FRANCHISE DISCLOSURE DOCUMENT

2025

CORNWELL QUALITY TOOLS

2026

CORNWELL QUALITY TOOLS

Cornwell Quality Tools Company
667 Seville Road
Wadsworth, Ohio 44281
(330) 336-3506
www.cornwelltools.com

The franchise offered in the following disclosure is a mobile tool dealership for which Cornwell Quality Tools Company ("Cornwell") will grant a license to purchase, resell, and service the products that are manufactured, sold and/or distributed by Cornwell.

The franchised dealership ("the Dealership") will be assigned a specific, but *non-exclusive* geographic territory ("the Territory"), which is agreed upon with Cornwell by the Dealership and its owner or owners (together, if applicable, "the Owners"). The Dealership will purchase products from Cornwell and resell them to individual mechanics and businesses throughout the assigned geographic area. The individual Owner who is primarily responsible for the operation of the Dealership ("the Operator") must devote his or her best, full-time efforts to the sale of Cornwell products in the Territory.

A new Dealership must purchase an initial inventory of Cornwell products in the amount of at least $60,000 at regular dealer net prices. Cornwell charges no initial franchise fee or royalty fee. After the purchase of the initial inventory of Cornwell products, the Dealership will be required to maintain a certain level of purchases from Cornwell thereafter. However, the Dealership may also purchase products from other suppliers than Cornwell and may sell other than in the assigned geographic territory.

1. The total investment necessary to begin operation of a Cornwell franchised dealership ranges from $79,~~525~~ 380 to $~~323,825~~325,680 for convertees and $174,~~525~~ 380 to $~~318,825~~320,680 for new dealers. This includes $60,000 for initial inventory that must be paid to the franchisor (Cornwell) or an affiliate by a new dealership. Refer to Items 5 through 7 inclusive of this Disclosure Document for a further explanation regarding the total investment.

2. 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 (Cornwell) 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 Franchising Department of Cornwell Quality Tools Company at 667 Seville Road, Wadsworth, Ohio 44281 and 330-336-3506.

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

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

5. There may also be laws on franchising in your state. Ask your state agencies about them. The agency for your state is listed on Exhibit D, if applicable.

Issued on: April 1, 2025~~5~~6.

The Effective Date for this disclosure document in your state is listed on the page immediately before Exhibit I attached hereto.

How to Use this Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the supplier you must have.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Cornwell business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Cornwell franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all exhibits in this disclosure document to better understand this franchise opportunity. See the Table of Contents.

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 D.

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 attached as Exhibit D.

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Ohio. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Ohio than in your own State.

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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ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Cornwell and Its Predecessor. To simplify the language in this Disclosure Document, "Cornwell" means Cornwell Quality Tools Company, an Ohio corporation that was incorporated in 1919. "You" means the franchised dealership and the person or persons who own the franchised dealership, which includes the franchise owners/partners/principals if the franchise is a corporation, partnership or other entity. The franchised dealership's owners are sometimes referred to as "the Owners" in this Disclosure. Cornwell's principal place of business is 667 Seville Road, Wadsworth, Ohio 44281.

Cornwell intends to do business related to this Disclosure under the names: Cornwell Quality Tools and Cornwell. Cornwell's agent for service of process in your state is listed on Exhibit D.

In 1919, the original predecessor to Cornwell was formed in Cuyahoga Falls (a suburb of Akron), Ohio. In 1927, the operations were moved to the facility located in Mogadore, Ohio (also a suburb of Akron). In 1957, a group of investors, headed by R.H.C. Moeller, purchased Cornwell. In 1965, the Moeller family purchased the outstanding stock. Currently, the Raymond M. Moeller family has an 80.49% ownership interest in Cornwell, 19.51% is owned by the Cornwell Employee Stock Ownership Plan.

As of December 31, 2025~~3~~4, there were ~~793~~811 Franchised Dealerships reselling Cornwell products throughout the United States. Cornwell also has a limited number of industrial distributors, mobile distribution through distributors in Great Britain and West Germany, along with various international accounts that sell to various foreign countries.

Cornwell's Business and Franchise Offered. Cornwell has been selling products to independent dealerships under its present ownership for approximately ~~60~~ 61 years, and has modified its program to be a franchise for those who became dealers after December 31, 1996. Previously, its relationship with its dealers consisted simply of agreements with them, which provided essentially only that Cornwell would sell to them and would authorize the use of Cornwell's trademarks and trade dress, with certain buy-back provisions.

As of December 31, 2003, Cornwell has only franchised dealerships and eliminated the program for non-franchised dealers.

You will have to comply with various state and local laws as those related to driver's licensing, vehicle licensing and automobile insurance. In some states, a physical examination may be required to obtain a license to drive a commercial vehicle. Insurability and insurance rates will generally be dependent upon your past driving record.

The following is a description of Cornwell's business and of the franchise to be offered in your state.

Cornwell has manufactured and sold professional-quality mechanics' hand tools and related equipment since 1919. Its principal offices and plants were based in northeast Ohio until the establishment of warehouses in Texas and California in May of 1966 and April of 1967, respectively. In October of 2002, Cornwell opened a new distribution center in Clearfield, Utah and closed the warehouses in Texas and California to better serve its dealers.

On October 1, 2016, CQT Kennedy LLC, an Ohio limited liability company wholly-owned by Cornwell, acquired the assets of and is operating Kennedy Manufacturing in Van Wert, Ohio. In 2017, Kennedy began manufacturing tool boxes, cabinets and related accessories for sale to Cornwell Dealers. ~~It is expected that Kennedy will eventually be the sole source for all such Cornwell products.~~

Cornwell distributes its products primarily by selling to independent dealerships, who in turn sell directly from a "rolling tool store" truck or van, primarily to mechanics, service managers and owners of auto and truck dealerships, motorcycle dealerships, fleet operations, construction and equipment contractors, independent repair shops, service stations, small manufacturing businesses and body shops in a non-exclusive territory for which they are primarily responsible. You will be assigned a specific, but *non-exclusive* geographic territory, which is agreed upon by you and Cornwell. You will purchase products from Cornwell and resell them to individual mechanics and businesses throughout the assigned geographic area.

Cornwell charges no initial franchise fee or royalty fee. As a new dealership, you must purchase an initial inventory of Cornwell products of at least $60,000 at regular dealer net prices.

Unless waived by Cornwell, you must also establish a Reserve with Cornwell in the amount of $20,000, to be applied against the further purchase of inventory during the first 13 weeks of the dealership. Unless waived, you must also verify at the outset of the dealership that there is $15,000 on deposit in a business account that will only be used for business purposes on or after the first day of training on your route. The estimated initial investment ranges from $79,~~525~~ 380 to $~~323,825~~325,680 for convertees and from $174,~~525~~ 380 to $~~318,825~~320,680~~-~~ for new dealers. Refer to Items 5 through 7 and 10 inclusive of this Disclosure Document for further explanation regarding the total investment.

Cornwell sells its dealerships' inventory, assists in financing the purchase of the inventory (subject to credit approval), authorizes the use of its trade name and trademark, provides assistance in commencing and maintaining your dealership, and repurchases on termination certain tools and other merchandise currently sold by Cornwell at the then prevailing dealer prices, less a 15% restocking charge. Certain tools and other merchandise

will not be repurchased by Cornwell. Refer to Item 17 for further explanation concerning the repurchase policy.

Cornwell does not engage in any business activities other than the manufacture and sale of tools and equipment, including the Tech-Credit financing program described in Item 10. Currently, Cornwell does not maintain any direct retail sales operation except as described below. Cornwell makes limited sales to certain industrial distributors. Cornwell has initiated direct retail sales to Vo-Tech schools and students. You will receive a credit on your Cornwell open account for 8% of the amount of direct retail Vo-Tech sales made in your territory.

You are assigned a defined operational sales area of responsibility ("Territory"). This Territory, which is designed to allow for sales growth, depending on your efforts, is mapped initially by the Cornwell District Manager, subject to your agreement. No other Cornwell dealers are assigned to the Territory. The Dealership and the Owner who is primarily responsible for the operation of the Dealership ("the Operator") must agree to devote direct, full-time best efforts to serve the Territory fully by the sale of Cornwell products.

Within the Territory, there may be any or all of the following types of businesses: auto and truck dealerships, motorcycle dealerships, fleet operations, construction and equipment contractors, independent repair shops, service stations, small manufacturing businesses and/or body shops. The mechanics, service managers and owners at these types of businesses are your primary potential customers.

While Cornwell operates nationally, not every territory has previously had a Cornwell dealer. Where such a dealer has been in operation recently, there may be a developed market for Cornwell tools. Without a previous dealer in the territory, there may be no such market and Cornwell cannot guarantee that an established customer base exists for any particular dealer or territory. It is also possible that a previous dealer may have adversely affected the market for Cornwell tools.

Whether or not a market has been previously developed by another Cornwell dealer, success depends almost entirely on your dedication, sales ability and business practices as the current dealer. The most important elements are the willingness to work hard (a minimum of 40 hours per week; usually over 60 hours per week in the first six (6) months to establish a new dealership), knowledge of the needs of professional mechanics, detailed knowledge of the tools, and an ability to relate well to customers and persuade them to make and pay for purchases. Many dealers, including many of the most successful dealers, continue to work in excess of 60 hours per week. There is usually a direct correlation between earnings and hours worked.

Your tool display van or truck is an important key to the business, because it is a "rolling tool store" to the mechanic's door that, along with personalized service and regularly scheduled stops, builds customer loyalty and repeat business. Because it is such an important tool, Cornwell will help you in selecting, and must approve, an appropriate vehicle, will help in selecting an inventory mix to offer good prospects for a successful start-up and sales profits, and will help in creating interior merchandising displays for maximum storage and the best possible merchandising. A Truck Leasing Program through third-party leasing companies has been established for those Cornwell Dealers who qualify and choose to use it. The Truck Leasing Program is further described elsewhere in this Disclosure Document. If you are a convertee, you may be permitted to continue to use an appropriate van or truck you already own or lease, if Cornwell approves it. A Cornwell decal package must be installed to replace existing decals, at your cost.

You will be required to acquire a laptop computer, bar code scanner and ~~credit/debit card~~ signature pad and you will have the recommended option to acquire a debit/credit card ~~processor~~processing device from Cornwell (together, "the Hardware") for use on your truck. Cornwell will sell the Hardware to you at Cornwell's cost, now approximately $~~[~~3,500~~]~~. Cornwell will give you a $1,500 credit on your open account to offset your Hardware purchase expense. You will also be required to purchase or lease a compatible printer and ~~wireless card~~mobile internet.

You will be required to license the "Ironman Business Network (IBN)" Software under a separate License Agreement with Cornwell.

To enable Cornwell to assist you in your business, you will be required to enter data into the computer system on a current basis and submit the data generated by the computer system, including but not limited to the weekly report summaries, as Cornwell directs. You will be required to use the "My Business" function in IBN as directed in order for you and Cornwell to monitor your business properly. Your franchise may be terminated if you do not supply this data or if you do not use IBN and required hardware obtained from Cornwell, including, but not limited to, the "My Business" function.

