



**FRANCHISE DISCLOSURE DOCUMENT**  
**911 RESTORATION FRANCHISE INC.**

A California corporation  
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Van Nuys, California 91406  
(888) 243-6653  
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911 Restoration Franchise Inc., a California corporation, offers franchises for 911 Restoration emergency response service businesses which provide emergency clean-up from fire damage, water damage, mold damage and mold inspections, carpet cleaning, duct cleaning and crawl space cleaning. We offer the rights for 3 different franchises in this Disclosure Document:

**Traditional Franchise Program.** Under the Traditional Franchise Program, you will sign a Franchise Agreement to operate a new 911 Restoration business in a geographic territory with a population of approximately 250,000 to 350,000 people. The total investment necessary to begin operation of a Traditional Franchise is \$123,600 to \$246,900. This includes \$~~66~~61,500 to \$72,500 that must be paid to the franchisor.

**Conversion Franchise Program.** Under the Conversion Franchise Program, you will sign a Franchise Agreement to obtain the right to convert an existing emergency response service business or a related business to a 911 Restoration business in a geographic territory with a population of approximately 250,000 to 350,000 people. The total investment necessary to begin operation of a conversion franchise is \$123,600 to \$246,900. This includes \$~~66~~61,500 to \$72,500 that must be paid to the franchisor.

**Micro-Market Franchise Program.** Under the Micro-Market Franchise Program, you will sign a Franchise Agreement to operate a new 911 Restoration business in a geographic territory with a population of approximately 100,000 to 249,999 people. The total investment necessary to begin operation of a Micro-Market Franchise is \$102,100 to \$229,900. This includes \$~~46~~41,500 to \$52,500 that must be paid to the franchisor.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Miri Offir in our Franchise Department at 7721 Densmore Avenue, Van Nuys, California 91406; telephone: (818) 373-4880; [miri@911restoration.com](mailto:miri@911restoration.com).

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade

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

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

**Business model can change.** The franchise agreement may allow the franchisor 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 franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

**Operating restrictions.** The franchise agreement may prohibit you from operating a similar business during the term of the franchise. 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 franchisor.** Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

**Renewal.** Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

**When your franchise ends.** The franchise 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

—Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the 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 A.

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

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration only in California. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate with the franchisor in California than in your own state.
2. **Financial Condition.** The franchisor's financial condition as reflected in the financial statements (see Item 21) calls into question the franchisor's financial ability to provide services and support to you.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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.

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## **EXHIBITS**

<b>A</b>	List of State Administrators and State Agents for Service of Process
<b>B</b>	Franchise Agreement (with Conversion Addendum)
<b>C</b>	State Specific Addenda
<b>D</b>	List of Current Franchisees and Franchisees Who Have Left the System
<b>E</b>	Financial Statements
<b>F</b>	Franchisee Compliance Certificate
<b>G</b>	Form of General Release
<b>H</b>	<u>Supplement to 911 Restoration Franchise, Inc. Franchise Disclosure Document</u>
<b>I</b>	State Effective Dates
<b>J</b>	Receipts

Virginia franchisees and thereafter provided the Division with certified mail receipts as evidence of the Virginia franchisees' receipt of the Settlement Order within 60 days of the entry of the Settlement Order. The Virginia franchisees did not respond to the Company following their receipt of the Settlement Order.

With Other than these exceptionsactions, no litigation is required to be disclosed in this ~~Item~~ disclosure document.

#### ITEM 4 BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

#### ITEM 5 INITIAL FEES

##### **Initial Franchise Fee**

You must pay us a non-refundable initial franchise fee (an “**Initial Franchise Fee**”) when you sign our Franchise Agreement. However, if in connection with your franchise you are obtaining a loan through the US Small Business Administration (“SBA Loan”), if your SBA Loan is not funded in full within 90 days after you sign your Franchise Agreement, then we have the right, but not the obligation, to cancel your Franchise Agreement. If we exercise this right, then we will return to you 50% of any deposit actually paid by you towards the Initial Franchise Fee. After this 90-day period, if your SBA Loan has not been funded we have two options, either refund 50% of the Franchise Fee Deposit to you or extend the 90 days to any number of days we choose. Additionally, we reserve the right to continue to market your chosen territory for sale until your SBA loan is fully funded. If we sell your territory before your SBA Loan is fully funded, we will grant you the right to open in another territory. The right to make this extension is solely our right.

**Traditional Franchise.** The Initial Franchise Fee for a Traditional Franchise is \$49,000 and is payable in accordance with the terms outlined above. The population in your Territory will range from approximately 250,000 to 350,000 people. We will assign your Territory when you sign your Franchise Agreement.

**Conversion Franchise.** The Initial Franchise Fee for a Conversion Franchise is \$49,000 and is payable in accordance with the terms outlined above. The population in your Territory will range from approximately 250,000 to 350,000 people. We will assign your Territory when you sign your Franchise Agreement.

