



FRANCHISE DISCLOSURE DOCUMENT

Junkco+ International, LLC
A Delaware Limited Liability Company
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www.junkcoplus.com

The franchise offered is for the establishment and operation of a business offering junk removal and other services, utilizing the JUNKCO+ Franchised Business system, which is sometimes referred to below as the “Franchise” or “Franchised Business.”

The total investment necessary to begin operation of a JUNKCO+ Franchised Business is \$197,560 to \$297,060. This includes \$67,300 that must be paid to the franchisor or its affiliates. The total investment necessary to begin the operation of a conversion JUNKCO+ Franchised Business is \$1~~5792~~,910 to \$2~~8297~~,060. This includes \$~~3267~~,300 to \$52,300 that must be paid to the franchisor or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no 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 the Legal Administrator, 731 Fairfield Court, Ann Arbor, MI 48108, 734-864-9799.

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 the contract carefully. Review your contract and this disclosure document to an advisor, such as a lawyer or an accountant.

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

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

Issuance date: April 8, 2024

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Michigan. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Michigan than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
4. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
5. **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.
6. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

3-7. **Financial Condition.** The franchisor’s financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor’s financial ability to provide services and support to you.

Certain states may require other risks to be highlighted. If so, check the “State Specific Addenda” pages for your state.

Chem-Dry, Inc. ("CDI")]	Utah Corp.	March 1994 (originally a California Corp. formed in Nov. 1977)	3310 West End Ave., Suite 620, Nashville, TN 37203	1,240 in the U.S. and 44 in Canada	Offers Chem-Dry franchises, which is a carpet cleaning and upholstery cleaning franchise, since 1978. Offered N-Hance franchises in the U.S. and Canada from May 2003 until August 2017.
NHance, Inc. ("NHI")	Delaware Corp.	Dec. 31, 2012	1530 North 1000 West, Logan, UT 84321	288 (plus 1 Master franchisee in Canada)	Wood cleaning, coating, protection and other wood care and renewal products and services for wood flooring, cabinetry, trim, and other wood furnishings
Devere International, Inc. ("DII")	California Corp.	Sept. 1987	3310 West End Ave., Suite 620, Nashville, TN 37203	27	Offers Chem-Dry master franchises outside of the United States and Canada

1.5. Market and Competition

Following the System, you will market your JUNKCO+ Business services directly to residences, commercial entities, and governments/municipalities that require the Services. ~~We encourage you to study potential markets and the competition that may already exist.~~ You will experience competition from other independent businesses and national franchisors that provide similar services and products.

The market for junk removal and other services is developed in most geographic areas and competition will depend upon the number of businesses in your area capable of performing similar services, and the number of people in the area aware of the availability and benefits of such services.

1.6 Laws and Industry Regulations

Your JUNKCO+ Business will be subject to various federal, state and local laws and regulations affecting the refuse business including safety and health codes, and waste disposal requirements. Your JUNKCO+ Business must comply with all state and local laws and regulations. State and local agencies routinely conduct inspections for compliance with these requirements. You must obtain permits, licenses and operational licenses. You may need a Wastewater Disposal License as well as any other permits and licenses required by your state and local government. These licenses are state regulated.

Certain cities, towns and municipalities may be subject to exclusive or limited hauler arrangements which you will be responsible for investigating prior to purchasing a franchise from us. These regulations vary and may affect residential areas only in some cases. In area where exclusive or limited hauler arrangements exist, you are permitted to apply to be named a permitted hauler. Because such regulations may change during the Term of your agreement, Territories are not adjusted if such exclusive hauler arrangements exist at the time you sign your franchise agreement or arise during the Term.

Tier Two	\$250,000 - \$499,999	\$35,000	\$10,000
Tier Three	\$500,000 - \$749,999	\$30,000	\$15,000
Tier Four	\$750,000 - \$999,999	\$25,000	\$20,000
Tier Five	\$1,000,000+	\$20,000	\$25,000

*If you are eligible to purchase a Conversion Franchise, then you may also be eligible to receive a one-time re-branding credit (“Re-Branding Credit”) that will be applied toward the cost of vehicle graphics, signage, logo wear, other branded items and items from us, our vendors, or our affiliate(s) that must be used within six (6) months after signing the Franchise Agreement.

If you wish to purchase multiple Territories at the time you sign your first Franchise Agreement with us, then we may discount the Initial Franchise Fee for the second Franchise Agreement by \$5,000.

Depending on the types and condition of the equipment you already own, the “Required Equipment” (set forth on Exhibit A to the Franchise Agreement and Exhibit J to the FDD) may be waived or reduced in our sole discretion. At minimum, you will be required to purchase the Initial Package referenced above which includes logowear, stationery, digital marketing kit, and Convention Allowance to be used at the next convention or regional meeting following the signing of your Franchise Agreement. We reserve the right to require Conversion Franchises to purchase all of the Required Equipment, if we deem it necessary. Except as set forth in this section, Conversion Franchises are not eligible for any other discounts to the Initial Franchise Fee or Initial Package Fee.

Conversion Franchisees are required, in addition to the Franchise Agreement, to enter into our Conversion Addendum, which is currently attached as Exhibit H to the Franchise Agreement.

5.3 Related Franchisee Package

If you are currently a franchisee in good standing, as determined by us, with one of our franchising affiliates (a “Related Franchisee”), then you may qualify to purchase a JUNKCO+ Business with a discounted Initial Franchise Fee. The initial fees for a Related Franchisee will be twenty-five percent (25%) off of the then-current Initial Franchise Fee, and such discounted fee is limited to up to two (2) Franchises, which must be purchased at the same time.

A Related Franchisee cannot use any other discounts, including any discounts available to a Conversion Franchisee.