Cornwell dealers have considerable competition in most territories. Three other national companies, Snap-On, Mac Tools, and Matco, and several smaller companies, offer the same kind of tools and equipment, distributed through independent dealers and/or franchised dealers. There are also independent dealers not affiliated with any national companies. In addition, similar tools and equipment are available through retail outlets, such as home supply chain stores, and through mail-order catalogs. Your individual sales effort is thus critical to your success or failure, since there are several other potential sources of competition in most territories. While Cornwell enjoys a reputation for the high quality of its products, it is better known in some parts of the country than in others, based upon past distribution. Cornwell focuses its advertising on programs such as promotional literature and catalogs which are available to you. Cornwell does little national advertising.

ITEM 2. BUSINESS EXPERIENCE

Mark R. Moeller, Chairman of the Board and Director

Mark Moeller has been a Director since 1987 and was appointed Secretary effective October 9, 2017, upon the resignation of Dawn L. Moeller as a Director and as Secretary. He became Vice Chairman of the Board on December 14, 2018, then Chairman upon the death of Raymond M. Moeller on March 21, 2020. He is not otherwise active in the operation of the company.

Eileen Moeller, Director and Assistant Secretary

Eileen Moeller has been a Director since September of 2000, but is not active in the operation of the company. She was elected Assistant Secretary on April 13, 2020.

Bill S. Nobley, Director

On February 8, 2003 Bill Nobley became President and Chief Operating Officer. He retired from those positions on January 7, 2013, and has been a Director since then.

Robert A. Studenic, Director, President and Chief Executive Officer

Robert Studenic became a Director in March of 2009, Executive Vice President in March of 2011, President and Chief Operating Officer in January of 2013, and President and Chief Executive Officer effective November 3, 2017.

David A. Nist, Treasurer, Director, Treasurer and Secretary

David Nist was Director of General Accounting from 2006 until January of 2012 when he became Treasurer. He was appointed Assistant Secretary effective October 9, 2017, and appointed to the Board of Directors and elected Secretary on April 13, 2020.

Craig A. Croley, Vice President, Operations

Craig Croley became Vice President of Operations in February of 2001.

Tim House, Director, Operations

Tim House became Director of Operations on October 5, 2020.

~~[William P. Green]~~Kristy Andrews, Director, Human Resources

~~[William P. Green]~~Kristy Andrews became Director of Human Resources ~~on [March 23, 2020]~~in January 2026.

Bobbi Jo Templeton, Director, Wholesale Credit

Bobbi Jo Templeton became Wholesale Credit Manager in June of 2007, and Director of Wholesale Credit in April 2016.

Melanie A. Gregory, Director, Customer Service

Melanie A. Gregory become Director of Customer Service in April 2016.

~~Don Russell~~Sherri Wolford, Director, Marketing

~~Don Russell~~Sherri Wolford became Director of Marketing ~~on October 5, 2020~~in January 2026.

Andrew Scott, Director, National Sales

Andrew Scott joined Cornwell October 17, 2016, as the National Recruiting Manager. On July 29, 2019, he became the Southeastern Regional Manager. On January 3, 2022, he became the Director of National Sales.

~~[Charles "Rick" Fitzhugh]~~Alan Whitmore, Northeastern Regional Sales Manager

~~Rick Fitzhugh became a District Manager in August of 2006, became the Eastern Divisional Sales Manager in January of 2011, Eastern Regional Sales Manager effective January 4, 2016, and Northeastern Regional Manager effective January 29, 2019.~~Alan Whitmore was a District Manager for Cornwell from March of 2019 until August of 2025 when he became assistant Northeast Region Manager. Alan became the Regional Manager of the Northeast Region effective January, 2026.

Tom Prescott, Southeastern Regional Sales Manager

Tom Prescott was a District Manager for Cornwell from March of 2018 until January of 2022, when he became the Southeastern Regional Sales Manager. Tom moved to the Southwestern Region in the Regional Sales Manager role effective January of 2023, and back to the Southeastern Region in the Regional Sales Manager position effective April of 2024.

Lloyd Romriell, Western Regional Sales Manager

Lloyd Romriell was a District Manager for Cornwell from February of 2017 until January of 2022, when he became the Northwestern Regional Sales Manager. Effective April 2024 Lloyd became the Western Regional Sales Manager.

Don Rehberger, Midwest Regional Sales Manager

Don Rehberger was a National Recruiting Manager for Cornwell from March of 2020 until January of 2023, when he became the Midwest Regional Sales Manager.

Jeff Philips, South Regional Sales Manager

Jeff Phillips was a District Manager for Cornwell Tools starting in 2021. In 2023 Jeff was moved into the role of National Field Sales Training Manager and fulfilled that role until April of 2025 when he was moved to the South Regional Managers position.

R. Robert Grope, Director, Customer Finance

Rob Grope became Director of Customer Finance (Tech-Credit) on March 20, 2017.

ITEM 3. LITIGATION

1. Regulatory actions against Cornwell include the following matters:

In the Matter of Cornwell Quality Tools Company (Maryland Case No. 2010-0375) On November 3, 2010, Cornwell entered into a Consent Decree with the Securities Commissioner of Maryland to resolve issues arising from entering into franchise agreements in Maryland even though the renewal of Cornwell's registration in 2008 had not been approved and thus had expired. Cornwell paid a civil penalty of $10,000.00, offered the rescission of franchises entered into after the registration expiration and has implemented procedures to reduce the risk of future violations.

In the Matter of The Cornwell Quality Tools Company (Minnesota Department of Commerce Case No. FR1400020) On August 19, 2014, a Consent Order was issued against Cornwell by the Commissioner of Commerce of Minnesota. The Order resolved issues arising from Cornwell's offering and entering into franchise agreements in Minnesota even though the renewal of Cornwell's registration in 2012 had not been submitted for approval and thus had expired. Cornwell paid a civil penalty of $2,000.00, offered the rescission of franchises entered into after the registration expiration and implemented procedures to reduce the risk of future violations.

2. Litigation against Cornwell includes the following matters:

David Bachrach, et al. v. The Cornwell Quality Tools Company, Case No. 2010 01 0543 in the Court of Common Pleas of Summit County, Ohio, was filed on January 27, 2010. The Complaint was brought by eight former Cornwell dealers as individuals and as claimed representatives of the putative class of all former Cornwell dealers terminated within four years of the filing of the Complaint. The Complaint alleges various theories under which the Cornwell franchise is said to be fraudulent and violates Ohio statutes and

common law. It seeks ordinary and punitive damages, not specified above the jurisdictional minimum of $25,000, but which can reasonably be estimated to be extensive, if the plaintiffs are successful. The Court of Common Pleas ruled on June 6, 2010, that the case was not subject to arbitration. Cornwell appealed that ruling to the Court of Appeals for the Ninth District of Ohio, Case No. 25444, which reversed in Cornwell's favor on May 25, 2011. The Ohio Supreme Court declined jurisdiction of the matter on October 5, 2011. The Common Pleas Court accordingly entered a stay of the matter on October 24, 2011. The matter was voluntarily dismissed by the plaintiffs on May 6, 2015, without any payment or other consideration from Cornwell.

David Bachrach, et al. v. The Cornwell Quality Tools Company, Case No. 11 114 Y 01759 11 in the American Arbitration Association, was filed on October 21, 2011. The Demand was brought by nine former Cornwell dealers as individuals and as claimed representatives of the putative class of all former Cornwell dealers terminated within four years of the filing of the Complaint in the Common Pleas case reported above, or subsequently. The Demand was substantively the same as the Complaint in the parallel Ohio Common Pleas Court matter described above. On April 10, 2012, the arbitration panel issued a clause construction award, finding that these claims can proceed in class arbitration, if a class should be certified. Cornwell brought a counterclaim in the Common Pleas Court case reported above on May 15, 2012, seeking to overturn the award. The Court vacated the preliminary injunction against class arbitration that it had issued and dismissed Cornwell's counterclaim on October 11, 2013. Cornwell timely appealed to the Ohio Ninth District Court of Appeals on October 16, 2013, which on December 31, 2014, reversed the decision of the Common Pleas Court and remanded to that Court to decide whether the arbitration could proceed on a class basis or could only do so on an individual basis. The Common Pleas Court case was voluntarily dismissed, as described above. The arbitration was voluntarily dismissed by the claimants on May 18, 2015, without any payment or other consideration from Cornwell.

Eric Lange, et al. v. The Cornwell Quality Tools Company, Case No. 5:15-cv-00859-JRA in the United States District Court for the Northern District of Ohio, was filed on May 1, 2015. The lawsuit was brought by the same nine former Cornwell dealers as individuals and as claimed representatives of the putative class of all former Cornwell dealers terminated within four years of the filing of the Complaint in the Common Pleas case reported above, or subsequently, excluding residents of Ohio. The Complaint is substantively the same as the Complaint in the Ohio Common Pleas Court matter described above. Cornwell moved to dismiss the lawsuit on grounds of collateral estoppel on May 21, 2015. The motion was granted on December 31, 2015, and the lawsuit was dismissed.

Randy Salinas v. The Cornwell Quality Tools Company, Case No. RIC 1905144 in the Superior Court for the County of Riverside, California, was filed on October 10, 2019. Cornwell removed the case to the United States District Court for the Central District of California on November 27, 2019, where it was assigned Case No. 5:19-cv-

02275-JGB. The Complaint was brought by a former Cornwell dealer as an individual and as the claimed representative of the putative class of all present Cornwell dealers in California and of all former Cornwell dealers in California who terminated within four years of the filing of the Complaint. Notice was also given of a potential claim under the California Private Attorney General Act. The Complaint alleges various theories under which the plaintiff and the members of the putative class were or are to be considered employees under California law and are being or were denied various protections, compensation and benefits as such. It seeks injunctive relief, compensatory and punitive damages, penalties, interest, costs and attorney fees, not specified in amounts but which can reasonably be estimated to be extensive, if the plaintiffs are successful. A Class was certified on October 17, 2022, and a Notice to go to the members of the Class was approved by the Court on February 27, 2023, giving members 45 days from the date the Notice is sent to opt out of the class. The Notice was sent on March 31, 2023. Cornwell denies all of the allegations of the Complaint but nevertheless recognized that it had some potential exposure and so entered into a settlement agreement, involving payments to the Class members and their counsel of $5.5 million, as a matter of prudent business judgment. The settlement was approved by the Court on September 23, 2024, and the distribution to the Class was made on December 26, 2024. No objections were filed and the matter is accordingly concluded.

James Felger v. The Cornwell Quality Tools Company, Case No. 1:23-cv-01786 in the United States District Court for the Northern District of Ohio, was filed on September 13, 2023.
William Hudson v. The Cornwell Quality Tools Company, Case No. 1:23-cv-01887 in the United States District Court for the Northern District of Ohio, was filed on September 28, 2023. The case was dismissed and re-filed in the Court of Common Pleas of Medina, Ohio, for purposes of approval of settlement, Case No. 2025CIV0456.

The Complaints in both cases were brought by individuals for themselves and as the claimed representatives of putative defined classes of persons. The Complaints allege various theories under which the plaintiffs and the members of the putative classes were damaged by the exposure of their personally identifiable information as the result of a data breach that occurred at Cornwell on September 22, 2022. The Complaints seek injunctive relief, compensatory, statutory and punitive damages, interest, costs and attorney fees, not specified in amounts. Cornwell denies all of the allegations. The matters remain pending. However, a settlement in principle was reached as to both matters on January 28, 2025, to be paid entirely by Cornwell's insurance carriers. The settlement was approved by the Court on November 19, 2025. Completion of the settlement remains pending.