**Micro-Market Franchise.** The Initial Franchise Fee for a Micro-Market Franchise is \$29,000 and is payable in accordance with the terms outlined above. The population in your Territory will range from approximately 100,000 to 249,999 people. We will assign your Territory when you sign your Franchise Agreement.

We generally determine the population in your Territory from the latest population estimates prepared by the U.S. Census Bureau; however, we may use a substitute or successor source of population information.

### **Initial Training Fee**

You must pay us a non-refundable initial training fee ranging from \$2,500 to \$3,500 (an “**Initial Training Fee**”) for 1 trainee when you register for our initial training program (the “**Initial Training Program**”). You must pay us a non-refundable Initial Training Fee ranging from \$500 to \$1,500 for each additional trainee. If you are an existing franchisee acquiring an additional Territory, you will not be required to attend or pay for our Initial Training Program.

### **Business Launch Fee**

You must pay us a non-refundable business launch fee of \$10,000 (a “**Business Launch Fee**”) when you register for our Initial Training Program. The Business Launch Fee is payment for our guidance and assistance in the opening of your Franchised Business, establishing a website for your Franchised Business, 9-months of Advanced SEO Services and a 3-month digital awareness campaign.

### **Reduced Initial Fees for Purchase of Franchises for Multiple Individual Territories**

In our discretion, we may award up to 3 franchises to qualified candidates for reduced Initial Franchise Fees. As of the issuance date of this Disclosure Document, the Initial Franchise Fee currently charged for a second franchise is \$44,000 and the Initial Franchise Fee currently charged for a third franchise is \$39,000. You must sign a separate Franchise Agreement for each franchise. We will determine the actual Initial Franchise Fee payable for a second and third franchises when those franchises are awarded. In addition to the reduced franchise fees, franchise owners will also receive reduced per unit operating fees with regard to the technology fee, marketing investment requirements, and other expenses outlined in Item 7.

### **Deposit Amendment to Franchise Agreement**

If you are purchasing Additional Franchised Territories, you must pay us a \$5,000 Deposit (“the **Deposit**”), in advance, for each Additional Franchised Territory when you sign your Franchise Agreement for your first Territory and your Deposit Amendment in the form attached as Exhibit J to our Franchise Agreement. You will sign an individual Franchise Agreement for each Additional Franchised Territory. The Franchise Fees payable for additional territories will be in the amounts stated in the Paragraph above.

The terms of the Franchise Fee payable for an Additional Franchised Territory are as follows:

- (i) Payment must commence within three (3) months of opening the additional location;
- (ii) A 10% down payment is required (the \$5,000 Deposit will be credited towards this amount); and
- (iii) Equal monthly payments over an eighteen (18) month period for the remaining balance, with interest at the prime rate of interest plus 2 points.

You are not required to develop and open any Additional Franchised Territory. However, if you choose to acquire an Additional Franchised Territory, each Additional Franchised Territory must be opened by the deadline stated in your Deposit Amendment. The Deposit is non-refundable in whole or in part.

**Purchases of Materials.** As part of your initial inventory and operating supplies and computer system, before you attend New Franchise Owner training, you must purchase from us or our approved supplier logoed uniform apparel for you and your employees and promotional materials and printed marketing

materials. We estimate the initial cost of these items will be \$5,000 to \$10,000 depending on the number of employees on your initial staff. This fee is non-refundable once paid.

**Veteran's Discount.** We may reduce our initial franchise fee by 35% for the first Franchised Business purchased by a qualified veteran of the United States Armed Services if he or she (i) purchases the Franchised Business franchise individually or (ii) will own a majority interest in the entity that signs the Franchise Agreement as franchisee.

~~**Refunds, Different Fees and Financing.** We may reduce, defer or waive the Initial Franchise Fee or Deposit if and when we determine, it is warranted by a unique or compelling situation. Except as specified in Item 10 of this Disclosure Document, we generally do not provide financing for the initial franchise fee.~~

There are no other purchases from or payments to us that you must make before you open for business. No fee listed in this Item 5 is refundable.

**ITEM 6  
OTHER FEES**

<b>Fees <sup>(1)</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Royalty Fee for a Traditional Franchise <sup>(2)</sup>	See Note 3	Payable on the 15 <sup>th</sup> day of each month for the Gross Revenue generated in the preceding calendar month by withdrawal from your designated bank account via electronic funds transfer ("EFT") payment.	Royalty Fees are calculated based on Gross Revenue for the previous calendar month. Non-Restoration Services include construction, repair, remodeling or reconstruction services regardless of origin. All other services are considered Restoration Services. We offer royalty incentives that may entitle you to rebates on certain royalties paid as more fully described in Exhibit L to the Franchise Agreement.



Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Safety	3	20	HQ/Virtual/Field
Estimating	12	16	HQ/Virtual/Field
Water Restoration	20	20	HQ/Virtual/Field
Mold Remediation	8	20	HQ/Virtual/Field
Fire/Smoke Restoration	12	20	HQ/Virtual/Field
<b>Total</b>	<b>84</b>	<b>146</b>	

Our training program is overseen by our staff and qualified franchisees. Each of our instructors has a minimum of 2 years' experience relevant to the subjects being taught and have been employed by us for at least one month.