5.4 Renewals and Transfers

~~Upon the expiration and renewal of your franchise agreement, you will not be required to pay the Initial Franchise Fee or Initial Package Fee, but you must pay our then-current Renewal Fee, and you may be required by us to purchase new or additional equipment, in our discretion, at your sole expense.~~

~~If you are acquiring your JUNKCO+ Business via transfer, then (a) we currently waive the Initial Franchise Fee, (b) you or the seller must pay our then-current Transfer Fee, and (c) you may be required to purchase some or all of the Initial Package and Required Equipment set forth on the then-current Exhibit A to the Franchise Agreement, in our discretion, at your expense.~~

Name of Fee (Note 1)	Amount	Due Date	Remarks (Note 1)
	Meetings and/or Additional Training		and imposed and collected by third parties.
Transfer Fee	Our then-current fee, per Territory; presently, this is 10% of Initial Franchise Fee if transferred to a new franchisee, or \$3,000 if transferred to current JUNKCO+ franchisee.	Due upon the preparation of the new Franchise Agreement or assignment by Franchisor	We reserve the right to increase this fee.
Broker Fee - Resale	If you authorize us to enlist a third-party broker to locate a transferee for your business, there will also be a broker fee, which approximately \$30,000	Due upon closing of the sale of the Business	Payable only if the third- party broker located the transferee. Payable to and imposed and collected by us if a broker fee was paid by us to the third party. Payable to and imposed and collected by the broker if we do not pay a broker fee to the third party.
Outstanding Royalties, Support Fees, and other fees of Transferor	Actual Costs Will vary under circumstances	Due 6 weeks prior to transferee's execution of its Franchise Agreement	In a transfer, the transferee promises to pay us at the time of closing the following fees if they are not timely paid by the transferor: Royalties, Referral Fees, amounts owed for purchases from us, Late Payment Fees, Late Report Fees, Interest Fees, NSF Fees and any other fees owed, plus interest, as well as any applicable broker fees.
Renewal Term Fee	10% of the then-current Initial Franchise Fee	Upon the preparation of the Franchise Agreement for a renewal term	You will sign our then- current Franchise Agreement for the renewal term, which may include materially different terms, including the Royalty rate and/or Territory.
Renovation, Refurbishing, and Remodeling Fees	Actual Costs	When incurred	We may require you to replace, renew, refurbish, or remodel your leased premises, vehicles, vehicle wrap, and equipment to meet our current System

Name of Fee (Note 1)	Amount	Due Date	Remarks (Note 1)
Audit	Due only if an inspection is necessary. Cost of inspection or audit estimated at \$2,500-\$3,500, plus 100% of understated Royalty and interest, at the rate of 18% per annum or the maximum rate permitted by applicable law, whichever is greater, and all late fees, from the date originally due until the date of payment; if an understatement of Royalty is greater than 3%, you also must pay us an additional penalty fee equal to 10% of the total amount of the understated Gross Sales	Due by automatic debit 15 days after billing	Due if an inspection or audit is made necessary by your failure to (a) furnish reports, supporting records, or other information as required, (b) furnish these items on a timely basis, (c) use the JUNKCO+ Required Software for scheduling and invoicing, or if an understatement of Royalty is greater than 3% for any period reviewed.
Insurance <u>Reimbursement</u>	Cost of insurance; If you fail to maintain the required insurance, we have the right to procure insurance on your behalf and you must pay us, on demand, for the costs and premiums we incur.	As invoiced	You are required to maintain the types and amounts of insurance specified in Item 8 and, as more detailed, the Franchise Agreement.
Interest Fee	18% per annum or the maximum permitted by law	Due by automatic debit each Friday	Due on all overdue amounts from the date the amounts were originally due.
Indemnification	<u>Actual costs</u> Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims directly or indirectly arising out of your JUNKCO+ Business's operation. Your obligation to indemnify us will survive the termination or expiration of your Franchise Agreement.
Costs and Attorneys' Fees	<u>Actual Costs</u> Will vary under circumstances	As incurred	See Note 9.
NORA Fee	None currently assessed; if we manage accounts through a national or regional accounts program you will pay up to 3% of Gross Sales	As incurred	See Note 10

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is to Be Made
Miscellaneous Pre-opening Expenses ⁽¹⁵³⁾	\$500	\$5,000	As incurred	Before opening as incurred	Third Parties
Additional Funds – 3 months ⁽¹⁶⁴⁾	\$15,000	\$30,000	As incurred	As incurred	Vendors, Employees and Third Parties
TOTALS ⁽¹⁷⁵⁾	\$197,560 to \$297,060				

B. Conversion Franchise

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee ⁽¹⁾	\$20,000 5,000	\$40,000 5,000	Lump sum	On signing the Franchise Agreement	Us
Initial Package Fee ⁽²⁾	\$12,300	\$12,300	Lump sum	On signing the Franchise Agreement	Us
Initial Supplies, Equipment, and Hand Tools ⁽³⁾	\$0	\$3,000	As incurred	Before opening as incurred	Vendors
Vehicles ⁽⁴⁾	\$90,000	\$100,000	As arranged	Before opening	Third Parties
Insurance ⁽⁵⁾	\$10,200	\$17,850	As agreed	Annually, before opening, as incurred	Insurance Companies
Full time Service Technician ⁽⁶⁾	\$5,760	\$15,360	Payroll	Per your payroll policy	Employee
Business Telephone Fee ⁽⁷⁾	\$150	\$1,050	Lump sum	As incurred	Third Parties
Technology System / Computer, Software and Electronic Mail ⁽⁸⁾	\$0	\$5,000	Lump sum	As incurred	Third Parties
Licenses/Permits ⁽⁹⁾	\$0	\$5,000	As incurred	Before opening as incurred	Governmental Entities
Rent ⁽¹⁰⁹⁾	\$0	\$18,000	As agreed	As specified in lease	Lessor