Cornwell Quality Tools Company v. Daniel Karrip, Mary Karrip, and DK Tool Sales, Inc., Case No. 23-08728-CZ in the Circuit Court for the County of Kent, Michigan, was filed on October 31, 2023, by the Defendants as a Counterclaim to a Complaint brought by Cornwell on September 6, 2023, to confirm an arbitration award made in Cornwell's favor

against the Defendants on August 11, 2023. The award was confirmed by the judgment of the Court on November 8, 2023. The Counterclaim alleges various theories under which the defendants claim to have been damaged by Cornwell in the course of their former Cornwell dealership. Cornwell denies the allegations of the Counterclaim. A motion to dismiss the Counterclaim, as being subject to binding arbitration, was filed by Cornwell on November 22, 2023, and was granted by the Court on January 3, 2024. The defendants filed an appeal from all of the Court's rulings on January 23, 2024, which ~~[remains pending~~resulted in an order of affirmance on April 16, 2025.

Alexander Cox, Andrew Eisele, Jacob Shimp, James Davis, Brandon Bartch, Alec Holcomb, Darren Robert Sellars and Carlos Matthew Lewis v. The Cornwell Quality Tools Company, Case No. 1:25-cv-01913 in the United States District Court for the Northern District of Ohio, was refiled as a consolidated class action complaint on November 24, 2025.

Leopoldo Manzo v. The Cornwell Quality Tools Company, Case No. 1:25-cv-01927 in the United States District Court for the Northern District of Ohio, was consolidated with *Cox, supra*, on October 23, 2025.

Andrew Vinofsky v. The Cornwell Quality Tools Company, Case No. 1:25-cv-01970 in the United States District Court for the Northern District of Ohio, was filed on September 16, 2025, and voluntarily dismissed without prejudice on November 14, 2025. The claim is expected to be refiled and consolidated with the *Cox* case.

Donovan Witte v. The Cornwell Quality Tools Company, Case No. 1:25-cv-01924 in the United States District Court for the Northern District of Ohio, was filed on September 11, 2025, and has been reassigned to the judge handling the *Cox* case with a motion to consolidate pending.

Bryan Schwartz v. The Cornwell Quality Tools Company, Case No. 1:25-cv-2929 in the United States District Court for the District of Colorado, was filed on September 17, 2025, and voluntarily dismissed without prejudice on September 26, 2025. The claim is expected to be refiled in Ohio and consolidated with the *Cox* case.

The Complaints in these cases were brought by individuals for themselves and as the claimed representatives of putative defined classes of persons. The Complaints allege various theories under which the plaintiffs and the members of the putative classes were damaged by the exposure of their personally identifiable information as the result of a data breach that occurred at Cornwell on or about December 12, 2024. The Complaints seek injunctive relief, compensatory, statutory and punitive damages, interest, costs and attorney fees, not specified in amounts. Cornwell denies all of the allegations and will defend the cases vigorously.

George Florea v. The Cornwell Quality Tools Company, Case No. 5:25-cv-03343 in the United States District Court for the Central District of California, was filed on December 11, 2025. The Complaint was brought by a former Cornwell dealer as an individual and as the claimed representative of the putative class of all present Cornwell dealers in California and of all former Cornwell dealers in California who terminated within four years

of the filing of the Complaint. Notice was also given of a potential claim under the California Private Attorney General Act. The Complaint alleges various theories under which the plaintiff and the members of the putative class were or are to be considered employees under California law and are being or were denied various protections, compensation and benefits as such. It seeks injunctive relief, compensatory and punitive damages, penalties, interest, costs and attorney fees, not specified in amounts but which can reasonably be estimated to be extensive, if the plaintiffs are successful. Cornwell denies the allegations and will contest the matter vigorously.

3. Collection suits brought by Cornwell against former franchisees in the last fiscal year for payment for tools sold to the former franchisees by Cornwell:

~~Cornwell Quality Tools Company v. Bruce M. Alvarado, Tiffany R. Alvarado and BT&N's Tools & Equipment, LLC, American Arbitration Association case filed 11/13/2023 (Case No. 01-23-0005-1380); Court of Common Pleas, Summit County, Ohio, case filed 04/19/2024 (Case No. 2024-04-1703); United States Bankruptcy Court, Northern District of Texas, Chapter 13 case filed 05/14/2024 (Case No. 24-41711).~~

~~Cornwell Quality Tools Company v. Jon W. Bachand and Laura B. Schultz, American Arbitration Association case filed 10/03/2024 (Case No. 01-04-0008-0655).~~

~~Cornwell Quality Tools Company v. Cameron J. Balmain, United States Bankruptcy Court, District of Massachusetts, Eastern Division, Chapter 7 case filed 06/18/2024 (Case No. 24-11209).~~

~~Cornwell Quality Tools Company v. Timothy R. Barker and Deanna Kauiohoolehua Barker, American Arbitration Association case filed 07/20/2023 (Case No. 01-23-0003-2251); Court of Common Pleas, Summit County, Ohio, case filed 11/13/2013 (Case No. 2023-11-4354); 116th District Court of Dallas County, Texas, case filed 05/01/2024 (Case No. DC-24-05808 against Deanna Kauiohoolehua Barker); Superior Court, County San Bernardino, California, case filed 05/17/2024 (Case No. CIV SB 2418172).~~

~~Cornwell Quality Tools Company v. Joseph A. Bribiescas, American Arbitration Association case filed 11/13/2023 (Case No. 01-23-0005-1381); Court of Common Pleas, Summit County, Ohio, case filed 03/28/2024 (Case No. 2024-03-1394); Superior Court of Maricopa County, Arizona, case filed 06/17/2024 (Case No. CV-2024-015471).~~

~~Cornwell Quality Tools Company v. Raymond L. Brown, Angela D. Brown and Slappy Holdings LLC, American Arbitration Association case filed 05/03/2024 (Case No. 01-24-0004-7532); 212th District Court, Galveston County, Texas, case filed 10/03/2024 (Case No. 24-CV-1762).~~

~~Cornwell Quality Tools Company v. Steven R. Chavez and Janelle Y. Chavez, American Arbitration Association case filed 11/07/2024 (Case No. 01-24-0008-6069; District Court of Bexar County, Texas case filed 03/11/2025 (Case No. 2025CI05605).~~

~~Cornwell Quality Tools Company v. Chance J. Clark and Chance Clark & Associates, LLC, American Arbitration Association case filed 11/19/24 (Case No. 01-24-0008-7815).~~
~~Cornwell Quality Tools Company v. John P. Clift, Jr., Lilia E. Venegas Gloria and JLAD LLC Cornwell's claim has been settled with an agreement that a judgment may be taken in the Superior Court, Snohomish County, Washington, if there is a default in the payments that are to be made.~~

~~Cornwell Quality Tools Company v. Jason R. Conley and Tools 4 Fools LLC, American Arbitration Association case filed 02/28/25 (Case No. 01-25-0001-1634).~~

~~Cornwell Quality Tools Company v. Francisco A. Diaz, Stephanie A. Diaz and FSD Tools, Inc., American Arbitration Association case filed 05/17/2023 (Case No. 01-23-0002-2136); Court of Common Pleas, Summit County, Ohio, case filed 10/04/2023 (Case No. 2023-10-3780); Superior Court, Los Angeles County, California, case filed 04/24/2024 (Case No. 24STCP01319).~~

~~Cornwell Quality Tools Company v. Trampas Freeman, Cascey M. Freeman and Big T's Tools, LLC, American Arbitration Association case filed 09/01/23 (Case No. 01-23-0003-8769); Court of Common Pleas, Summit County, Ohio, case filed 01/09/2024 (Case No. CV 2024-01-0129); 188th District Court, Gregg County, Texas, case filed 07/12/2024 (Case No. 202409674); District Court, Rusk County, Texas, case filed 07/16/2024 (Record No. 00253300, Vol. 03996; p. 00314); District Court, Smith County, Texas, case filed 07/15/2024 (Document No. 202401020099).~~

~~Cornwell Quality Tools Company v. Austin G. Hofer, Savanna K. Hofer and Hofer Tooling, LLC, First Judicial Circuit Court, Turner County, South Dakota, case filed 10/21/2024, (Case No. 62CIV24-000123).~~

~~Cornwell Quality Tools Company v. Darrell L. Hood, et al., American Arbitration Association case filed 04/09/2024 (Case No. 01-24-0004-3663).~~

~~Cornwell Quality Tools Company v. Annex Ing, Menakshi M. Ing and Trickynick, LLC, Circuit Court, Montgomery County, Maryland, case filed 08/05/2024 (Case No. C-15-CV-24-004190).~~

~~Cornwell Quality Tools Company v. Daniel E. Karrip, Mary L. Karrip and DK Tool Sales, Inc., American Arbitration Association case filed 08/12/2022 (Case No. 01-22-0003-4671); 17th Circuit Court, Kent County, Michigan, case filed 09/06/2023 (Case No. 23-08728-CZ); Court of Appeals, State of Michigan, case filed 01/23/2024 (Case No. 369475).~~

~~Cornwell Quality Tools Company v. Christopher H.M. Keyes, Christina D. Keyes and Keyes Family Sales & Service, LLC, American Arbitration Association case filed 10/03/2024 (Case No. 01-24-0008-0649); District Court, Pottawattamie County, Iowa, case filed 03/03/2025 (Case No. CVCV126257).~~

~~Cornwell Quality Tools Company v. Phillip M. Lozano, American Arbitration Association case filed 04/09/2024 (Case No. 01-24-0004-3658); 73rd Judicial District, Bexar County, Texas, case filed 11/06/2024 (Case No. 2024CI25179).~~

~~Cornwell Quality Tools Company v. James MacDowell and Amber MacDowell, Superior Court of San Bernardino County, California, case filed 05/02/2024 (Case No. 37-2024-00020628-CL-BC-CTL).~~

~~Cornwell Quality Tools Company v. Ricardo A. Medina; Melanie D. Fryer; and RAM Tools Truck, LLC, American Arbitration Association case filed 12/09/2024 (Case No. 01-24-0009-0426).~~

~~Cornwell Quality Tools Company v. Freddie Moreno, Jr., American Arbitration Association, case filed 12/27/2023 (Case No. 01-23-0005-9662); Superior Court, San Bernardino County, California, case filed 11/08/2024 (Case No. CIVSB2433798).~~

~~Cornwell Quality Tools Company v. Andrew D. Ortiz, American Arbitration Association, case filed 04/09/2024 (Case No. 01-24-0004-3653).~~

~~Cornwell Quality Tools Company v. Elias E. Osuna Gomez and Rosaura L. Valdez, American Arbitration Association, case filed 08/07/2024 (Case No. 01-24-0007-1537).~~

~~Cornwell Quality Tools Company v. Robert J. Reeves; Gina Eckstein; and R&J Tool Supply LLC, American Arbitration Association case filed 04/19/2024 (Case No. 01-24-0004-5386); District Court of Sioux County, Iowa, case filed 09/12/2024 (Case No. 03841 CVCV031183~~

~~Cornwell Quality Tools Company v. Mark A. Reffett and Mark 1 Tools, LLC, Court of Common Pleas, Morrow County, Ohio, case filed 02/14/2025 (Case No. 2025CV00018).~~

~~Cornwell Quality Tools Company v. Ryan G. Rieff; Leslie R. Williams; and Rieff's Tools LLC, American Arbitration Association case filed 04/26/2024 (Case No. 01-24-0004-6547; District Court of Tulsa County, Oklahoma, case filed 01/23/2025 (Case No. CJ-2025-00358).~~