In our discretion, we may choose to hold an annual meeting or convention for our franchisees to conduct additional training, announce new products and/or services or discuss any other matters of interest. If and when held, the annual meeting or convention will be mandatory for all franchisees. You agree to bear all costs related to attending the annual meeting or convention, including travel, lodging, meals, wages and a nominal fee for the meeting or convention. This nominal fee will include the cost of the additional training we conduct. (**Franchise Agreement, Section 5.12**).

### **Confidential Operations Manual**

We will loan you a copy of the Manual during the term of your Franchise Agreement. We have formulated these standards to ensure high quality services and products, the efficient operation of your franchise, and the protection of the goodwill associated with the Proprietary Marks. We may modify the Manual from time to time to improve any of these factors. We may provide all or a portion of the Manual to you electronically, such as via a password-protected Website. However, no modification may alter your rights under your Franchise Agreement. You agree to exert your best efforts to promote our Proprietary Marks and our brand-name identity as it relates to your Franchised Business. The manual consists of 953 pages. (**Franchise Agreement, Article 6**).

You will have the opportunity to view the Manual before you sign the Franchise Agreement.

## **ITEM 12 TERRITORY**

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Because of our rights to use alternative channels of distribution and control national accounts and Catastrophic Events claims, we cannot provide you with an exclusive territory; however, you will be protected from other franchisees intentionally solicit customers within your Territory.

The Franchise Agreement only grants you the right to operate your Franchised Business at the single location designated in the Franchise Agreement and only within the designated, ~~exclusive~~ territory ("Territory") described in Exhibit A of the Franchise Agreement. The size of your Territory is determined based on population, geographical size and natural boundaries within your Territory.

We reserve the right to use alternate channels of distribution, including the internet, within your Territory and manage Catastrophic Events claims without paying any compensation to you for soliciting or accepting jobs; however, if we receive a job request through any Internet, World Wide Web or other computer network site, or through any other alternative distribution channel, or receive a request for service thru our national call center calling for or performance in your Territory, then we will offer the opportunity to you. If you choose not to pursue the opportunity or are otherwise unable to do so, then we may designate a third party (including another franchisee) to fulfill the opportunity, and you will not be entitled to any compensation in connection with that job. You are strictly prohibited from using alternative channels of distribution to make sales outside of your designated Territory.

~~You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.~~ We will determine the boundaries of your Territory and your Territory will be described in terms of contiguous zip codes, town boundaries or county boundaries, or we may depict your Territory on a map attached as an attachment to your Franchise Agreement. We will use the U.S. Census Bureau and other similar resources to obtain the population data we will use to determine your Territory.

As part of the process of renewing your Franchise Agreement, we reserve the right to re-evaluate your then-existing Territory according to certain demographics, including population. Since your Territory includes a certain minimum population, your Territory under the renewal Franchise Agreement will be modified to accommodate shifts and changes in population. Our intent is to make the target demographics of your renewal Territory similar to the target demographics of your original Territory. A re-evaluation of your Territory may result in your renewal Territory being smaller or larger than your original Territory.

You are not permitted to relocate your Franchised Business without our prior written approval. You may operate the Business solely at the premises approved by us. We may allow a relocation of your Franchised Business to another location within your Territory. We will use our then-current site review criteria when reviewing the relocated site you propose and your new location must not have any adverse impact on the sales of franchisees in any adjoining Territory.


You may sell approved products and services to customers within your Territory. You are not permitted to promote your Franchised Business or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, LinkedIn or X, without our prior written consent. We will control all “**social media**” initiatives. You must comply with our System standards regarding the use of social media in your Franchised Business’s operation, including prohibitions on your and the Franchised Business’s employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us (“social media” includes personal blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like X, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools).

We reserve the right: (i) of ownership in, and control over the Proprietary Properties; (ii) to grant additional franchises, whether similar or dissimilar to the franchise granted by us, outside of the Territory; (iii) to engage fully and freely and without limitation in each and every aspect of the business of selling related services, products and equipment; (iv) to offer to the public-at-large, separately, jointly or with others, all related services and/or products of every type and kind; (v) to employ and exploit the Proprietary Marks, Copyrights, and Know How in connection therewith; (vi) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided from 911 Restoration Businesses and to franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of

Territory requiring the performance of authorized services pursuant to the requirements of any National Accounts Program that we or our affiliates may implement. If any of our affiliates operate a 911 Restoration Business in the Territory, we will adhere to the referral policies set forth in the Manual and refer projects from National Accounts in accordance with that policy. However, you acknowledge and agree in your Franchise Agreement that we do not represent or guaranty any volume of jobs or revenue from our National Account program. If you accept a National Accounts project, you must strictly abide by all applicable guidelines, protocols, policies and procedures with respect to the National Account Program, including the pricing of projects and any fees related to the projects.