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is to Be Made
Leasehold Improvements ⁽¹¹⁹⁾	\$0	\$12,000	As agreed	Before opening as incurred	Contractors and Vendors
Security Deposits / Utility Deposits ⁽¹²⁾	\$0	\$6,500	Lump sum	As incurred	Third Parties
Costs Incurred While Attending Training ⁽¹³⁴⁾	\$2,000	\$5,000	As incurred	Before opening as incurred	Airlines, Hotels, Restaurants, Employees
Grand Opening Advertising and Marketing ⁽¹⁴²⁾	\$2,000	\$6,000	As incurred	Before opening as incurred	Third Parties
Miscellaneous Pre-opening Expenses ⁽¹⁵³⁾	\$500	\$5,000	As incurred	Before opening as incurred	Third Parties
Additional Funds – 3 months ⁽¹⁶⁴⁾	\$15,000	\$30,000	As incurred	As incurred	Vendors, Employees and Third Parties
TOTALS ⁽¹⁷⁵⁾	\$1,579,910 to \$2,829,060				

Notes

Our estimate of your initial investment to develop one JUNKCO+ Business is described in the table above. The estimate covers the period before the opening of your franchise and includes a category for additional expenses you may incur during the initial three-month phase after the opening of your franchise. The estimate does not include an owner's salary or draw. The estimate also does not include cash requirements to cover operating losses or owner's draw after the initial three-month phase of the franchise. You may need additional funds available to cover your personal living expenses and any operating losses after the initial phase of your franchise. The estimates below also do not reflect an amount for investment in real estate, since it is assumed that you will lease your premises. ~~We urge you to retain the services of an experienced accountant or financial adviser in order to develop a business plan and financial projections for your franchise.~~

Your actual investment may vary depending on local conditions particular to your geographic area or market, such as, real estate demand, availability and occupancy rates. Additional variables that may impact your initial investment may be: the size of your facility; age of the structure; length of your lease or other instrument granting you the right to occupy the premises; if your space is to be built out by the developer with no initial out-of-pocket costs to you; lease arrangements; location in the market; costs of demolishing existing leasehold improvements; construction costs; other variable expenses and whether you currently hold a lease for an acceptable location.

In general, none of the expenses listed in the above charts are refundable, except security or utility deposits may be refundable.

1. See Item 5 for an explanation of the amount and refundability of the Initial Franchise Fee. We may offer you financing for a portion of the Initial Franchise Fee if you meet our qualifications. We may finance up to 50% of the Initial Franchise Fee for a Franchise with a minimum down payment of 50% of the Initial Franchise Fee for a term of three (3) years with 9% interest. The monthly payment will vary depending on the amount you choose to finance, any discounts you may receive, and the term of the loan. We may finance up to 75% of the Initial Franchise Fee for a Conversion Franchise, with a minimum down payment of 25% of the Initial Franchise Fee, for a term of three (3) years with 9% interest. The monthly payment will vary depending on the amount financed, any discounts you may receive and the term of the loan. See Item 10 for further details.

2. See Items 5 and 11. You must purchase from our Approved Supplier an Initial Package consisting of logo wear, stationery, digital marketing, promotional items, and a Convention Allowance.

3. You must purchase various tools and equipment (the “Required Equipment”) for use in the operation of the JUNKCO+ Business. These items include the items listed in Exhibit A to the Franchise Agreement, and Exhibit J to the FDD. We do not currently restrict your purchase of these items from any specific vendor but reserve the right to do at our discretion. If you are a Conversion Franchise, you may already have sufficient tools and equipment to satisfy this requirement, which we will assess and determine, in our sole discretion.

4. You must purchase or lease at least one truck for use in connection with each Territory that complies with our specifications. The vehicle must be in good operating condition regardless of age of vehicle. All vehicles must be rust and dent free. We reserve the right to inspect and approve all vehicles used in your JUNKCO+ Business, and we may require you to upgrade, refurbish or remodel your vehicles such that they comply with our System at any time. The low range in the above chart assumes that you have an existing white vehicle that complies with our specifications that does not have wrapping that needs to be removed. The high range in the above chart assumes that you are purchasing a brand-new vehicle. You are required to only use vehicle signs and wrapping we permit. All vehicle wraps may only be performed by our authorized vendors.

5. You must procure, maintain and provide from our approved vendors, liability and other insurance policies for your trucks and your JUNKCO+ Business as described in the Franchise Agreement. These costs will increase if you operate more than one Territory or if you choose to accept and perform National Account work. See Item 8 of this Disclosure Document for more information regarding our insurance requirements. Each specified policy of insurance must meet the following requirements: (a) the policy must name us, BELFOR USA Group, Inc., and BELFOR Franchise Group, LLC (and any of our affiliates that we reasonably specify) as an additional insured; (b) the policy must not be subject to cancellation, modification or amendment except after 30 days written notice to us; (c) the insurance must be placed with an approved vendor and an insurance carrier with an AM Best’s Rating of not less than A; and (d) the policy must provide that failure by you to comply with any term, condition or provision of the insurance contract, or other conduct by you, will not void or otherwise affect the coverage afforded us.

6. You must hire a driver and a navigator for each truck in operation in your JUNKCO+ Business. The low range estimate is based on a Managing Owner working in one of these capacities.

7. We will provide you with the business phone number and fax number to be used by the JUNKCO+ Business. The number will be forwarded to any device that you choose. The low estimate is based on having this business number forwarded to your existing device(s). The high range estimate is based on the JUNKCO+ Business acquiring a second landline with a separate phone service provider.

8. You must have a computer located at your Office that meets the requirements of System and for handling of our then-current franchise management software, QuickBooks, and any other software we may require. If you are a Conversion Franchise, you may be required to pay our approved software vendors for the conversion of your business data into the approved service business software. If you are a Conversion Franchise, you may already have a sufficient computer system to satisfy this requirement, which we will assess and determine, in our sole discretion. This estimate also includes both necessary and optional equipment, necessary to operate your JUNKCO+ Business in one territory over the first three months of operation, including a IOS phone or tablet, or approved equivalent for use in connection with your JUNKCO+ Business.

9. If you are a Conversion Franchise, you may already have the required permits and licenses and may not incur this expense.