~~Cornwell Quality Tools Company v. Jayson A. Sisson; Karrah M. Sisson; and JSisson Tools, LLC, American Arbitration Association case filed 12/13/2024 (Case No. 01-24-0009-1429).~~

~~Cornwell Quality Tools Company v. Alex M. Todd and Katie L. Valenti, American Arbitration Association case filed 06/07/2023 (Case No. 01-23-0002-5378); Court of Common Pleas, Summit County, Ohio, filed 10/11/2023 (Case No. CV 23-10-3894); Superior Court of California, Rancho Cucamonga District, County of San Bernardino, California, case filed 04/12/2024 (Case No. CIVRS2401043); Court of Chancery, Knox County, Tennessee case filed 11/08/2024 (Case No. 209912-1).~~

~~Cornwell Quality Tools Company v. Jesu S. Wade; Tanya V. Wade; and Rod & Staff Co., LLC, American Arbitration Association case filed 12/09/2024 (Case No. 01-24-0009-0416) District of Connecticut (Case No. 24-30961).~~

~~Cornwell Quality Tools Company v. Shane A. Woods, et al., American Arbitration Association case filed 12/20/2023 (Case No. 01-23-0005-8955); Court of Common Pleas, Summit County, Ohio, filed 05/30/2024 (Case No. CV-2024-05-2221); Third Judicial District Court, Salt Lake County, Utah case filed 11/08/2024 (Case No. 240909018).~~
Cornwell Quality Tools Company v. Raymond L. Brown, Angela D. Brown and Slappy Holdings LLC, American Arbitration Association case filed 05/03/2024 (Case No. 01-24-0004-7532); 212th District Court, Galveston County, Texas, case filed 10/03/2024 (Case No. 24-CV-1762).

Cornwell Quality Tools Company v. Keith D. Cardwell; Elizabeth M. Cardwell; and Cardwell Mobile Tool Supply, LLC, American Arbitration Association case filed 12/02/2025 (Case No. 01-25-000-91498).

Cornwell Quality Tools Company v. Linus J. Chechuck and Rachele E. Chechuck, American Arbitration Association case filed 06/19/2025 (Case No. 01-25-0002-9450).

Cornwell Quality Tools Company v. Chance J. Clark and Chance Clark & Associates, LLC, American Arbitration Association case filed 11/19/24 (Case No. 01-24-0008-7815); Circuit Court, Jefferson County, Missouri, case filed 04/23/2025 (Case No. 25-JE-CC-00381).

Cornwell Quality Tools Company v. John P. Clift, Jr., Lilia E. Venegas Gloria and JLAD LLC Cornwell's claim has been settled with an agreement that a judgment may be taken in the Superior Court, Snohomish County, Washington, if there is a default in the payments that are to be made.

Cornwell Quality Tools Company v. Armando Cruz and Cynthia Flores Cruz, American Arbitration Association case filed 02/23/2026 (Case No. 01-26-0000-9088).

Cornwell Quality Tools Company v. George G. Florea and Heather A. Florea, American Arbitration Association case filed 02/06/2026 (Case No. 01-26-0000-6097).

Cornwell Quality Tools Company v. Kevin A. Gribble, et al., American Arbitration Association case filed 02/23/2026 (Case No. 01-26-0000-9101).

Cornwell Quality Tools Company v. Clifford J. Hinkle III, Lindsey M. Hinkle and CJH Mobile Tools, LLC, American Arbitration Association case filed 06/16/2025 (Case No. 01-25-0002-8781); 29th Judicial District Court, Parish of St. Charles, Louisiana case filed 11/17/2025 (Case No.CV-96500).

Cornwell Quality Tools Company v. Phillip M. Lozano, American Arbitration Association case filed 04/09/2024 (Case No. 01-24-0004-3658); 73rd Judicial District, Bexar County, Texas, case filed 11/06/2024 (Case No. 2024CI25179).

Cornwell Quality Tools Company v. James MacDowell and Amber MacDowell, Superior Court of San Bernardino County, California, case filed 05/02/2024 (Case Nos. 37-2024-00020628-CL-BC-CTL and CIVSB2433798).

Cornwell Quality Tools Company v. Anthony M. Marcial; Evelyn Ruiz; and Dealz on Wheels, LLC, County Court, El Paso County, Texas, case filed 08/04/2025 (Case No. 2025DCV3548).

Cornwell Quality Tools Company v. Ricardo A. Medina; Melanie D. Fryer; and RAM Tools Truck, LLC, American Arbitration Association case filed 12/09/2024 (Case No. 01-24-0009-0426); Superior Court, Los Angeles County, California, case filed 05/30/2025 (Case No. 25STCP02029).

Cornwell Quality Tools Company v. Andrew D. Ortiz, American Arbitration Association, case filed 04/09/2024 (Case No. 01-24-0004-3653); Superior Court of Riverside County, California case filed 04/09/2025 (Case No. CVME2504047).

Cornwell Quality Tools Company v. Adam M. Osborne; Jerri L. Osborne; and Too Easy Tool Supply, LLC, American Arbitration Association case filed 12/02/2025 (Case No. 01-25-000-91514).

Cornwell Quality Tools Company v. Elias E. Osuna Gomez and Rosaura L. Valdez, American Arbitration Association, case filed 08/07/2024 (Case No. 01-24-0007-1537); Superior Court, Maricopa County, Arizona, case filed 05/15/2025 (Case No. CV2025-000908).

Cornwell Quality Tools Company v. Robert J. Reeves; Gina Eckstein; and R&J Tool Supply, LLC, American Arbitration Association case filed 04/19/2024 (Case No. 01-24-0004-5386); Superior Court, Los Angeles County, California, case filed 04/17/2025 (Case No. 25STCP01713).

Cornwell Quality Tools Company v. Francisco L. Rodriguez; Joanna A. Saenz; and R&F Family Tools, LLC, American Arbitration Association case filed 07/08/2025 (Case No. 01-25-0003-2325).

Cornwell Quality Tools Company v. Jayson A. Sisson; Karrah M. Sisson; and JSisson Tools, LLC, American Arbitration Association case filed 12/13/2024 (Case No. 01-24-0009-1429); Fourth Judicial District Court, Utah County, Utah, case filed 04/22/2025 (Case No. 250300066).

Cornwell Quality Tools Company v. Chip D. Snow and Abigail N. Snow, American Arbitration Association case filed 05/14/2025 (Case No. 01-25-0002-3316); Common Pleas Court, Florence County, South Carolina, case filed 01/28/2026 (Case No.2026CP2100046).

Cornwell Quality Tools Company v. Clinton P. Stewart; Brandy M. Stewart; and Stewart's Mobile Tools, American Arbitration Association case filed 09/05/2025 (Case No. 01-25-0004-4935).

Cornwell Quality Tools Company v. Juan Tellez Villeda, American Arbitration Association, case file 12/02/2025 (Case No. 01-25-000-91502).

Except as provided above, with regard 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 an administrative, criminal or civil action pending against that person alleging: a felony, a 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 of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or 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 a 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 license as a real estate broker or sales agent.

4. Trademark Suits No trademark litigation is required to be disclosed in this Item.

Other than these actions, no other litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No Bankruptcy is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Cornwell requires a new Dealership to purchase an initial inventory of at least $60,000 at regular dealer net prices when entering into the Dealer Franchise Agreement. Cornwell must approve the initial inventory. If you meet normal credit requirements, Cornwell will finance the initial inventory of $60,000 and $20,000 Reserve, and will finance subsequent inventory purchases, as further described in this Disclosure Document.

Unless Cornwell waives the requirement, you must also establish a Reserve with Cornwell in the amount of $20,000, to be applied against the further purchase of inventory during the first 13 weeks of the dealership. If you meet normal credit requirements, Cornwell will finance up to $20,000 of the Reserve. Any unused Reserve cash balance will be refunded to you or applied against your obligations to Cornwell, at your option. Unless waived, you must also verify at the outset of the dealership that there is $15,000 on deposit in a business account and that you will only use those funds for business purposes on and after the first day of training on your route. For more information on the initial investment, see Item 7 of this Disclosure. Cornwell does not require that you pay any other franchise fee or other initial payment in order to become a dealer.

Upon termination, Cornwell will purchase certain merchandise from you or your estate at the then prevailing dealer prices, less a 15% restocking charge. These tools must be shipped freight prepaid to Cornwell's distribution center in Wadsworth, Ohio. New tools will be approved for return only if they are in new and saleable condition, are active items, and have not been discontinued by Cornwell. All returns must be of current design and finish. All tools returned must be in their original individual carton or container. Broken packs of Cornwell or Cornwell-Allied tools will not be accepted for return if the tools are normally sold by Cornwell in factory pack quantities. The following items are **not** subject

to return under this program: Tool storage, socket trays, clips and rails, vinyl kit bags, air compressors, lifting equipment, large shop equipment, parts washers, sales administration or truck display aids, welders, battery chargers, and serial numbered test equipment.

ITEM 6. OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty	None	N/A	N/A
Advertising	None	N/A	Cornwell provides promotional material to franchisees at no cost
Cooperative Advertising	None	N/A	N/A
Additional Training	None	N/A	Cornwell provides opening training free - see Item 11
Additional Assistance	None	N/A	Cornwell provides opening assistance free - see Item 11
Transfer	None	N/A	N/A
Lease Payments	None	N/A	As a Cornwell franchisee's vehicle is the place of business, fees for the leasing of space are not incurred
Computer Software Fees	~~$275~~ 130 initial fee; ~~$50~~ 100 monthly fee	Start and monthly	Ironman Business Network, $100 to Cornwell for start-up costs and ~~$175~~ 30 for credit card servicing vendor software, if used; then monthly fee of $50 to Cornwell and up to $50 monthly fees to credit card servicing vendor, if used

Cornwell does not require that you pay any other recurring or isolated fees or payments, including but not limited to royalties, service fees, training fees, lease payments or advertising fees or charges. These fees will not be increased by more than 10% during the term of this Franchise Disclosure Document.

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ITEM 7. ESTIMATED INITIAL INVESTMENT

The following table summarizes your estimated initial investment:

Your Estimated Initial Investment

	Amount	Method of Payment	When Due	To Whom Made
Initial Franchise Fee (1)	$-0-	N/A	N/A	N/A
Training Expenses (2)	$0-$5,000	As Incurred	Prior to start	Third-Parties
Real Estate (3)	$-0-	N/A	N/A	N/A
Initial Inventory (4)	$60,000 - $65,000	Lump Sum/ Note	When invoiced	Cornwell Tools
Vehicle (5)	$75,000 - $~~185~~187,000	Lump Sum/ Down Payment	Upon delivery	Owner/Leasing Company
Insurance (6)	$250 - $2,550	Lump Sum	As premium payments become due	Insurance Company
Additional Funds – Three Months (7)	$15,000 - $35,000	Lump Sum	Prior to start	Dealer's Business Account
Equipment/Clothing/ Fixtures/Other Fixed Assets (8)	$0 - $5,000	As Incurred	As ordered	Supplier
Reserve (9)	$20,000	Lump Sum	Prior to start	Cornwell Tools
Computer System (10)	$3,500	Lump Sum	Prior to start	Cornwell Tools and Vendor for printer and ~~wireless card~~mobile internet and credit/debit card servicing vendor processor, if used
Computer Software (11)	$~~275~~130	Lump Sum	Prior to start	$100 to Cornwell Tools for start-up costs and $~~175~~ 30 for credit/debit card servicing vendor software, if used
Security & Utility Deposits/Business	$500-$2,500	As Incurred	Prior to start	Third-Parties

	Amount	Method of Payment	When Due	To Whom Made
Licenses/Other Prepaid Expenses (12)				

Total: $79,~~525~~ 380 to $~~323,825~~325,680 for convertees; $174,~~525~~ 380 to $~~318,825~~320,680 for new dealerships.

