile Exchange (CME) held in a brokerage account and are included in other current assets. The fair values are obtained from quoted market prices from the CME for identical contracts (Level 1 inputs).

*Contingent Consideration:* Contingent consideration relates to potential payments that the Company may be required to make associated with business combinations. The contingent consideration is recorded at fair value based on estimates future cash flows associated with the weighted average probability of achieving certain milestone volume targets. To the extent that the valuation of these liabilities is based on inputs that are less observable or not observable in the market, the determination of fair value requires more judgment. Accordingly, the fair value of contingent consideration is classified within Level 3 of the fair value hierarchy, under ASC 820. The change in fair value is re-measured at each reporting period with the change in fair value being recognized in accordance with ASC 805, *Business Combinations* (“ASC 805”).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 10 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following table summarizes the Company's financial assets measured at fair value on a recurring basis in accordance with the ASC 820-10 as of:

	June 29, 2024			
	Total	Level 1	Level 2	Level 3
<b>Assets:</b>				
Other Assets:				
Interest Rate Swaps	\$ 168	\$ -	\$ 168	\$ -
Commodity Derivatives	83	83	-	-
Mutual Funds	25,577	25,577	-	-
<b>Liabilities:</b>				
Other Liabilities:				
Contingent Consideration	15,298	-	-	15,298
Total	<u>\$ 41,126</u>	<u>\$ 25,660</u>	<u>\$ 168</u>	<u>\$ 15,298</u>
	June 24, 2023			
	Total	Level 1	Level 2	Level 3
<b>Assets:</b>				
Other Assets:				
Interest Rate Swaps	\$ 174	\$ -	\$ 174	\$ -
Commodity Derivatives	340	340	-	-
Mutual Funds	22,318	22,318	-	-
Total	<u>\$ 22,658</u>	<u>\$ 22,658</u>	<u>\$ -</u>	<u>\$ -</u>

The Companies' mutual fund investments consist of money market funds, fixed income funds, and equity funds, and fair value was determined using quoted market prices based on the closing price (Level 1 inputs) as of the consolidated balance sheet date.

As of June 29, 2024, there were no changes in the fair value of the contingent consideration recognized as a result of the business combination.

**NOTE 11 DERIVATIVE INSTRUMENTS AND HEDGING**

The Company recognizes all of its derivative instruments as either assets or liabilities in its consolidated balance sheet at fair value. The accounting for changes in fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, further, on the type of hedging relationship. For those derivative instruments that are designated and qualify as hedging instruments, a reporting entity must designate the hedging instrument, based upon the exposure being hedged, as a fair value hedge, cash flow hedge, or a hedge of a net investment in foreign operations. The Company's interest rate swap has been designated as a hedging instrument, while the commodity derivatives have not been designated as a hedging instrument.

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 11 DERIVATIVE INSTRUMENTS AND HEDGING (CONTINUED)**

The following table sets forth the fair value of derivatives instruments as of:

	Asset Derivatives			
	June 29, 2024		June 24, 2023	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Instruments Not Designated as Hedges:				
Commodity Contracts:				
Exchange Traded Futures				
Unrealized Gain	Other Assets	\$ 83	Other Assets	\$ 340
Instruments Designated as Hedges:				
Interest Rate Swaps	Other Assets	\$ 168	Other Assets	\$ 174

The following table summarizes the gains and losses on derivative instruments recognized in the consolidated statements of income for the years ended:

	Derivative Gain (Loss)			
	June 29, 2024		June 24, 2023	
	Statement of Operations Location	Gain	Statement of Operations Location	Loss
Commodity Contracts:				
Exchange Traded Futures	Cost of Sales	\$ 1,595	Cost of Sales	\$ 3,122

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 12 ACCUMULATED OTHER COMPREHENSIVE INCOME**

Accumulated other comprehensive income show as a component of shareholders' equity is comprised of the following:

	Defined Benefit Pension	Postretirement Medical Plan	Cash Flow Hedges	Tax (Expense) Benefit	Total	Affected Line Item in Statement of Income
Balance - June 25, 2022	\$ (16,167)	\$ 312	\$ -	\$ 4,281	\$ (11,574)	
Other Comprehensive Income (Loss)						
Before Reclassifications	2,136	(88)	-	(553)	1,495	
Interest Rate Swap Agreements, Unrealized Gains	-	-	174	(47)	127	
Reclassification Adjustment for (Gains) Losses Included in Net Income (Loss):						
Amortization of Postretirement Medical Plan Items	-	(429)	-	116	(313)	Pension Costs
Amortization of Defined Benefit Pension Items	388	-	-	(105)	283	Pension Costs
Net Other Comprehensive Income (Loss) for Year	2,524	(517)	174	(589)	1,592	
Balance - June 24, 2023	(13,643)	(205)	174	3,692	(9,982)	
Other Comprehensive Income (Loss)						
Before Reclassifications	(1,134)	73	-	286	(775)	
Interest Rate Swap Agreements, Unrealized Gains	-	-	(6)	2	(4)	
Reclassification Adjustment for (Gains) Losses Included in Net Income (Loss):						
Amortization of Postretirement Medical Plan Items	-	(11)	-	3	(8)	Pension Costs
Amortization of Defined Benefit Pension Items	(306)	-	-	83	(223)	Pension Costs
Net Other Comprehensive Income (Loss) for Year	(1,440)	62	(6)	374	(1,010)	
Balance - June 29, 2024	<u>\$ (15,083)</u>	<u>\$ (143)</u>	<u>\$ 168</u>	<u>\$ 4,066</u>	<u>\$ (10,992)</u>	