9.10. You may operate your JUNKCO+ Business from your home, ~~or~~ an industrial park or commercial space of approximately 500 square feet within your Territory. If you operate your business from home, you will not incur the expenses listed in this section. We estimate that the average monthly rent for an industrial park space ranges from \$2,000 to \$6,000 per month. Landlords typically require a lease deposit of one- or two-months' rent. We will not evaluate the location of your commercial space. Your rent may be subject to escalation clauses based on inflation or other factors as provided in your lease. The annual rent amount may vary significantly depending on the area of the country, condition, location and size of the location and the demand for the location among prospective tenants. The rent could exceed the estimated amounts in major metropolitan markets. Your initial investment will be much greater if you purchase real estate and construct your premises and we do not have any estimate of those costs.

10.11. If you purchase or lease commercial space, you must do so in accordance with our specifications. This range includes exterior signage, build-out for office space, and professional fees. Your actual costs will vary depending on the size and location of the space, the condition of the space, and material and labor costs in your area. If you operate your business from home, you will not incur this expense.

12. If you operate your business from home, you will not incur this expense.

11.13. Although we do not charge any additional fees for the Initial Training program for up to two people, you must pay any wages due to your employees as well as travel, food and lodging expenses incurred by you and your employees during Initial Training. The cost will depend on the distance you and your employees must travel and the type of accommodation you choose.

~~12.14.~~ You will be required to spend at least \$24,000 in the first twelve (12) months of operation on local advertising and marketing for your JUNKCO+ Business (“Grand Opening Advertising”). This estimate is the amount we expect you to spend within the first three (3) months. See Item 11 for additional details.

~~13.15.~~ Your miscellaneous pre-opening expenses may include, installation of telephones, legal or accounting services, office supplies, internet access and other start-up business expenses.

~~14.16.~~ These estimates represent the additional funds necessary for the first three (3) months of your JUNKCO+ Business operations if you are developing one Territory. You will need more funds if you are developing more than one Territory. This item includes a variety of expenses and working capital requirements you may experience in the initial months after opening, such as the cost of additional supplies, optional purchases, and other miscellaneous costs. We relied on the experience of our affiliate-owned unit when determining these estimates.

~~15.17.~~ These estimates are amounts needed for each Territory in which you operate your JUNKCO+ Business. We relied on the experience of our affiliate-owned location to compile these estimates. ~~You should review these figures carefully with a franchised business advisor before making any decision to purchase the franchise.~~ The availability and terms of financing from third parties will depend on such factors as the availability of financing generally, your creditworthiness, collateral you may have and lending policies of financial institutions.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

8.1 Required Purchase of Initial Package and Equipment

You must purchase the Initial Package from us, or our affiliate(s) as described and listed above in Item 5 and in the Franchise Agreement. The items included in the Initial Package may change to reflect the changing needs of the JUNKCO+ Business in accordance with System procedures, and changes in suppliers and/or product specifications. We retain the right to derive revenue or other material consideration from required purchases and leases of products and services.

Some of our officers have an ownership interest in our affiliates BELFOR, Colman Wolf, CDI, and BHI, which may become approved suppliers in the future. There are no other suppliers in which any of our officers owns an interest at this time, although they reserve the right to do so in the future. In the fiscal year ending December 31, 2023, we did not receive rebates or other payments from approved suppliers.

The marketing materials and trademarked office supplies that are included in the Initial Package are shipped, F.O.B. from our approved supplier(s).

While most franchisees choose to order items using our Marks from our approved suppliers, you are only required to do so when you order your Initial Package and vehicle decals. The remaining items using our Marks for the operation of your JUNKCO+ Business may be ordered from third party suppliers provided that they meet our standards and specifications for representation of the Marks and are pre-approved by us.

8.2 Standards and Specifications and Services

of any site, (b) conforming the site to local ordinances and codes and obtaining any required permits, (c) constructing the premises, (d) hiring and training employees (other than the required training discussed in Section 3.A of the Franchise Agreement), or (e) providing necessary equipment, signage, etc. You must operate your JUNKCO+ Business from a residential or commercial space located within the Territory. Any space must be approved by us, in our sole discretion, which we will not unreasonably withhold provided that the site meets our minimum specifications. In approving sites, we consider various factors, including visibility of the location, proximity to major roadways, foot traffic, complimentary co-tenants, sufficient space to store vehicles, etc. (Section 1.D of the Franchise Agreement). We will use commercially reasonable efforts to approve a suggested site in 30 days. Failure to find a site and commence operation of the JUNKCO+ Business within four months of signing the Franchise Agreement may result in termination of the Franchise Agreement (Section 12.B of the Franchise Agreement). We do not generally (a) own the premises from which franchisees operate the JUNKCO+ Business or (b) lease any premises to franchisees to operate the JUNKCO+ Business. We will provide you with our required specifications for the design, decoration, and signage of the premises if you choose to operate the business from a commercial location.

2. Provide your Initial Package that includes logowear, stationery, digital marketing, promotional items, and the Convention Allowance as described in Item 5 and in the Franchise Agreement (Section 2.B of the Franchise Agreement). The items in the Initial Package are provided by us and by designated suppliers named by us. Other than providing the Initial Package we do not provide, install or supply any signs, fixtures, equipment, opening inventory, signs, or other inventory or supplies.
3. Loan to you a copy of our copyrighted Operations Manual and System Standards, and other proprietary materials or manuals as we may publish and distribute to you periodically (Section 3.C of the Franchise Agreement).
4. Give prior approval for use of business forms, business stationery, business cards, advertising materials, permanent materials, and forms that you intend to use (Section 7.A of the Franchise Agreement). We will continue to do this after you open the JUNKCO+ Business.
5. Give prior approval to all marketing, advertising, and promotional materials prepared by you within ten days of our receipt of the proposed materials for Franchises (Section 2.G of the Franchise Agreement). We will continue to do this after you open the JUNKCO+ Business.
6. Specify minimum policy limits for certain types of insurance coverage (Section 7.C of the Franchise Agreement). We will continue to do this after you open the JUNKCO+ Business.
7. Provide you with a training program (described in more detail below) and to the Designated Manager, if applicable, at no additional fee or other charge (Section 3.A of the Franchise Agreement).
8. Provide you with the business phone number to be used by the Business. (Section 2.I. of the Franchise Agreement).