### ITEM 13 TRADEMARKS

Under the Franchise Agreement, we grant you the non-exclusive right to use the Marks. Our principal trademark is “911 Restoration” and associated design. We have registered the following Marks on the Principal Register of the United States Patent and Trademark Office (“USPTO”) as follows:

<u>REGISTERED TRADEMARKS</u>				
Mark	Application Date	Serial Number	Registration Number	Registration Date
911 Restoration	April 5, 2006	76/657,886	3,447,294	June 17, 2008 (Renewed on March 5, 2018)
911 Restoration	March 25, 2008	77/431,096	3,605,220	April 14, 2009 (Renewed on April 27, 2015)
	February 3, 2016	86/896,446	5,108,052	December 27, 2016 (Renewed on June 23, 2023)

<u>PENDING TRADEMARK(S)</u>				
<u>Mark</u>	<u>Application Date</u>	<u>Serial Number</u>	<u>Registration Number</u>	<u>Registration Date</u>
The Fresh Start Company	June 27, 2023	98/060,771	N/A	N/A
<p style="text-align: center;"><u>Note regarding the above trademark:</u></p> <p><u>We do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.</u></p>				

We have filed all affidavits and other required documents to maintain our interests in and to the Proprietary Marks.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the Marks that may significantly

Provision	Article in Franchise Agreement	Summary
p. Your death or disability	Article 15	Must designate a manager within 90 days; if manager is not designated, we may terminate the Agreement.
q. Non-competition covenants during the term of the franchise	Article 14	No involvement in a competing business- <u>(subject to state law)</u> .
r. Non-competition covenants after the franchise is terminated or expires	Article 14	No involvement in a competing business for 2 years anywhere within the Territory, within a 25-mile radius from the exterior boundaries of the Territory, or within 25-miles of any business using the System and/or the Proprietary Marks, whether franchised, licensed or owned by us or our affiliates. You may not solicit or divert customers to other businesses, employ or seek to employ any person who is at the time employed by us or another franchisee. If you violate the covenants in Section 14.2, you must pay us 5% of all revenue of the competing business. <u>(subject to state law)</u> .
s. Modification of the agreement	Article 19	Only upon mutual agreement.
t. Integration/merger clause	Article 19	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any representations or promises made outside the disclosure document and the Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article 20	Arbitration within 5 miles of our headquarters, subject to state law
v. Choice of forum	Articles 19 and 20	Los Angeles County, California (subject to <u>applicable</u> state law)
w. Choice of law	Article 19	California (subject to <u>applicable</u> state law)

## ITEM 18 PUBLIC FIGURES

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

## ITEM 19

### FINANCIAL PERFORMANCE REPRESENTATIONS

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

The following financial performance representations disclose the historical data relating to the operation of 322 franchisee-owned 911 Restoration businesses (i.e. territories) owned and operated by 98 franchisee owners that were open and operating from January 1, 2023 to December 31, 2023.

**Table 1: Historical performance of 911 Restoration franchisee-owned businesses based upon age of franchisee**

Age as of 12/31/23	Gross Revenue Low	Gross Revenue High	Gross Revenue Average	Gross Revenue Median	% that attained or surpassed the avg	# of Units that attained or surpassed the avg	Total No. of Units
< 3 years	\$2,830	\$3,255,590.78	\$559,649.77	\$317,050.15	13	32.5%	40
3-5 years	\$40,449.10	\$2,749,982.38	\$1,040,376.26	\$873,3330.69	9	36%	25
5+ years	\$99,649.58	\$6,921,556.27	\$1,355,353.12	\$1,053,010.52	10	30.3%	33

**Table 2: Historical performance of 911 Restoration franchisee-owned businesses based upon number of territories per franchisee**

Number of Territories	Gross Revenue Low	Gross Revenue High	Gross Revenue Average	Gross Revenue Median	Percent age that attained or surpassed the average	Number of Units that attained or surpassed the average	Total No. of Units
1	\$24,379.38	\$6,921,556.27	\$895,469.34	\$520,747.54	9	27.27%	33
2	\$79,597.73	\$3,255,590.78	\$954,915.16	\$914,621.45	14	41.18%	34
3-4	\$2,830	\$2,377,103.14	\$531,285.13	\$363,292.96	6	37.5%	16
5-9	\$385,422.85	\$2,252,687.54	\$1,039,142.03	\$982,157.72	5	50%	10
10+	\$1,053,010.52	\$6,641,780.91	\$2,442,492.85	\$1,199,766.6	1	20%	5

Notes:

1. There were 281 franchisee-owned 911 Restoration businesses on January 1, 2023 and 322 on December 31, 2023. During the 2023 fiscal year, there were 10 franchisee-owned 911 Restoration businesses that closed due to either their Franchise Agreement being terminated or ceasing operations for other reasons.

1-2. "Gross Revenue" means all fees received by a franchisee (including actual deposits in franchisee's bank accounts as well as undeposited cash receipts) from, through, by or on account of the operation of its franchised business, whether received in cash, in services or in kind, less: (i) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers and actually paid by Franchisee to governmental authorities; and (ii) the amount of any documented refunds, credits and allowances given in good faith to customers by Franchisee.