These figures are based on Cornwell's over ~~60~~61-year experience in offering dealerships in the mobile tool industry and may vary based upon your experience in the mobile tool industry, and your personal financial situation.

NOTE 1 - Initial Franchise Fee. If you are a new Dealership, you must purchase an initial inventory of at least $60,000 at regular dealer net prices when entering into the Dealer Franchise Agreement. Cornwell does not require that you pay any franchise fee or other initial payment in order to become a Dealership.

Only a portion of your initial inventory purchase expenditure may be refundable. See explanation of tool return policy in Item 17, Note 4 of this Disclosure.

NOTE 2 – Travel, Lodging Expenses While Training in Ohio or some other location. The principal Operator and anyone else who will actively participate in the operation of the Dealership on the truck are required to pay travel, food and lodging expenses to attend initial classroom training in Ohio or some other location before operating your Dealership. Travel expenses include the estimated cost of travel to and from the location of the New Dealer Training Program and your home. The actual cost of travel will depend on your home location and your travel mode. Cornwell has negotiated lodging for persons attending the New Dealer Training Program.

Training expenditures are non-refundable.

NOTE 3 - Lease of Real Property. The vehicle is the place of business. No purchase or lease of real estate should be required.

NOTE 4 - Initial Inventory Purchase. Cornwell requires a new Dealership to purchase an initial inventory of at least $60,000 at regular dealer net prices when entering into the Dealer Franchise Agreement. Cornwell considers such an inventory to be of a reasonable minimum size for a dealership to begin business. Cornwell must approve the initial inventory. If you meet normal credit requirements, Cornwell will finance the initial inventory of $60,000, and will finance subsequent inventory purchases, as further described in Item 10 of this Disclosure.

Unless Cornwell waives the requirement, you must also establish a Reserve with Cornwell in the amount of $20,000, to be applied against the further purchase of inventory during the first 13 weeks of the Dealership. If you meet normal credit requirements, Cornwell will finance up to $20,000 of the Reserve. Unless waived, you must also verify at the outset of the Dealership that there is $15,000 on deposit in a business account and that you will only use those funds for business purposes on and after the first day of training on your route. Inventory level can vary based on area and the dealership's financial situation. Cornwell expects its dealerships to have sufficient levels of inventory to properly service customers on a continuing basis.

Only a portion of your initial inventory purchase expenditure may be refundable. See explanation of tool return in Item 17, Note 4 of this Disclosure.

NOTE 5 – Vehicle. All Dealerships are also required to purchase or lease a truck or van. Cornwell must approve the truck or van to be obtained. Approved trucks and vans must be equipped so that District Managers or others riding along can sit safely and are protected against injury from objects thrown forward from the rear compartment. Cornwell will recommend sellers or lessors of suitable trucks and vans but does not require that any such truck or van be obtained from a particular source. The estimated range for the cost of a suitable truck or van is $75,000 to $~~185~~187,000, depending on whether the truck or van is new or used, and on its condition and features. A Truck Leasing Program through third-party leasing companies has been established for those Cornwell Dealerships who choose to use it. The Truck Leasing Program is further described below.

Cornwell has entered into an agreement with Trans Lease, Inc., of Denver, Colorado, to establish a Truck Leasing Program, through which Cornwell Dealerships can lease approved trucks and vans on extended terms. Under the Program, new vehicles and vehicles previously used by other Cornwell Dealerships will be available. Vehicles manufactured by Summit Body Works and Herr Display Van are currently offered under the Program.

Cornwell is completely independent of Trans Lease and Cornwell will not receive any revenue from the Truck Lease Program. Trans Lease reserves the exclusive right to set lease terms and to approve or disapprove any Cornwell Dealership for participation in the Program. Cornwell has no right to require Trans Lease to approve a Dealership or to approve any particular lease terms.

Under the Program, a participating Dealership must authorize Trans Lease to make direct electronic Automatic Clearing House (ACH) deductions from the Dealership's checking account for the weekly truck lease payments. If there are insufficient funds in the Dealership's account to make a payment or if the Dealer withdraws ACH authority then the Dealership will then be considered in default under the truck lease.

Cornwell has agreed to use its best efforts to assist Trans Lease in re-leasing or selling a vehicle that Trans Lease has repossessed, if Trans Lease so requests. Cornwell will have no obligation to the defaulting Dealership to make such efforts.

Vehicle expenditures are normally non-refundable; Cornwell has no control over any such refunds.

If you are a convertee, you may be permitted to continue to use an appropriate van or truck you already own or lease, if Cornwell approves it. A Cornwell decal package must be installed to replace existing decals, at your cost.

NOTE 6 – Insurance. Cornwell further requires you to carry the following minimum insurance coverage: commercial business auto liability insurance with limits of $1,000,000, general commercial liability insurance under a comprehensive general liability form that includes coverage for bodily harm, property damage, and product liability policies not less than $1,000,000, and cargo insurance with all risk property coverage for full replacement of your inventory. Insurance policies maintained by you must (a) designate Cornwell Quality Tools Company as "additional insured"; (b) if Cornwell finances your inventory, cargo insurance must designate Cornwell Quality Tool Company as "loss payee" for full replacement of your inventory financed; and provide that Cornwell receive a copy of all notices of cancellation, nonrenewal, or coverage change at least 30 days prior to the effective date. Insurance costs are highly dependent on your past driving record, the geographical area of your franchise, dollar amount of your inventory and type of truck being insured.

Insurance expenditures are normally non-refundable; Cornwell has no control over any such refunds.

NOTE 7 - Additional Funds – Three Months. Additional amount needed to supplement shortfall to carry the personal, vehicle and miscellaneous business expenditures of the Dealership and its Owners during start-up for ninety days. Monthly personal and family expenditures of new Cornwell dealerships are typically not over $5,000. *You may actually require over $5,000 per month, dependent upon your personal financial situation or to fund business and personal expenditures for more than three months. The additional amount required will then be greater.* You must provide verification to Cornwell, at the time payment is made for the Initial Inventory and Reserve, that as of that date you have at least an additional $15,000 deposited in usable funds in a business checking account at a financial institution of your choice and you must further agree that you will only use those funds for the business purposes of the Dealership, on and after the first day of training on your route, which may include a reasonable draw for Owners' personal living expenses, as agreed upon by Cornwell in advance, while the Franchise Agreement is in force.

Additional amounts you expend for these purposes are non-refundable.

NOTE 8 – Equipment/Clothing/Fixtures/Other Fixed Assets. Your requirements will depend upon whether there are equipment and fixtures already in your truck and their condition and also on the location of your territory. Items you require may include sales aids, such as displays and promotional items. Cornwell dealerships typically do not need to make expenditures for construction, remodeling, leasehold improvements or decorating costs. Cornwell dealership Operators are required to buy and wear approved Cornwell route wear.

Equipment, fixture and other fixed asset expenditures are normally non-refundable. Cornwell has no control over any such refunds.

NOTE 9 – Reserve. This is the estimated initial amount needed to carry customer time payment (TP) accounts (accounts receivable from customers). The Reserve amount may vary, based on the Dealership's financial needs, arrangements which may have been made with an outgoing dealer to purchase accounts and the number of customers to whom the Dealership sells tools or other products on customer time payment. Cornwell's estimate of the Reserve amount is based on Cornwell's experience offering dealerships in the mobile tool industry.

At a minimum, unless waived by Cornwell, in addition to any capital you choose to deposit in your own business account to carry customer TP debt before it is collected, you must establish a Reserve with Cornwell in the amount of $20,000, to be applied against the further purchase of inventory during the first 13 weeks of the dealership. If you meet normal credit requirements, Cornwell will finance up to $20,000 of the Reserve.

The Reserve will be applied by Cornwell to your open account, as a credit against your further purchases of inventory, in a weekly amount equal to 65% of the increase in your documented Time Payment (TP) Account balance over the previous high TP balance. The Reserve will be maintained by Cornwell until it is exhausted or the dealership Agreement is terminated, whichever occurs first. If the Reserve is funded with a combination of cash and notes, the cash deposited will be applied first against the further purchases of inventory. The funds remaining in the Reserve will be refunded if paid in cash or, if borrowed, credited at your option to your open account or as a voluntary pre-payment under paragraph 1(c) of your note, if the Reserve has not been used in full upon the termination of the dealership Agreement. When the Reserve is established, it will be credited by Cornwell with a lump-sum amount.

Reserve expenditures are only refundable as outlined above.

NOTE 10 - Computer System.
You are required to acquire a laptop computer, bar code scanner and ~~credit card~~ signature pad from Cornwell and you will have the recommended option to acquire a debit/credit card processor (together, "the Hardware") for use on your truck. Cornwell will sell the Hardware to you at Cornwell's cost, now approximately $3,500. Cornwell will give you a $1,500 credit on your open account to offset your Hardware purchase expense. You will also be

required to purchase or lease a compatible printer and ~~wireless card~~mobile internet. Should you wish to obtain additional computers, you are required to contact the IBN Support Desk to obtain specifications and requirements for them.

Cornwell will extend a three-year limited warranty on the Hardware to you, as well as pass through the Hardware manufacturer's limited warranties. Cornwell's warranty will be for support and repair or replacement of the Hardware. Cornwell will attempt to provide support within 2 business hours of report of the issue and to provide loaned Hardware by overnight delivery while repair is attempted or until replacement Hardware is provided.

After the expiration of the Cornwell Hardware warranty period, or if you void the warranty by damage occurring to the Hardware that is not the fault of Cornwell, Cornwell will provide the same support, repair and replacement service, but at your cost. You will have the option of replacing any of the Hardware at your cost during or after the warranty period. The Hardware warranty then being extended by Cornwell will be made to you as to the new Hardware you purchase.

You must:

- Maintain antivirus and endpoint protection on all business systems.
- Keep all operating system, application, and browser security updates current.
- Follow PCI-compliant standards for data handling and submit an annual attestation of compliance through the designated payment processor.
- Notify Cornwell promptly of any data breach or data loss.
- Adhere to all formally communicated maintenance and security directives.
- You are responsible for maintaining security systems and are liable for any repercussions resulting from failure to comply.

You are required to maintain a commercial-grade, high-bandwidth internet connection in your mobile store (tool truck) sufficient to support all Cornwell business systems, including real-time order entry, payment processing, cloud synchronization, and remote communication. Consumer-grade mobile hotspots, personal cellular tethering, or limited-data mobile plans are not acceptable to meet this requirement. The connection must utilize a dedicated broadband service designed for continuous mobile business use, such as a low Earth orbit satellite broadband service, multi-carrier cellular router, or an equivalent high-throughput solution with latency sufficient for uninterrupted connectivity while operating the mobile store

You are responsible for the cost of all hardware, installation, data plans, and any upgrades necessary to maintain this connection. Cornwell may update the technology standards as new systems are introduced.

Cornwell will not make any profit on initial Hardware or on Hardware support, repair and replacement provided to you. You must always use Hardware provided by Cornwell on your truck.