11.2 Franchisor's Obligations After the Opening of the JUNKCO+ Business

Once you have opened your JUNKCO+ Business, you will have access to information helpful to the operation of your JUNKCO+ Business based on reports you submit to us and/or inspections that we make (Sections 7 and 8 of the Franchise Agreement). In addition, we or our designee will furnish guidance to you, to the extent we determine necessary in our sole discretion, regarding the following:

1. New products, services, and methods that we may have discovered or have developed for the System (Sections 3 and 7 of the Franchise Agreement);
2. The purchase and use of supplies and products (Sections 3 and 7 of the Franchise Agreement);
3. The formulation and implementation of marketing, advertising, and promotional programs using the merchandising, advertising, and research data and advice as we may, periodically, develop for use in your local market (Sections 3 and 7 of the Franchise Agreement);
4. The financial and daily operation of the JUNKCO+ Business including its accounting and record keeping functions (Sections 3 and 7 of the Franchise Agreement);
5. Other business and marketing advice (Sections 3 and 7 of the Franchise Agreement);
6. Support for our required franchise software management system, as defined in the Licensing Agreement (Exhibit B of Franchise Agreement);
7. Periodic modifications to the Operations Manuals and periodic modifications to the System Standards, including guidelines regarding the prices at which you sell the approved products and services, so you may establish your own pricing (Section 3.E of the Franchise Agreement); and
8. Periodic refresher training courses and conferences, not to exceed one per year. (Section 3.A of the Franchise Agreement).

11.3 Estimated Typical Length of Time to Open the JUNKCO+ Business.

The estimated typical length of time between the signing of the Franchise Agreement and payment of any consideration for the JUNKCO+ Business, and the opening of the JUNKCO+ Business, is approximately 60 to 120 days. Factors affecting this length of time usually include normal business startup considerations, completion of training, the vehicle delivery date, whether or not you have an existing Approved Location in the Territory, and whether or not you obtain outside financing. However, you must commence operation of the JUNKCO+ Business within four (4) months of signing the Franchise Agreement and if you do not, then we may terminate the Franchise Agreement, **and the Initial Franchise Fee will not be refunded.** (Section 12.B.2 of the Franchise Agreement).

11.4 Grand Opening and Local Marketing and Advertising

Except for any marketing included in the Initial Package, we are not required to conduct advertising for you or the System. We may provide you with advertising, promotional or marketing materials for you to use in local advertising, but we are not obligated to do this. We will provide you the business phone number to be used by the JUNKCO+ Business. This number will be forwarded to any device(s) that you choose.

periodically for the operation of a JUNKCO+ Business, and information on your other obligations under the Franchise Agreement and related agreements.

We maintain Operations Manuals and System Standards that contain mandatory and suggested specifications, standards, operating procedures, and rules that we prescribe periodically for the operation of a JUNKCO+ Business, and information on your other obligations under the Franchise Agreement and related agreements. However, you will set your own prices. We may modify the Operations Manual and System Standards periodically to reflect changes in the System and you will be required to follow the revised Operations Manual and System Standard standards.

You must keep your copies of the Operations Manuals and System Standard standards current and in a secure location in the principal office of the JUNKCO+ Business. If there is a dispute over the contents, the master copy of each of the Operations Manuals/System Standard standards that we maintain at our principal office will be controlling. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manuals or System Standard standards. If all or any of the Operations Manuals or System Standard standards are lost, destroyed, or significantly damaged, you promise to obtain replacements at our then applicable charge. The Operations Manuals and System Standard standards are specifically incorporated by reference into the Franchise Agreement, and you must comply with the Operations Manuals and System Standard standards as essential aspects of your obligations under the Franchise Agreement. Failure to substantially comply with the Operations Manuals and/or System Standard standards may be considered a breach of the Franchise Agreement.

The table of contents of our Operations Manual is attached as Exhibit D to the FDD, and is a total of 35 pages.

11.9 JumpStart Training and Initial Training (Section 3.A of the Franchise Agreement)

You must successfully complete our JumpStart Initial Training program (hereinafter, “JumpStart,” Section 3.A of the Franchise Agreement) within two (2) months of signing the Franchise Agreement, before attending in-person business operations and managerial Training (hereinafter, “Initial Training”) and before the opening of the JUNKCO+ Business. This includes our comprehensive preparation program that includes numerous pre-opening activities and may last six to eight weeks, depending on the pace you establish to complete activities. During the JumpStart training program, with guidance from our training team, along with training manuals and online modules, you must prepare a comprehensive financial plan, review the Operations Manuals, complete a territory review, coordinate your initial advertising program, acquire proper insurance, select and lease office space (if applicable), and acquire all permits, licenses, and approved vehicles. Most JumpStart activities are conducted in your hometown with assistance from our home office staff. You begin JumpStart immediately upon your execution of the Franchise Agreement and payment of the Initial Franchise Fee. During JumpStart, we will schedule Initial Training for you to attend. Initial Training sessions are typically offered each month. Final confirmation of your scheduled classroom training may be contingent upon your successful completion of the JumpStart program and activities.

Initial Training takes place at our headquarters in Ann Arbor, Michigan or another location designated by us. It may be attended by you and the Managing Owner or, if applicable, the Designated Manager, at no additional fee. You may designate, with our approval and on a “space available basis,” additional persons to attend Initial Training for our then-current fee, which is currently \$25 per person, per day. The Managing Owner or, if applicable, the Designated Manager must complete the Initial Training to our satisfaction. Failure to do so will result in the termination of the Franchise Agreement. Initial Training will last up to 5 days in duration and must be

Manager, must not engage in any other business or activity that conflicts with their obligations to operate the JUNKCO+ Business on a full-time, year-round basis..