~~2.3.~~ We do not require that multi-territory franchisees report income separately for each territory; therefore for those franchisees who own and operate more than 1 territory, all Gross Revenue for the territories have been combined for the historical representations shown above.

~~3.4.~~ The data above reflects Gross Revenue data and does not reflect any costs or expenses that must be deducted from Gross Revenue to obtain net income or net profit figures.

~~4.5.~~ We calculated the figures in this Item 19 using data submitted to us by the representative franchisee-owned 911 Restoration businesses. We have not audited or independently verified this data nor have we asked questions of the representative franchisee-owned 911 Restoration businesses to determine whether they are in fact accurate and complete.

~~5.6.~~ These results represent sales of products and services similar to those that will be available to the franchisee to sell.

~~6.7.~~ Written substantiation for these financial performance representations is available upon reasonable request.

~~7.8.~~ We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors before signing the Franchise Agreement.

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to Franchisor's management by contacting our President, Miri Offir, 7721 Densmore Avenue, Van Nuys, California 91406; telephone: (818) 373-4880, the Federal Trade Commission and the appropriate state regulatory agencies.

[Remainder of page intentionally left blank]

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
	2023	2	0	0	0	0	0	2
<b>Virginia</b>								
	2021	4	0	0	0	0	0	4
	2022	4	2	0	0	0	0	6
	2023	6	0	0	0	0	0	6
<b>Washington</b>								
	2021	3	0	2	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<b>Washington DC</b>								
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	11	0	0	0	0	12
<b>Wisconsin</b>								
	2021	1	2	0	0	0	0	3
	2022	3	1	1	0	0	0	3
	2023	3	0	0	0	0	0	3
<b>Wyoming</b>								
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<b>Total</b>								
	2021	205	50	25	0	0	0	230
	2022	230	72	4	14	3	0	281
	2023	281	55	3	0	2	9	322

[Remainder of page intentionally left blank]

**TABLE NO. 4**  
**STATUS OF COMPANY OWNED OUTLETS**  
**FOR FISCAL YEARS 2021 TO 2023**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Florida							
	2021	0	0	0	0	0	0
	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
New York							
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
	2023	3	0	0	0	0	3
Tennessee							
	2021	0	0	0	0	0	0
	2022	0	0	2	0	0	2
	2023	2	0	0	0	0	2
Total							
	2021	3	0	0	0	0	3
	2022	3	1	2	0	0	6
	2023	6	0	0	0	0	6



TABLE NO. 5  
PROJECTED OPENINGS AS OF DECEMBER 31, 2023

State	Franchise Agreements Signed but not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	2	3	0
Georgia	2	0	0
New Jersey	4	0	0
New York	0	1	0
Tennessee	2	0	0
Texas	3	0	0
Wisconsin	0	1	0
<b>Total</b>	13	5	0

A list of the names of all franchisees and the addresses and telephone numbers of their Businesses is attached as **Exhibit D** to this Disclosure Document.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document are listed on **Exhibit D** to this Disclosure Document. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last 3 fiscal years, we have not had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the 911 Restoration System.

There are no trademark-specific organizations formed by our franchisees that are associated with the 911 Restoration System.

## ITEM 21 FINANCIAL STATEMENTS

Attached to this Disclosure Document as **Exhibit E** are our audited financial statements for the periods ending December 31, 2023, December 31, 2022, and December 31, 2021. Our fiscal year ends December 31 of each year.

## ITEM 22 CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document:

**Franchise Agreement (with Conversion Addendum) – Exhibit B**  
**Franchise Compliance Certificate – Exhibit F**  
**Form of General Release – Exhibit G**

## ITEM 23 RECEIPTS

Attached as **Exhibit I** are 2 copies of an acknowledgment of receipt by you, acknowledging receipt of this Disclosure Document by you, together with accompanying documents. Please sign and date both, keeping one for your files.

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
	(402)471-2171	(402) 471-2171
NEW YORK	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21 <sup>st</sup> Floor New York, NY 10005 (212) 416-8222	<del>New York Department of State</del> Secretary of State One Commerce Plaza 99 Washington Avenue, 6 <sup>th</sup> Floor Albany, New York NY 12231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387
RHODE ISLAND	Director, Securities Division Department of Business Regulation Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462 9582	Securities Division Department of Business Regulation Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462 9582
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Director, Division of Insurance 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Ninth Floor 1300 East Main Street Richmond, Virginia 23219 (804) 371-9051	Clerk, State Corporation Commission 1300 East Main Street, Ninth Floor Richmond, Virginia 23219 (804) 371-9051
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box <del>90334</del> 1200 Olympia, Washington <del>98507</del> 98504-1200 (360) 902-8760	Director, Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, Washington 98501
WISCONSIN	Franchise Registration Division of Securities Wisconsin Department of Financial Institutions 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064	Securities and Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064

inclusive, including without limitation, any rights or defenses which are or may become available to Guarantors by reason of California Civil Code Sections 2787 through 2855, inclusive; and (ii) California Civil Code Section 2899. Guarantors further waive presentment, demand, notice of dishonor, protest, nonpayment and all other notices whatsoever, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under the Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Franchisee and Franchisor resulting from the Agreement or otherwise, and the settlement, compromise or adjustment thereof.