**NOTE 13 SUPPLEMENTAL CASH FLOWS INFORMATION**

Cash paid during the year for:

	2024	2023	2022
Income Taxes	\$ 4,061	\$ 778	\$ 1,520
Interest	3,042	3,378	2,129

Schedule of noncash investing and financing activities:

	2024	2023	2022
Shareholder Refunds in Preference Shares	\$ 43,603	\$ 45,749	\$ 42,476
Accrued Shareholder Refund	115,561	106,294	86,734
Consideration Payable to Discontinued Members	4,092	-	-
Common Stock Issued in Business Combination	510	-	-

**DO IT BEST CORP. AND SUBSIDIARIES**  
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**NOTE 14 COMMITMENTS AND CONTINGENCIES**

The Company was contingently liable at June 29, 2024, and June 24, 2023, under a loan guarantee program, which has a maximum borrowing capacity of \$20,000 at both June 29, 2024, and June 24, 2023, with two commercial banks. Under the terms of the loan agreement, in order to participate, the borrowers must be both members of and approved by the Company in order to participate in the program.

Under the terms of the program, the bank will provide a member loan in the form of a term loan to be paid and members can elect to amortize over a period of 12 to 120 months in equal installments with any unpaid balance due at maturity or paid in seven equal annual principal installments on a straight-line basis plus interest due monthly.

Interest on the loans will be payable at a fixed rate to be determined by the banks at the time of funding. At June 29, 2024, and June 24, 2023, interest rates on the loans ranged from 8.00% to 8.50%.

The risk of loss under these agreements is spread over many members and is the estimated fair value of the loans considering both the contingent loss due to default and the value of the Company's guarantee. The Company believes that any potential loss under the agreements in effect at June 29, 2024, and June 24, 2023, will not be material to its financial position or results of operations.

The Company, in the ordinary course of business, is the subject of or party to various pending or threatened litigation. While it is not possible to predict with certainty the outcome of these matters, management of the Company does not believe that they will materially affect the financial position, or operating results or cash flows of the Company.

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

<b>State</b>	<b>Effective Date</b>
Minnesota	<del>December 5, 2023</del> <del>As Amended: January 4, 2024</del> <u>Pending</u>

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**EXHIBIT F**

**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 Do it Best Corp. (the “Company”) offers a Member shares of the Company, Company must provide this disclosure document to the Member 14 calendar days before it signs a binding agreement with, or make a payment to, the Company or our affiliate in connection with the proposed membership sale.

If the Company 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 those state administrators listed on Exhibit D.

The Company is Do it Best Corp. located at 1626 Broadway Suite 100, Fort Wayne, IN 46802. Its telephone number is (260) 748-5300.

Issuance Date: October 24, ~~2023, as amended December 18, 2023~~2024.

The Company’s membership sellers involved in offering and selling the membership to a Member are listed below (with address and telephone number), or will be provided to a Member separately before you sign a membership agreement:

\_\_\_\_\_.

The Company authorizes the respective state agencies identified on Exhibit D to receive service of process for the Company in the particular state.

The Company has received a disclosure document dated October 24, ~~2023, as amended December 18, 2023~~2024, that included the following Exhibits:

- A. Map of Minnesota Delivery
- B. Membership Agreement
- C. List of Members in Minnesota
- D. Minnesota State Addenda (including state agency)
- E. Financial Statements
- F. Receipt Pages

Date: \_\_\_\_\_  
(Do not leave blank)

\_\_\_\_\_  
Signature of Prospective Member

\_\_\_\_\_  
Print Name

Copy for Member

## Receipt

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- B. Membership Agreement
- C. List of Members in Minnesota
- D. Minnesota State Addenda (including state agency)
- E. Financial Statements
- F. Receipt Pages

Date: \_\_\_\_\_  
(Do not leave blank)

\_\_\_\_\_  
Signature of Prospective Member

\_\_\_\_\_  
Print Name

Copy for Do it Best Corp.

Please sign and date both copies of this receipt, keep one copy (the previous page) for your records, and mail one copy (this page) to the address listed on the front page of this disclosure document or send to Territory Sales Manager or by fax to (260) 748-5477.

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