Before commencing operation of the JUNKCO+ Business, you must employ at least one person who has completed the Initial Training (which may be yourself). Before you begin operating the JUNKCO+ Business, you must also hire one Service Technician who will be responsible for performing junk removal and other services. At all times during the term of the Franchise Agreement, you must employ at the JUNKCO+ Business at least one person who has completed the Initial Training.

Before attending the Initial Training and/or upon any change to the legal entity ownership, you must submit to us a corporate resolution, or similar action, which states the name of the corporation or LLC, the legal names of all of the partners or shareholders, the percentage of ownership that each member controls, their place of residence and their agreement to be bound by the terms of the Franchise Agreement, if applicable. In the case of multiple owners, you must submit an operating agreement, shareholder agreement, or similar document with a dispute resolution procedure acceptable to us in our sole discretion that states what you will do in the event that there is a conflict between any owners of the franchisee entity. In addition, at all times, the owners who have executed the Franchise Agreement must control 100% of the franchisee entity. Any changes in ownership of the franchisee entity shall be subject to our transfer procedure.

During the term of the Agreement, you and your immediate family (spouse, children, parents) may not engage in any other business or activity and cannot have an interest in or business relationship with any competitor of JUNKCO+. Additionally, if you are a corporation, limited liability company, partnership, or other entity, each of your owners, owner's spouses, members and member's spouses, or officers must personally guaranty your obligations under the Franchise Agreement and agree to be bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including post-termination obligations, including the covenant not to compete, among others.

At the start of their employment, you must require, as consideration for employment, each of your Service Technicians, Managing Owner, Designated Managers, sales and/or account management employees to sign non-disclosure and confidentiality agreements that we have specified or approved. Such agreements will prohibit disclosure, by the employee to any other person or legal entity, of any trade secrets, customer lists, or other information, knowledge, or know-how regarding the System or the operation of the JUNKCO+ Business, which is deemed confidential and/or proprietary by us. Such employee non-disclosure and confidentiality agreements will, to the fullest extent permitted by applicable law, prevent employees from servicing or soliciting any of the customers of your Business, except in their capacities as employees of the JUNKCO+ Business. We may require you to send us a copy of such agreements once fully signed.

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and provide only and all of the services that we periodically require for JUNKCO+ franchisees in the manner that we prescribe, and you may only provide the junk removal and other services that we have authorized (“Services”). You may not market or perform

business. Other than those start-up expenses, the expenses set for the above do not differ materially from future operational franchised outlets.

Table 2 contains information about the number of jobs and the average Revenue per job charged by our affiliate-location during the Measurement Period.

Table 2

Number of Jobs	1147
Average Revenue Per Job	\$ 774.92

1. The “Number of Jobs” was calculated by totaling all the jobs performed by the affiliate location during the Measurement Period.

2. The “Average Job Total” was calculated by taking the total gross revenue of the affiliate location and dividing it by the total number of jobs performed by that location. The median is \$377, the highest Revenue received from a job was \$75,095, and the lowest Revenue received from a job was \$85.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the foregoing information, we do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Franchisor’s management at 731 Fairfield Court, Ann Arbor, MI 48108, 734-864-9799, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

TABLE NUMBER 1

Systemwide Outlet Summary For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company Owned	2021	1	1	0

DISCLOSURE DOCUMENT BY YOUR LAWYER, ACCOUNTANT OR OTHER BUSINESS ADVISOR PRIOR TO EXECUTION HEREOF.”

DISCLOSURE QUESTIONNAIRE

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

FINANCIAL ASSURANCE

The Department of Financial Protection and Innovation has required us to provide a financial assurance. We have obtained a surety bond in the amount of \$200,000 to secure our obligations to you. A copy of the bond is on file with the Department.

FRANCHISOR:

FRANCHISEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

6. Financial assurance. The Illinois Office of Attorney General has required that we provide a financial assurance to secure our obligations to you under the Franchise Agreement. Therefore, we have posted a surety bond in the amount of \$55,000. A copy is on file with the Franchise Bureau of the Office of Attorney General.

7. National Accounts. Franchisor reserves the right to establish, identify and service “National Accounts” within your territory. In its sole discretion, Franchisor or its Affiliate(s) may provide products and services to a “National Account” with no compensation paid to you.

8. Your Affirmations

Section 17 of the Franchise Agreement.

(a) The second affirmation, beginning with the phrase “We have not made” is hereby amended to read as follows:

“We ask that, before you execute this Agreement, you bring to our attention any statements or representations that have been made to you by any of our officers, directors, employees, or agents that are contrary to or inconsistent with the statements made in the JUNKCO+ Franchise Disclosure Document you received or the provisions of this Agreement.”

(b) The ninth affirmation, beginning with the phrase, “We may sell our assets,” the following is deleted:

“...you specifically waive any claims, demands, or damages arising from or related to the loss of said Marks (or any variations of them) and/or the loss of association with or identification of Junkco+ International LLC as the FRANCHISOR of this Agreement.”

Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act of 1987 are met independently without reference to this Rider.

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

FRANCHISOR:

FRANCHISEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN MARYLAND

The parties to this Rider are FRANCHISOR and FRANCHISEE. The parties to the attached Franchise Agreement (the "Agreement") agree as follows:

1. Background:

We and you are parties to that certain Agreement that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the Agreement. This Rider is being executed because (a) the offer or sale of the franchise for the JUNKCO+ franchise you will operate under the Agreement was made in the State of Maryland and you will operate the Franchise in the State of Maryland and/or (b) you are a resident of the State of Maryland.