6. This Guaranty shall be enforceable by and against the respective administrators, executors, successors and assigns of the Guarantors and the death of any Guarantor shall not terminate the liability Guarantor or limit the liability of the other Guarantors hereunder.

7. Neither any provision of this Guaranty nor right of Franchisor under this Guaranty can be waived, nor can Guarantors be released from Guarantors' obligations under this Guaranty except by a written agreement executed by Franchisor. If any provision or portion of any provision of this Guaranty is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective. This Guaranty constitutes the entire agreement of Guarantors and Franchisor with respect to the subject matter hereof and no representation, understanding, promise or condition concerning the subject matter hereof shall bind Franchisor unless expressed herein.

8. This Guaranty may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Guaranty with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guaranty for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Guaranty. In addition, this Guaranty may be signed electronically by Guarantors and electronic signatures appearing on this Guaranty shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Guaranty.

9. This Guaranty shall be interpreted and construed under the laws of California. In the event of any conflict of law, the law of California shall prevail, without regard to the application of California conflict of law rules. If, however, any provision of this Guaranty would not be enforceable under the laws of California, and if the Franchised Business is located outside of California and such provision would be enforceable under the laws of the state in which the Franchised Business is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this Section 9 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of the state of California to which it would not otherwise be subject. Venue for purposes of any legal proceedings brought in connection with or arising out of this Guaranty shall be conclusively presumed to be in the State of California, County of Los Angeles. Guarantors hereby submit to the jurisdiction of the United States District Court for the Central District of California.

10. If more than one person has executed this Guaranty, the term the "undersigned," as used herein shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

~~11. In each case where the spouse of a Franchisee has executed any documents in connection with the granting of the Agreement, and Franchisee subsequently divorces from such spouse, then, in the event that Franchisee subsequently remarries, the new spouse of such Franchisee~~

must execute, and agree to be bound by the provisions of, each of the documents previously executed by Franchisee's original spouse.

1211. Franchisor agrees that unless Franchisee is guilty of having misappropriated trust money or otherwise unjustifiably or willfully breached any material term of this Agreement, it will not seek enforcement of its right to money damages against the primary residence of any guarantor.

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty under seal effective as of the \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

_____ Signature	_____ Signature of Spouse (if married)
_____ Printed Name	_____ Printed Name
_____ _____	_____ _____
_____ _____	_____ _____
_____ Home Address	_____ Home Address
_____ Home Telephone	_____ Home Telephone
_____ Business Telephone	_____ Business Telephone
_____ Date	_____ Date

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The ~~Franchise Agreement~~franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. ~~This provision may not be enforceable~~A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California law Business and Professions Code Section 16600.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Los Angeles County, California, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

3. The following paragraph is added at the end of Item 19 of the Disclosure Document:

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

**CALIFORNIA**  
**ADDENDUM TO FRANCHISE AGREEMENT**

**THIS ADDENDUM TO FRANCHISE AGREEMENT** (this “**Addendum**”) dated \_\_\_\_\_, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated \_\_\_\_\_, by and between 911 Restoration Franchise Inc., as franchisor (“**Franchisor**”), and \_\_\_\_\_, as franchisee (“**Franchisee**”). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

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

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**

911 Restoration Franchise Inc.,  
A California corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_  
A/An \_\_\_\_\_

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**INDIVIDUAL(S) WITH OWNERSHIP INTEREST IN FRANCHISEE:**

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

Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

**MINNESOTA**  
**ADDENDUM TO DISCLOSURE DOCUMENT**

In accordance with the requirements of the state of Minnesota the following disclosure should be read in conjunction with the Disclosure Document. Any inconsistency with the information contained in the Disclosure Document will be resolved in favor of this Minnesota Addendum.

11. Item 5 “**Initial Fees**” is amended by adding the following:

The franchisor has posted a surety bond in the amount of \$49,000. The State of Minnesota has required this financial assurance obligation due to the franchisor’s financial condition.

2. Item 13 “**Trademarks**” is amended by adding the following:

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any of your costs incurred in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by us, and so long as we are timely notified of the claim and are given 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.

23. Item 17 “**Renewal, Termination, Transfer and Dispute Resolution**” is amended by adding the following:

A. **Renewal and Termination**

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

B. **Choice of Forum**

Nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

C. **Releases**

A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.22.

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



**MINNESOTA**  
**ADDENDUM TO FRANCHISE AGREEMENT**

The Franchise Agreement is specifically amended as follows:

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et seq., the parties to the attached Franchise Agreement ("Agreement") agree as follows:

1. Section 4.1 "**Initial Term**", shall be supplemented by the following new paragraph:

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

2. Section 4.2 "**Renewal Right**", shall be supplemented by the following new paragraph:

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

3. Section 7 "**Proprietary Marks**" shall be supplemented by the following new paragraph:

As required by Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), Franchisor will reimburse Franchisee for any costs incurred by Franchisee in the defense of Franchisee's right to use the Marks, so long as Franchisee was using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and is given 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.