~~You are required to obtain and maintain high speed Internet access via a standalone Network Access Device from a mobile wireless broadband carrier, to be able to communicate electronically with Cornwell.~~

Computer system expenditures are normally non-refundable. Cornwell has no control over any such refunds of expenditures you make to third-party vendors.

NOTE 11 - Computer Software. You will be required to license the "Ironman Business Network (IBN)" Software under a separate License Agreement with Cornwell. You will be required to use the "My Business" function in IBN as directed in order for you and Cornwell to monitor your business properly.

The License Agreement includes an open-end service plan, which includes the use of the IBN Software, price updates, program updates and software support. There is a one-time $100.00 set up fee, plus a monthly service contract fee of $50.00, which is payable to Cornwell and will be billed to your Cornwell open account every month. There will also be a one-time $~~175~~30.00 license set up fee and up to $50.00 monthly fees payable to a credit card processing vendor for Credit/Debit Card Processing Software that interfaces with the IBN Software. Use of the vendor and the Card Processing Software is optional and those fees will not be charged if you do not choose to use the vendor or Card Processing Software. Cornwell has the right to increase the fees. The IBN software will provide you with a basic means of keeping track of certain financial information about your dealership. But the IBN Software is not a complete accounting system and does not replace the need for professional accounting services or advice.

You will agree to use only the IBN Software in the operation of the dealership. You will also agree to obtain and use upgrades and updates of the IBN Software from Cornwell as they become available. You will also agree that Cornwell will have independent access to the information that will be generated and stored on your computer system using the IBN Software. You will agree to use the IBN Software to generate and maintain accurate reports of your activities on a current basis, with complete information being entered at least once per week. Your IBN Software will automatically store and electronically transmit this information to Cornwell. You will agree to submit separately all information generated by the computer system, if requested by Cornwell, including but not limited to the weekly reports. Failure to submit this information on request will be a material breach of the Franchise Agreement.

Computer software expenditures are normally non-refundable. Cornwell has no control over any such refunds of expenditures you make to third-party vendors.

NOTE 12 – Security and Utility Deposits/Business Licenses/Other Prepaid Expenses.

No utility deposits are required since the vehicle is your place of business. There may be costs for business licenses ranging from $500 to $2,500 depending on location of Franchise.

Business Licenses/Other Prepaid Expenses expenditures are normally non-refundable. Cornwell has no control over any such refunds.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Other than the initial inventory and computer hardware and software described in Item 7 and minimum inventory purchases, as set forth below, you are under no obligation to purchase or lease from Cornwell or anyone designated by Cornwell, any other goods, services, supplies, fixtures, equipment, inventory or real estate. Cornwell will recommend sellers or lessors of suitable trucks and vans, but does not require that any such truck or van be obtained from a particular source. Cornwell must approve the truck or van to be obtained, however.

Immediately following the first six months after the franchise agreement is signed, you must maintain average weekly purchases from Cornwell equal to at least 90% of the national average of Cornwell franchise dealers' weekly purchases during the current calendar year. Every week, Cornwell calculates the national average franchise dealer weekly purchase amount during the current year. (Total dealer year to date purchases, divided by the number of weeks to date, then divided by the number of dealers at the end of the week prior to the current week.) Each week, you must maintain average weekly purchases (year to date purchases divided by the number of weeks to date) equal to 90% of Cornwell's national weekly average. The continuation of the franchise depends upon continuing required purchase of Cornwell Products. A franchise may be terminated or the territory decreased if the purchase requirements are not met.

The inventory purchased from Cornwell and the lease or purchase of a truck or van will normally constitute at least 70% of the total purchases and leases, which you will make in the establishment and operation of your business. Because of the initial inventory purchase, this figure will be substantially higher in your first year. When the truck or van is paid off, typically in 2-6 years, this figure will decrease. The bulk of the additional costs will relate to interest, insurance, bad debts, fuel and maintenance for the van or truck, and inventory purchases from sources other than Cornwell. The total cost of purchases from Cornwell by a particular dealer will, of course, vary considerably.

The average annual inventory purchases from Cornwell by Cornwell dealerships as of December 31, ~~2024~~2025, were $367,~~640~~848.

Cornwell derives a profit from the sale of tools, equipment and sales aids to dealers, but does not otherwise derive income from the franchise. In ~~2024~~2025, Cornwell derived ~~90.55~~90.60% or $~~252,127,512.00~~258,744,283.20 of its total revenue of $~~278,450,440.66~~285,577,588.83 from the required dealership minimum purchase.

There are no purchasing or distribution cooperatives for Cornwell Products. Cornwell has no suppliers in which an officer of the franchisor owns an interest.

ITEM 9. FRANCHISEE'S OBLIGATIONS

THE FOLLOWING TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS DISCLOSURE DOCUMENT.

Obligation	Section in Agreement	Item in Disclosure Document
a. Site selection and acquisition/lease	Not Applicable	Not Applicable
b. Pre-opening purchases/ leases	Sections 3 and 5 (of Franchise Agreement)	Item 7
c. Site development and other pre-opening requirements	Sections 3, 5, 10 (of Franchise Agreement)	Items 6, 7
d. Initial and ongoing training	Section 8 (of Franchise Agreement)	Item 11
e. Opening	Sections 3, 5, 6 (of Franchise Agreement)	Item 11
f. Fees	Section 3 (of Franchise Agreement)	Items 5, 6 and 7
g. Compliance with standards and policies/Operating Guide	Sections 7 and 9 (of Franchise Agreement)	Item 11

Obligation	Section in Agreement	Item in Disclosure Document
h. Trademarks and proprietary information	Section 10 (of Franchise Agreement)	Item 13, 14
i. Restrictions on products/services offered	Section 7 (of Franchise Agreement)	Items 8, 16
j. Warranty and customer service requirements	Section 12 (of Franchise Agreement)	Item 11
k. Territorial development and sales quotas/Best efforts	Sections 2 and 7 (of Franchise Agreement	Item 12
l. Ongoing product/service purchases	Section 7 (of Franchise Agreement)	Items 8, 16
m. Maintenance, appearance and remodeling requirements	Section 10 (of Franchise Agreement)	Item 13
n. Insurance	Section 6 (of Franchise Agreement) Section 4 (of Dealer Security Agreement)	Item 6
o. Advertising	Not Applicable	Not Applicable
p. Indemnification	Not Applicable	Not Applicable
q. Owner's participation/ management/staffing	Section 9 (of Franchise Agreement)	Item 15
r. Records/reports	Sections 5 and 6 (of Franchise Agreement) Sections 3(b)(c) and 6 (of Dealer Security Agreement)	Item 10, 11

Obligation	Section in Agreement	Item in Disclosure Document
s. Inspections/audits	Sections 5 and 6 (of Franchise Agreement) Sections 3(b)(c), 5, and 6 (of Dealer Security Agreement)	Item 10
t. Transfer	Section 11 (of Franchise Agreement)	Item 17
u. Renewal	Not Applicable	Not Applicable
v. Post-termination obligations	Section 15 (of Franchise Agreement)	Item 17
w. Non-competition covenants	Not Applicable	Not Applicable
x. Dispute resolution	Section 20 (of Franchise Agreement); Section 15 (c) (of Dealer Security Agreement)	Item 17

~~(Intentionally left blank)~~

ITEM 10. FINANCING

SUMMARY OF FINANCING OFFERED

Item Financed (Source)	Amount Financed	Down Payment	Term (Weeks or Yrs)	APR %	Weekly Payment	Prepay Penalty	Security Required	Liability Upon Default	Loss of Legal Right on Default
Initial Inventory Purchase	Up to $80,000	Currently -0-	312 weeks or 6 yrs ~~209~~ 213 weeks for qualified veterans /first responders plus one payment of $~~226.7926~~ 5.58	Up to 17% (annual rate); currently ~~14.2413~~.49 % where applicable 0% for qualified veterans /first responders (1)	Currently $~~381.693~~ 74.34 by ACH automatic payment deduction	None	Inventory, Accounts Receivables, Personal Guarantee	Loss of Franchise, Attorney's Fees and Costs, Cost of Collection, Cost of Repossession	Waiver of Notice, Present-ment and Demand
Cornwell Tech-Credit Customer Financing	Up to $27,000 per Customer	None	Up to 60 mos	19.99 % (credit limit over $4,500) or 21.9% (credit limit between $2,500-$4,499) or 24.99% (credit limit under $2,500) 19.99% , 21.9% or 24.99% will not be in effect in AK, AR, CT, FL, MD,MN, NE, ND, WV	$10 per week minimum	None	Products being financed	Attorney's Fees and Costs, Cost of Collection, Cost of Repossession; Dealer suspended from Tech-Credit program	None
Deferred Billing	Up to $30,000	None	10 Weeks	None	1/10 of Initial Balance of Deferred Invoices	None	None	Loss of Franchise, Attorney's Fees and Costs, Cost of Collection	None
Cornwell Box Extended (CBX)	Up to $30,000	None	20 Weeks	None	1/20 Initial Balance of CBX Invoices	None	None	Loss of Franchise, Attorney's Fees and Costs, Cost of Collection	None

NOTE 1 – Initial Inventory Purchases. Subject to normal credit approval, Cornwell will sell initial inventory on a time-deferred payment basis. You and the Owners will be required to execute the Dealer Purchase Order, Note and Security Agreement (the Note), using the form Note in Exhibit C or Exhibit C-1 for qualified military veterans/first responders, C-2 for Franchise Developers or C-3 for Special Representatives, as applicable, and financing statements in conjunction with any such sale. If you qualify for Cornwell financing, Cornwell may loan you up to $80,000 of the cost of the initial purchase of inventory. The Owners will be required to guarantee personally the timely payment of the Note.

The Note (Note and Security Agreement, Section 1(b)) currently provides for weekly repayment of principal and interest at an annual interest of ~~14.24~~13.49%, which is subject to changes in accordance with the Prime Rate reported in the Consumer Money Rates Chart of the online Market Data Center of the Wall Street Journal. The interest rate is fixed over the term of the Note, but is set by adding 6.74% to the current Prime Rate reported in the Consumer Money Rates Chart of the online Market Data Center of the Wall Street Journal. As of December ~~18~~11, ~~2024~~2025, the Prime Rate was ~~7.50~~6.75%. The interest rate on your Note may therefore be higher, lower or the same as it would be at the time of the publication of this Disclosure Document. In some states, the maximum interest rate may be less than the amount stated in the chart due to state lending statutes. All payments are intended to be applied first toward unpaid accrued interest charges and then as a reduction of the unpaid principal balance, but Cornwell reserves the right to apply these payments in any order it determines. (Note and Security Agreement, Section 1(c)). In addition, Cornwell may impose a weekly late charge of $10.00 each week that you are three or more payments in arrears. (Note and Security Agreement, Section 1(e)). The note may be voluntarily pre-paid in part or in full at any time, without penalty. (Note and Security Agreement, Section 1(c)). The term of the note will be determined by Cornwell, and will be no more than 72 months. If you finance your Reserve, as described below, that amount will be included in the Note for your initial purchase of inventory, on the same terms. The Current Weekly payment on full financing of the initial inventory and Reserve is $~~381.69~~374.34.