2. Expiration of this Agreement:

Pursuant to COMAR 02.02.08.16L, the following is added at the end of Sections 10.B.8, 11.C., and 12.A. of the Agreement:

The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Enforcement:

The following is added at the end of Section 15.F. and 15.K. of the Agreement:

Any limitation of claims provisions shall not act to reduce the three (3) year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

4. Dispute Resolution Procedures:

Pursuant to Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law, the following is added at the end of Sections 15.F. and 15.H. of the Agreement:

You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. Section 15L. The following language from Section 15L of the Franchise Agreement shall be removed in its entirety:

"You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our Franchised Business and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

You acknowledge that you have not received any express or implied representations or warranties regarding the sales, earnings, income, profits, gross revenues, business or financial success, value of the franchise, provided by us or our representatives or any other matters pertaining to the franchise from us or any of our officers, employees or agents that were not contained in this Agreement or the Franchise Disclosure Document received by you (hereinafter "Representations"). You further acknowledge that if you had received any such Representations, you would not have executed this Agreement, and you would have: (a) promptly notified us in writing of the person or persons making such

Representations; and (b) provided to us a specific written statement detailing the Representations made. You acknowledge that we justifiably have relied on your representations made before the execution of this Agreement.”

6. Financial Assurance. The State of Maryland has required that we provide a financial assurance to secure our obligations to you under the Franchise Agreement. Therefore, we have obtained a surety bond in the amount of \$67,300. A copy of the bond is on file with the Commissioner.

5.7.Acknowledgment:

Pursuant to Section 14-226 of the Maryland Franchise Registration and Disclosure Law, the following is added at the end of Section 17 of the Agreement and to the Disclosure Acknowledgement Questionnaire:

Exhibit I of the Franchise Agreement is a Disclosure Acknowledgment Statement. The representations, acknowledgements and affirmations in the preceding section are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Act. If the franchisee resides within or if the franchised business will be located within the State of Maryland, Exhibit I, Franchise Disclosure Questionnaire should not be signed by the franchisee.

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 following language from Sections 17 and 18 of the Franchise Agreement shall be deleted in its entirety:

Section 17:

___ ___ We have not made any representation as to the past or future sales, volume or potential profitability, earnings or income of the Franchised Business, or any other Franchised Business, other than the information provided in our franchise disclosure document.

___ ___ You have had the opportunity, and have been encouraged by us, to independently investigate and analyze both the JUNKCO+ franchise opportunity and the terms and provisions of this Agreement by contacting any and all of our franchise owners and by utilizing the services of attorneys, accountants, or other advisors as you deem to be necessary.

___ ___ You are not relying on any representation or statement that we have made, regarding the anticipated income, earnings and growth of JUNKCO+ outlets, the System, or the viability of the JUNKCO+ franchise opportunity.

___ ___ Like any other business, the nature of the business conducted by Franchised Businesses may, and probably will, evolve over time.

___ ___ Your abilities and efforts are vital to the success of the Franchised Business.

___ ___ Continually securing new Customers is necessary to the Franchised Business and requires you to make consistent and repeated marketing and advertising efforts through a variety of mediums.

___ ___ The covenants not to compete set forth in this Agreement are fair and reasonable, and will not impose any undue hardship on you, since you have other considerable skills, experience, and education which will afford you the opportunity to derive income from other endeavors.

MINNESOTA STATUTES 1984, CHAPTER 80C, INCLUDING THE RIGHT TO SUBMIT MATTERS TO THE JURISDICTION OF THE COURTS OF MINNESOTA.

NSF Fees. Item 6 and Section 2.E of the Franchise Agreement are amended to state: Pursuant to Minnesota Statute 604.113, the NSF Fees are capped at \$30 per incident.

Agreements/Releases. The following language is added to Section 11.C.:

Provided; however, that such general releases do not apply to the extent prohibited by applicable law with respect to claims which arise under Minn. Rule 2860.4400D.

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

In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect.

FRANCHISOR:

FRANCHISEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Business and Professions Code Section 20040.5 and Code of Civil Procedure Section 1281) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.

The Franchise Agreement may contain a provision requiring you to waive your right to punitive damages or exemplary damages against the franchisor or any of its representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

OUR WEBSITE <https://www.junkcoplus.com/> HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION, ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

The Department of Financial Protection and Innovation has required us to provide a financial assurance. We have obtained a surety bond in the amount of \$200,000 to secure our obligations to you. A copy of the bond is on file with the Department.

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

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.

ADDITIONAL DISCLOSURES FOR THE STATE OF CONNECTICUT

DISCLOSURES REQUIRED BY CONNECTICUT LAW

The State of Connecticut does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within forty-five days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

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

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ADDITIONAL DISCLOSURES FOR THE STATE OF ILLINOIS

Illinois law govern the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

The Illinois Office of Attorney General has required that we provide a financial assurance to secure our obligations to you under the Franchise Agreement. Therefore, we have posted a surety bond in the amount of \$55,000. A copy is on file with the Franchise Bureau of the Office of Attorney General.

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, 815 ILCS TM705/1 et. seq., the Franchise Disclosure Document, in connection with the offer and sale of franchises for use in the State of Illinois, shall be amended to include the following:

Franchisor reserves the right to establish, identify and service “National Accounts” within your territory. In its sole discretion, Franchisor or its Affiliate(s) may provide products and services to a “National Account” with no compensation paid to you.

The following language is added to the table in Item 17 at the end of the Summary sections of provisions (v) and (w) entitled Choice of Forum and Choice of Law: “subject to state law, and except for any claims arising under the Illinois Franchise Disclosure Act of 1987.” Illinois law will govern the Agreement and all litigation will be commenced in Illinois.

Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Investment Act of 1987 are met independently without reference to this Addendum to the Disclosure Document.

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

for claims arising under the Maryland Franchise Registration and Disclosure Law, which may be commenced by you in Maryland.

Exhibit I of the Franchise Agreement is a Disclosure Acknowledgement Statement. Such representations are not intended to, nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

The following is added to the end of the Item 17 chart:

Despite any contradicting provision in the Franchise Agreement, you have three years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law.

The State of Maryland has required that we provide a financial assurance to secure our obligations to you under the Franchise Agreement. Therefore, we have obtained a surety bond in the amount of \$67,300. A copy of the bond is on file with the Commissioner.

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.