44. Section 8.1 "**Initial Franchise Fee**" shall be supplemented by the following:

The franchisor has posted a surety bond in the amount \$49,000. The State of Minnesota has required this financial assurance obligation due to the franchisor's financial condition.

5. Section 16 "**Default and Termination**" shall be supplemented by the following new paragraph:

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

56. Section 15.2 "**Assignment by Franchisee**" shall be supplemented by the following new sentence:

"A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Section 80C.22."

67. Section 19.17 "**Governing Law**" (regarding choice of forum), shall be supplemented by the following:

"Nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction."

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

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

**FRANCHISOR:**

911 Restoration Franchise Inc.,  
A California corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_  
A/An \_\_\_\_\_

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**INDIVIDUAL(S) WITH OWNERSHIP INTEREST IN FRANCHISEE:**

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

Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

**WASHINGTON**  
**ADDENDUM TO DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT**

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

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

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

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

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

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

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

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

*[Signatures on following page]*

Recital D of the Franchise Agreement does not apply in the State of Washington.

Section 19.10.2 of the Franchise Agreement does not apply in the State of Washington.

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

The undersigned does hereby acknowledge receipt of this addendum.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_.

\_\_\_\_\_  
FRANCHISOR

\_\_\_\_\_  
FRANCHISEE

INDIVIDUAL(S) WITH OWNERSHIP INTEREST IN FRANCHISEE:

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

**This addendum may also be used as a rider to the Franchise Disclosure Document.**

**EXHIBIT F**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**FRANCHISE COMPLIANCE CERTIFICATE**

The undersigned Franchisee desires to enter into a Franchise Agreement with 911 Restoration Franchise Inc., a California corporation ("**Franchisor**"). Franchisor requires that Franchisee complete this Questionnaire in order to enable Franchisor to confirm that Franchisor and its employees and representatives have fully complied with all applicable franchise registration and disclosure laws.

**NOTICE FOR PROSPECTIVE FRANCHISEES WHO RESIDE IN, OR WHO INTEND TO OPERATE THE FRANCHISED BUSINESS IN THE STATE OF ~~CALIFORNIA~~ DO NOT COMPLETE THIS QUESTIONNAIRE OR TO RESPOND TO ANY OF THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE.**

**THIS FRANCHISE COMPLIANCE CERTIFICATE MAY NOT BE SIGNED OR USED IF THE FRANCHISEE RESIDES WITHIN, OR IF THE FRANCHISED BUSINESS WILL BE LOCATED WITHIN THE STATE OF MARYLAND OR THE STATE OF WASHINGTON.**

1. Full name of Franchisee:

---

2. Franchised Location:

---

---

3. Franchisee is: (Check applicable box)

☐ An individual,

☐ A corporation,

☐ A general partnership,

☐ A limited partnership,

☐ A limited liability company

4. If Franchisee is other than an individual, indicate the capacity in which the undersigned is authorized to act on behalf of Franchisee: (Check applicable box)

☐ Officer (insert title): \_\_\_\_\_

☐ General Partner: \_\_\_\_\_

☐ Other (please explain): \_\_\_\_\_

5. Did Franchisee receive a Franchise Disclosure Document from Franchisor? ☐ Yes ☐ No

**EXHIBIT H**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**SUPPLEMENT TO 911 RESTORATION FRANCHISE, INC.**  
**FRANCHISE DISCLOSURE DOCUMENT**

We have one (1) franchisee who qualifies as an Area Developer based upon (i) the size of the franchisee's territory and (ii) the age of the franchisee within the 911 Restoration franchise system. Because of these factors, we have granted this franchisee a different royalty structure than other franchisees as follows:

This Area Developer pays royalties as follows:

1. Mitigation Royalties

- a. 10% on all mitigation projects ("Mitigation Royalties") until the Mitigation Royalties in a calendar year have equaled \$100,000;
- b. When the Mitigation Royalties have exceeded \$100,000 for a calendar year, the 10% is reduced to 6% for the remainder of the calendar year, starting in the next calendar month, to be reset to 10% each January 1st;
- c. 1% on all construction projects, there being no reduction in the percentage being paid on construction projects.

2. Large Losses

- a. Large Losses are defined for the Area Developer as a project, which is generated by the Area Developer and for which Area Developer receives no less than \$150,000 in Gross Revenue; are located in Area Developer's territory; and that were not received through a National Account.
- b. As a Large Loss, Area Developer's royalties are as follows:
  - i. 5% if the Gross Revenue on the Large Loss is between \$150,000 and \$500,000;
  - ii. 4.5% if the Gross Revenue on the Large Loss is between \$500,000 and \$750,000;
  - iii. 4% if the Gross Revenue on the Large Loss is between \$750,000 and \$1,000,000; and
  - iv. 3.5% if the Gross Revenue on the Large Loss is over \$1,000,000.