The Note further provides that the installments to be paid to Cornwell by you shall be paid by an ACH Debit for automatic payment, which will be automatically processed every Monday until the obligation is paid in full. The Dealership and its Owners must sign an irrevocable ACH Agreement authorizing Cornwell to automatically deduct the weekly payment from the Dealership's bank account until the Note obligation is paid in full. In the event funds are not available to complete the automatic transfer on that date, it will be considered an event of default included in those described below.

You will be in default upon the happening of any of the following events or conditions, as well as the others described in Section 8 of the Note (Exhibit C):

(a) Your failure to make payment or performance on any of your indebtedness to Cornwell, as described in paragraph 3 of the Note and Security Agreement, including but not limited to those arising from the sale of inventory described in this Agreement.

(b) If you default under the Dealer Franchise Agreement or any other agreement or contract between you and Cornwell, or upon the termination of any such agreement.

(c) Your failure to have the Note and Security Agreement fully collateralized at all times.

Upon default, all of your obligations at once become due and payable without any notice or demand, notice and demand having been expressly waived. (Note and Security Agreement, Section 8). Under the Note and Security Agreement, Cornwell retains a security interest in the inventory and in your accounts receivable. (Note and Security Agreement, Section 3(a)).

You waive the right to notice of collection or repossession actions. (Note and Security Agreement, Sections 6(f) and 9). Cornwell can also recover its cost of collection, including court costs and reasonable attorney fees. (Note and Security Agreement, Section 12).

Although it is not the present practice of Cornwell, to sell, assign, or discount to a third-party, in whole or in part, any note, contract or other instrument executed by you, Cornwell retains the right to do so. (Note and Security Agreement, Section 1(f)).

If you are financed as described above by Cornwell, you are required to maintain at your place of business accurate and up-to-date records pertaining to the total inventory, the collateral and the accounts. Every week you are required to submit your Current Weekly Business Report to your District Manager and Cornwell's credit department. Cornwell will have a special property interest in all of your records pertaining to the total inventory, the collateral and the accounts, and Cornwell's agents, representatives and employees shall have the right to inspect them at any reasonable time or times. You are also required to make available to Cornwell upon demand financing statements or other appropriate documentation as may be requested by Cornwell to evidence and perfect the security interest.

A. Military Veteran/First Responder Incentive Program. Cornwell also offers a Military Veteran/First Responder Incentive Program. This consists of offering the standard $80,000 Initial Inventory Purchase loan with no interest for qualified applicants. The saved total interest amount over the 6-year term of the loan, if all of the requirements of the Program continue to be met, would be approximately $~~39~~37,000.

Qualifications for Program

- Applicant must have been honorably discharged from the U.S. Military and/or fall within the following definition: "For at least the preceding four years of active duty, have been person with specialized training who is among the first to arrive and provide assistance at the scene of an emergency, such as an accident, natural disaster, or other catastrophic event, including paramedics, emergency medical technicians, police officers, sheriffs, and firefighters (including volunteer firefighters)."

- Must meet normal credit criteria for obtaining an Initial Inventory Purchase Loan
- Must have $15,000 of working capital as of the first day of on-truck training
- Must lease or purchase a new tool truck
- Must meet or exceed 90% of the national dealer purchase average over the length of the loan. This will be reviewed every 13 weeks and your compliance will be determined every 52 weeks.
- Dealers on the program will make the same weekly loan payment amount as non-veteran/first responder dealers until paid in full (currently ~~209~~ 213 payments of ~~$381.69~~374.34, instead of 312 such payments, plus one payment of ~~$226.79~~265.58)
- Dealers on the program must agree to allow Cornwell to use their story and likeness for advertising purposes
- All other normal franchise requirements apply

B. Franchise Developer Program. Cornwell also offers a Franchise Developer Program to qualified applicants. Up to $60,000 of inventory can be obtained without the payment of interest, through loan forgiveness if the Program requirements are met. There are two forms of the Franchise Developer Program offered: 1) Reserve financing up to $20,000 for a total of $80,000 of eligible inventory (only $60,000 of which will be eligible for loan forgiveness) and 2) No reserve financing offered for a total of $60,000 of eligible inventory (all eligible for loan forgiveness). It is in Cornwell's sole discretion whether to require a Reserve and if it is required, whether to offer you Reserve financing or not.

Requirements for Program:

- You must have the potential based on past tool business experience, in Cornwell's sole discretion, to meet the requirements of the Program.

- To remain a Franchise Developer and to enjoy the benefits set forth below, in addition to the interest-free Note described above, you must meet the requirements set forth below.

A. You must (1) Remain a Cornwell Dealer with average purchases of not less than $~~7,700~~7,780 per week for at least 36 months from the date that Dealer first makes sales ("Start Date") or (2) Introduce at least 3 new dealers to Cornwell within 36 months of the Start Date. Your status as a Franchise Developer will be reviewed every 52 weeks. If you both fail to satisfy the average purchase requirement and have not introduced a new dealer during the preceding 52 weeks, your status as a Franchise Developer may be terminated by Cornwell.

B. "Introduction" of new dealers for the purpose of Franchise Developer status means that such new dealers enter into Dealer Franchise Agreements, purchase Starter Inventories and remain Cornwell Dealers for a minimum of 6 months each.

C. You will qualify for all Cornwell programs, except recruitment incentives for you, yourself or for three new dealers.

D. You will qualify immediately for all Tech-Credit programs and for volume discounts for purchases as of the first week of business, not including the Starter Inventory.

E. You must use the IBN program, including My Business and must submit standard weekly reports to the District Sales Manager and to Cornwell's Wadsworth office.

F. You must maintain an inventory of at least $60,000 net value and must use the perpetual inventory function on IBN. Your inventory level will be inspected at least quarterly by the District Sales Manager and you must perform a physical inventory at least once a year, or more frequently as Cornwell may reasonably request.

G. You must pay your trade account with Cornwell in accordance with Cornwell's policies and procedures, must make the required weekly payments of principal on the Note and must otherwise comply with the terms of this Agreement, the Note, all other agreements between Cornwell and you and Cornwell's other policies and procedures.

H. Following each of the first, three 52-week periods after payments have commenced on the Note, if you have complied with the requirements of the Agreement and the Note during that period, Cornwell will then issue an open account credit to you, to be used only for the purchase of additional inventory, in the amount of $20,000.

I. If during the first 104 weeks after the loan payments commence you have maintained a purchase average of at least $~~8,400~~8,480 per week (not including the Starter Inventory), Cornwell will then issue a further open account credit to you of $10,000 to be used only for the purchase of additional inventory.

J. If during the first 156 weeks after the loan payments commence you have maintained a purchase average of at least $~~8,400~~8,480 per week (not including the Starter Inventory or additional inventory purchased with the credit described in subparagraph I above), Cornwell will then issue a further open account credit to you of $15,000 to be used only for the purchase of additional inventory.

K. If at any time within 36 months of the Start Date you have introduced at least 3 new dealers to Cornwell, the inventory portion of the Note (not the Reserve portion) will be deemed satisfied in full without the requirement of further payments. Any partial-year payments to the date of Note satisfaction will be credited to your open account.

L. If you both fail to satisfy the average purchase requirement and have not introduced a new dealer during the preceding 52 weeks, your status as a Franchise Developer may be terminated by Cornwell. The Note may then be declared in default and accelerated, including accrued time-price charges and late charges.

C. Special Representative Program. Cornwell also offers a Special Representative Program to qualified applicants. Up to $65,000 of inventory can be obtained without the payment of interest, through loan forgiveness if the Program requirements are met. There are two forms of the Special Representative Program offered: 1) Reserve financing up to $20,000 for a total of $85,000 of eligible inventory (only $65,000 of which will be eligible for loan forgiveness) and 2) No reserve financing offered for a total of $65,000 of eligible inventory (all eligible for loan forgiveness). It is in Cornwell's sole discretion whether to require a Reserve and if it is required, whether to offer you Reserve financing or not.

- You must have the potential based on past history, in Cornwell's sole discretion, to meet the requirements of the Program.

- To remain and to enjoy the benefits set forth below, in addition to the interest-free Note described above, you must meet the requirements set forth below.

A.* You must (1) Remain a Cornwell Dealer with average purchases of not less than $7,~~700~~ 780 per week for at least 36 months from the date that Dealer first makes sales ("Start Date") or (2) Introduce at least 3 new dealers to Cornwell within 36 months of the Start Date. Your status as a Special Representative will be reviewed every 52 weeks. If you both fail to satisfy the average purchase

requirement and have not introduced a new dealer during the preceding 52 weeks, your status as a Special Representative may be terminated by Cornwell.

B. "Introduction" of new dealers for the purpose of Special Representative status means that such new dealers enter into Dealer Franchise Agreements, purchase Starter Inventories and remain Cornwell Dealers for a minimum of 6 months each.

C. You will qualify for all Cornwell programs, except recruitment incentives for you, yourself or for three new dealers.

D. You will qualify immediately for all Tech-Credit programs and for volume discounts for purchases as of the first week of business, not including the Starter Inventory.

E. You must use the IBN program, including My Business and must submit standard weekly reports to the District Sales Manager and to Cornwell's Wadsworth office.

F. You must maintain an inventory of at least $65,000 net value and must use the perpetual inventory function on IBN. Your inventory level will be inspected at least quarterly by the District Sales Manager and you must perform a physical inventory at least once a year, or more frequently as Cornwell may reasonably request.

G. You must pay your trade account with Cornwell in accordance with Cornwell's policies and procedures, must make the required weekly payments of principal on the Note and must otherwise comply with the terms of this Agreement, the Note, all other agreements between Cornwell and you and Cornwell's other policies and procedures.

H. Following each of the first, three 52-week periods after the commencement of payments, if you have complied with the requirements of this Agreement and the Note during that period, Cornwell will then issue an open account credit to you, to be used only for the purchase of additional inventory. The credit at the end of the first and second years will be $20,000. Following the third 52-week period after payments have commenced, if you have complied with the requirements of this Agreement and the Note during that period, Cornwell will issue an open account credit to you of $25,000, to be used only for the purchase of additional inventory.

I. If during the first 104 weeks after the loan payments commence you have maintained a purchase average of at least $8,~~400~~ 480 per week (not including

the Starter Inventory), Cornwell will then issue a further open account credit to you of $10,000 to be used only for the purchase of additional inventory.

J. If during the first 156 weeks after the loan payments commence you have maintained a purchase average of at least $8,~~400~~ 480 per week (not including the Starter Inventory or additional inventory purchased with the credit described in subparagraph I above), Cornwell will then issue a further open account credit to you of $15,000 to be used only for the purchase of additional inventory.

K. If at any time within 36 months of the Start Date you have introduced at least 3 new dealers to Cornwell, the inventory portion of the Note (not the Reserve portion) will be deemed satisfied in full without the requirement of further payments. Any partial-year payments to the date of Note satisfaction will be credited to your open account.

L. If you both fail to satisfy the average purchase requirement and have not introduced a new dealer during the preceding 52 weeks, your status as a Special Representative may be terminated by Cornwell. The Note may then be declared in default and accelerated, including accrued time-price charges and late charges.

NOTE 2 – Cornwell Tech-Credit Program. Cornwell provides you and your customers with a financing plan (the "Plan") under the following conditions:

Under the Plan, you would enter into an agreement, whereby you will take purchase money security agreements and promissory notes; ("Notes") from your automotive technician customers ("Customer or Customers") for the purchase of high-value merchandise, which Notes will be assigned to Cornwell for an immediate credit to your Cornwell account of a discounted amount from the face value of the Notes. The Notes will be limited-recourse to you, if the Customer receives credit approval from Cornwell. Under the agreement, an independent financial institution may advance funds to Cornwell and if it does, it will be entitled to take a security interest in the Notes, by filing, physical possession, or both, as it chooses.