ADDITIONAL DISCLOSURES FOR THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat 80C.01 through 80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules 2860.0100 through 2860.9930, the Franchise Disclosure Document in connection with the offer and sale of franchises for use in the State of Minnesota shall be amended to include the following:

Item 6 Item 6 and Section 2.E of the Franchise Agreement are amended to state: Pursuant to Minnesota Statute 604.113, the NSF Fees are capped at \$30 per incident.

Item 13 “Trademarks, Service Marks, Trade Names Logotypes and Commercial Symbols,” is amended by the addition of the following:

Pursuant to Minnesota Stat. Sec. 80C.12, Subd. 1(g), we are required to protect any rights that you have to use our proprietary rights, including your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suite or demand regarding the use of the name.

Item 17 “Renewal, Termination, Transfer, and Dispute Resolution,” is amended by the addition of the following paragraphs:

1. Minn. Rule 2860.4400J. prohibits the waiver of a jury trial.
2. Minn. Stat. 80C.17, Subd. 5 requires that no action may be commenced pursuant to this section more than three years after the cause of action occurs.
3. Minn. Stat. Sec. 80C, 14 Subds. 3, 4, and 5 requires that, except in certain specified cases, a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise cannot be unreasonably withheld.
4. Minn. Stat. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or agreement can

abrogate or reduce any rights you have under the Minnesota Franchises Law, including (if applicable) the right to submit matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum, or remedies that the laws of jurisdiction provide.

5. Minn. Rule 2860.4400D. prohibits us from requiring you to assent to a general release.

Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated by the Minnesota Commissioner of Commerce, are met independently without reference to these Additional Disclosures in the Disclosure Document.

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

ADDITIONAL DISCLOSURES FOR THE STATE OF NEW YORK

1. The following information is added to the Cover Page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT C OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT, HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following should be added to Item 3 of this Disclosure Document:

With the exception of what is stated above, the applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has had an administrative, criminal, or civil action pending against that person alleging: a felony, violation of a franchise, antitrust, or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge, or within the 10-year period immediately preceding the application for registration, has been convicted or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under any Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a franchise as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of 17(c), titled “**Requirements for franchisee to renew or extend**” and 17(m), entitled “**Conditions for franchisor approval of transfer**”:

“However to the extent required by applicable law, all rights you enjoy and any causes of action arising by your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law, Sections 687(4) and 687(5) be satisfied.”

4. The following language replaces the “Summary” section of Item 17(d) titled “**Termination by franchisee.**”: “You may terminate the agreement on any grounds available by law.”

5. The following is added to the end of “Summary” sections of Item 17(v), titled “**Choice of forum,**” and Item 17(w), titled “**Choice of law**”:

The foregoing choice of law and choice of forum should not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--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.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

ADDITIONAL DISCLOSURES FOR THE STATE OF NORTH CAROLINA

The following disclosures shall be added to the Cover Sheet of the Franchise Disclosure Document:

DISCLOSURES REQUIRED BY NORTH CAROLINA LAW:

The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement

If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled."

ADDITIONAL DISCLOSURES FOR THE STATE OF NORTH DAKOTA

For franchises and franchisees subject to the North Dakota Franchise Investment Law, the following information supersedes on supplements, as the case maybe, the corresponding disclosures in the main body of the text of the Junkco+ International LLC Franchise Disclosure Document.

1. Item 17 is amended by the addition of the following language to the original language that appears therein:
 - a. Covenants not to compete upon termination or expiration of a Franchise Agreement are generally unenforceable in North Dakota, except in certain instances as provides by law.
 - b. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.
 - c. Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
 - d. Any provision requiring a franchisee to sign a general release upon renewal of the Franchise Agreement has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
 - e. Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.
 - f. Any provision in the Franchise Agreement requiring that the agreement be construed according to the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
 - g. Any provision in the Franchise Agreement that requires the franchisee to waive any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
 - h. Any provision in the Franchise Agreement that requires the franchisee to consent to termination or liquidated damages has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

**EXHIBIT I
TO FRANCHISE DISCLOSURE DOCUMENT**

DISCLOSURE ACKNOWLEDGEMENT QUESTIONNAIRE

To be completed by each signatory to the Franchise Agreement.

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, Junkco+ International LLC and you are preparing to enter into a Franchise Agreement for the operation of a franchise. Please review each of the following questions carefully and provide honest responses to each question. Franchisees who are residents of the State of Maryland or franchisees who will operate their business in the State of Maryland should not answer this Questionnaire.

1. Have you received and personally reviewed the Franchise Disclosure Document and each exhibit we provided to you? Yes _____ No _____
2. Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it? Yes _____ No _____
3. Have you discussed operating a franchise with an attorney, accountant or other professional advisor? Yes _____ No _____
4. Do you understand the success or failure of your franchise will depend on many factors including your skills and abilities, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace? Yes _____ No _____
5. Has any employee or other person speaking on behalf of us made any statement or promise regarding the amount of money you may earn in operating the franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes _____ No _____
6. Has any employee or other person speaking on behalf of us made any statement or promise concerning the total amount of revenue the franchise will generate that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes _____ No _____
7. Has any employee or other person speaking on behalf of us made any statement or promise regarding the costs involved in operating the franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes _____ No _____
8. Has any employee or other person speaking on behalf of us made any statement or promise concerning the actual, average or projected profits or earnings or the likelihood of success that you should or might expect to achieve from operating a franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes _____ No _____
9. Has any employee or other person speaking on behalf of us made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, market penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes _____ No _____

EXHIBIT K

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, Connecticut, 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	<u>July 3, 2024</u> pending
Florida	Effective
Hawaii	pending
Illinois	pending
Indiana	<u>April 30, 2024</u> pending
Maryland	<u>June 18, 2024</u> pending
Michigan	Effective
Minnesota	pending
New York	pending
North Dakota	pending
Rhode Island	<u>May 8, 2024</u> pending
South Dakota	<u>April 29, 2024</u> pending
Utah	Effective
Virginia	<u>June 14, 2024</u> pending
Washington	pending
Wisconsin	<u>April 30, 2024</u> pending

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.