Except for what is stated herein, the Area Developer's fee structures and obligations under the franchise agreement are unchanged.

EXHIBIT I  
TO THE FRANCHISE DISCLOSURE DOCUMENT  
STATE EFFECTIVE DATES

(Beginning on next page)

## STATE EFFECTIVE DATES

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

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

State	Effective Date
California	Pending
Hawaii	<del>April 23, 2024</del> Pending
Illinois	Pending
Indiana	<del>May 8, 2024</del> Pending
Maryland	May 10, 2024
Michigan	<del>May 14, 2024</del> Pending
Minnesota	Pending
New York	Pending
North Dakota	May 24, 2024
Rhode Island	May 30, 2024
South Dakota	April 22, 2024
Virginia	May 1, 2024
Washington	Pending
Wisconsin	April 23, 2024

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 IJ**  
**TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**RECEIPTS**

**(Beginning on next page)**

## RECEIPT

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If 911 Restoration Franchise Inc. offers you a franchise, 911 Restoration Franchise Inc. must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we give you this Disclosure Document at the earlier of 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

New York requires you to receive this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If 911 Restoration Franchise Inc. 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 and state law may have occurred and should be reported to The Federal Trade Commission, Washington D.C. 20580 and the appropriate State Agency Identified on Exhibit A.

The franchisor is 911 Restoration Franchise Inc., located at 7721 Densmore Ave., Van Nuys, California 91406. Its telephone number is (888) 243-6653.

Issuance Date: April 20, 2024

The name, principal business address and telephone number of each Franchise Seller offering the Franchise: Miri Offir, 7721 Densmore Avenue, Van Nuys, CA 91406; (747) 233-2618;

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We authorize the persons and/or entities listed on Exhibit A to receive service of process for us.

I have received a Disclosure Document dated April 20, 2024 that included the following Exhibits:

Exhibit A	List of State Administrators and State Agents for Service of Process
Exhibit B	Franchise Agreement (with Conversion Addendum)
Exhibit C	State Specific Addenda
Exhibit D	List of Current Franchisees and Franchisees Who Have Left the System
Exhibit E	Financial Statements
Exhibit F	Franchise Compliance Certificate
Exhibit G	Form of General Release
Exhibit H	<u>Supplement to 911 Restoration Franchise, Inc. Franchise Disclosure Document</u>
<u>Exhibit I</u>	State Effective Dates
Exhibit <u>I</u>	Receipts

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Date

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Franchisee

Please sign this copy of the Receipt, date your signature, and return it to: Miri Offir at 911 Restoration Franchise Inc., 7721 Densmore Ave., Van Nuys, California 91406 or by fax to (818) 373-4860.

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Exhibit G	Form of General Release
Exhibit H	<u>Supplement to 911 Restoration Franchise, Inc. Franchise Disclosure Document</u>
Exhibit I	State Effective Dates
Exhibit J	Receipts

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Date

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Franchisee

Keep this copy for your records. This Disclosure Document may be available in several formats including on paper, on a CD, in pdf format or on our website: [www.911restorationfranchise.com](http://www.911restorationfranchise.com).

~~**SUPPLEMENT TO 911 RESTORATION FRANCHISE, INC.  
FRANCHISE DISCLOSURE DOCUMENT**~~

~~We have one (1) franchisee who qualifies as an Area Developer based upon (i) the size of the franchisee's territory and (ii) the age of the franchisee within the 911 Restoration franchise system. Because of these factors, we have granted this franchisee a different royalty structure than other franchisees as follows:~~

~~This Area Developer pays royalties as follows:~~

~~1. Mitigation Royalties~~

- ~~a. 10% on all mitigation projects ("Mitigation Royalties") until the Mitigation Royalties in a calendar year have equaled \$100,000;~~
- ~~b.a. When the Mitigation Royalties have exceeded \$100,000 for a calendar year, the 10% is reduced to 6% for the remainder of the calendar year, starting in the next calendar month, to be reset to 10% each January 1st;~~
- ~~c.a. 1% on all construction projects, there being no reduction in the percentage being paid on construction projects.~~

~~2.1. Large Losses~~

- ~~a. Large Losses are defined for the Area Developer as a project, which is generated by the Area Developer and for which Area Developer receives no less than \$150,000 in Gross Revenue; are located in Area Developer's territory; and that were not received through a National Account.~~
- ~~b.a. As a Large Loss, Area Developer's royalties are as follows:~~
  - ~~i. 5% if the Gross Revenue on the Large Loss is between \$150,000 and \$500,000;~~
  - ~~ii.i. 4.5% if the Gross Revenue on the Large Loss is between \$500,000 and \$750,000;~~
  - ~~iii.i. 4% if the Gross Revenue on the Large Loss is between \$750,000 and \$1,000,000;~~
  - ~~and~~
  - ~~iv.i. 3.5% if the Gross Revenue on the Large Loss is over \$1,000,000.~~

~~Except for what is stated herein, the Area Developer's fee structures and obligations under the franchise agreement are unchanged.~~