After a Note is assigned to Cornwell, you will agree, as part of the consideration for the credit to your account, to act as collecting agent for Cornwell from the Customer. Typically, you will collect from the Customer weekly for that purpose; at the same time as you collect for your own account on the Customer's other purchases. You will be required to remit the collections on the Note to Cornwell within ten days. However, under the terms of the Note, Cornwell will have the option of collecting directly from your Customer by mail, phone or internet which it will do if the event there is no dealer to make the collection in person. The direct collection method will also be used if you go into bankruptcy and under certain other circumstances.

Under these assumptions, Cornwell believes that you would have no further interest in the Notes or their proceeds, including the future stream of payments from the Customer, because you would have assigned all of your rights in the Notes for value to Cornwell. Your status as a collecting agent would give you no right to the funds actually collected for Cornwell's account, nor to any future payments by the Customer.

If your Customer qualifies for Cornwell financing, Cornwell may finance merchandise up to $27,000. The Note provides for a repayment of principal and interest at an annual rate up to 24.99% depending on Customer's credit limit. Cornwell can adjust the interest rate periodically according to the respective state statutes. All payments are intended to be applied first toward unpaid accrued interest charges, then any/all fees and NSF fees and then as a reduction of the unpaid principal balance, but Cornwell reserves the right to apply these payments in any order it determines. In addition, Cornwell may impose a monthly late charge of $30.00 each month that the Customer is two or more payments in arrears. The Note may be voluntarily pre-paid in part or in full at any time, without penalty. The term of the Note will be determined by Cornwell, and will be no more than 60 months. There is a weekly payment minimum of $10 for your Customer.

Cornwell can recover its cost of collection, including court costs, repossession expenses, and reasonable attorney fees in the event of default. Cornwell reserves the right to decline Plan financing for any legally permitted reason, including, but not limited to sales to your Customers outside your assigned territory or if you do not use the "My Business" function of IBN as required.

Cornwell reserves the right to assign (sell) Tech-Credit accounts to third parties that will collect them for their own benefit, whether or not the accounts are then current.

NOTE 3 - Deferred Billing Program. Cornwell allows for deferred billing of a limited amount of purchases under the following conditions: Deferred purchases will be paid for over a 10-week term, without additional charge. The weekly-accumulated deferred payment will be one tenth (1/10) of initial balance of all partially paid deferred invoices. The weekly-accumulated deferred payment will be due under the net terms of the open account statement upon which it initially appears. No deferred billing will be granted unless the open account is current. Cornwell reserves the right to reduce or eliminate any deferred billing limit on goods it deems inappropriate for the program or for any other legally permitted reason, including, but not limited to your not using the "My Business" function of IBN as required. Any action of this nature will be effective immediately upon notification to you.

Deferred billing account limits are based on a dealer's weekly purchase average and creditworthiness. New dealers are offered a $2,000 deferred limit on starting. New dealers will be reviewed after six (6) months in business and may be placed on a standard deferred billing program with up to a $12,000 maximum limit or an enhanced deferred billing program with up to a $30,000 maximum limit, at Cornwell's discretion, or on no deferred billing program. At no time can a dealer exceed the established maximum deferred billing limit of

$12,000 or $30,000. As you pay your weekly accumulated deferred payment, you may then add new deferred invoices up to the maximum limit. A deferred billing balance may be paid in full at any time if you so desire; this must be done by contacting Cornwell's credit department.

NOTE 4 – Cornwell Extended Box (CBX) Financing. Cornwell allows for extended billing of tool box purchases under the following conditions: CBX purchases will be paid for over a 20-week term, without additional charge. The weekly accumulated deferred payment will be one-twentieth (1/20) of the initial balance of the tool box invoice. The weekly accumulated CBX payment will be due under the net terms of the open account statement upon which it initially appears. No CBX billing will be granted unless and until the open account is current. Cornwell reserves the right to reduce or eliminate any CBX billing limit for any legally permitted reason, including, but not limited to your not using the "My Business" function of IBN as required. Any action of this nature will be effective immediately upon notification to you.

CBX billing account limits begin at $6,000 and can increase based on your weekly purchase average and creditworthiness. New dealers are offered a $6,000 limit on starting. New dealers will be reviewed after six (6) months in business and may be placed on a standard CBX billing program with up to a $15,000 maximum limit or an enhanced CBX billing program with up to a $30,000 maximum limit, at Cornwell's discretion, or on no CBX billing program. At no time can you exceed the established maximum CBX billing limit of $15,000 or $30,000. As you pay your weekly accumulated CBX payment, you may then add new CBX invoices up to the maximum limit. Cornwell limits the availability of CBX billing to its branded tool boxes. A CBX billing balance may be paid in full at any time if you so desire; this must be done by contacting Cornwell's credit department.

NOTE 5 - Customer Account Receivable Financing. Independent lenders may determine whether they will provide accounts receivable financing to any particular dealer or to any particular customer of a dealer and upon what terms it will do so. Cornwell has no control over those decisions by independent lenders. Cornwell does not receive direct or indirect payments for placing financing. Cornwell does not guarantee your obligations to third parties.

NOTE 6 - Ongoing purchase of products/product discounts. Your purchases of tools and other products are charged to an open account. If payment is not received within 12 days of the statement date, the account is deemed delinquent by Cornwell. Such terms are subject to change at any time with no obligation by Cornwell.

A finance charge will be imposed on any portion of the open account balance that remains open after thirty (30) days. The amount of said finance charge will be one and one half (1-1/2) percent per month (the Periodic Rate) of the portion remaining open as described above. There will be a minimum charge of $.50 for any balances under $33.00. The

Periodic Rate corresponds to an annual percentage rate of eighteen (18) percent. No other charges will be imposed.

Cornwell has a Franchised Dealer Volume Incentive Program. This program is offered only to Cornwell Franchised Dealers whose thirteen (13) week purchase average is $6,500.00 or above and who pay their statements within 12 days of the statement date. (Payment must always be received within 12 days of the statement date.)

FRANCHISED DEALER VOLUME INCENTIVE SCHEDULE

AVERAGE WEEKLY PURCHASE	INCENTIVE ALLOWANCE
Less than $6,500.00	None
$6,500.00 to $6,999.99	1.00%
$7,000.00 to $7,999.99	1.50%
$8,000.00 to $8,999.99	2.00%
$9,000.00 to $9,999.99	2.50%
$10,000.00 to $10,999.99	3.00%
$11,000.00 to $11,999.99	3.50%
$12,000.00 to $12,999.99	4.00%
$13,000.00 To $13,999.99	4.50%
$14,000.00 and over	5.00%

New Franchised Dealers are not eligible for the Franchised Dealer Volume Incentive until after their 13th week in business. The Franchised Dealer Volume Incentive earned will be applied weekly to the D1-B Statement balance or you may elect to utilize the Dealer Credit Account Program Authorization (DCA). (See Exhibit G for more details). Such incentives are subject to change at any time with no obligation by Cornwell.

ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, **Cornwell need not provide you any assistance**.

1. Pre-Opening Assistance and Training. Before you begin selling Cornwell product from your truck or van, Cornwell will:

   (1) survey your non-exclusive territory (Dealer Franchise Agreement, paragraph 1);

   (2) approve and sell to you the starting inventory (Dealer Franchise Agreement, paragraph 3);

   (3) approve your truck or display van (Dealer Franchise Agreement, paragraph

5a);

(4) authorize the use of the Cornwell trademark and trade name (Dealer Franchise Agreement, paragraph 10);

(5) provide financing assistance as described in Item 10 above, if normal credit requirements are met (Dealer Purchase Order, Note and Security Agreement; paragraph 1);

(6) provide at least 40 hours of mandatory initial classroom training (New Dealer Training Program) near Cornwell's corporate offices in Wadsworth, Ohio, or at some other location. The primary Dealership Operator and anyone else who will participate actively in the operation of the Dealership on the truck must complete the New Dealer Training Program before operating your dealership. The New Dealer Training Program will include classroom instruction on basic business procedures, computer setup, IBN setup, customer relations, product warranty/repair, Email, Cornwell Website and My Business. (Dealer Franchise Agreement, paragraph 8b); and

(7) provide hardware and software. (See Item 7 of this Disclosure for more details.)

Cornwell maintains a district management force, whose function is to assist you in the operation of your Dealership and to provide experience and direction in establishing and continuing your individual business. Since you are a totally independent businessperson, Cornwell and its managers cannot guarantee the success of your business.

2. Start-Up Time. The typical time between the signing of the franchise agreement and your beginning active operation of you dealership by selling tools is four to six weeks. That time period may be affected by delays in obtaining outside financing, obtaining your van or truck, weather conditions, and other demands on your schedule and demands of your District Manager who will provide training.

3. Ongoing Assistance and Training. During the operation of the franchise business, Cornwell will:

(1) provide two weeks free on-site training to the Primary Operator of the Dealership and anyone else who will participate actively in its operation, through a district manager who will work directly with you, giving advice, support and recommendations (this on-site initial two weeks training will take place in the first month in which you operate the franchise); you are required to participate in the initial training. This on-site training will take place during the first month you operate the franchise and will include training in the following areas (Dealer Franchise Agreement, paragraph 8a):

a. Merchandising
b. Product Knowledge
c. Routing
d. Warranty
e. Selling Techniques
f. Collections
g. Computer System
h. Record Keeping
i. Operation of the Business

The amount of training time you will receive in each of these areas will vary depending on your aptitude and previous work and/or business experience.

(2) provide continuous supervision, assistance and services and a district manager will remain in communication with you providing advice, support, assistance, and coordinating meetings, including dealers and vendors (Dealer Franchise Agreement, paragraph 8a); and

(3) provide you with a copy of Cornwell's Dealer Operations Guide (Operations Guide) which includes information regarding your day-to-day operation of the franchise.

Cornwell will make available to you combined informal and formal training opportunities depending on your individual requirements and background. You will not be charged for these training opportunities, but you are responsible for paying for any travel or accommodation expenses that you may incur. You are required to participate in the initial two (2) week training offered by the Cornwell District Manager.

Also, optional conferences and seminars are held from time to time, where business and product information is made available. No charge is made by Cornwell to you for participation in such conferences and seminars, but you are expected to pay your own expenses for attending.

Cornwell has divided the various states into what it considers to be suitable territories for dealers. This is based on the estimated number of potential customers for you, together with the size of the territory.

If your customer is the original end-user purchaser of a product manufactured by Cornwell ("Cornwell Hard Line") or of a new Kennedy steel roller cabinet, locker, cart, steel tool chest, or steel canopy for use with a Kennedy cabinet or tool chest ("Kennedy Tool Storage"), then your customer is entitled to a limited lifetime warranty that the product will be free of defects in material or workmanship under normal use and will conform to the description given them by Cornwell or Kennedy.

This limited lifetime warranty extends only to the repair or replacement of items found by Cornwell or Kennedy upon examination to be defective in material or workmanship and is subject to availability of replacement parts. This limited lifetime warranty covers only parts and materials, not labor, and cannot be assigned by the original end-user purchaser of that product.

This limited lifetime warranty does not cover products that are damaged through any intentional or negligent actions, including but not limited to misuse, mishandling, or modification or to products that reach the ends of their useful lives as a result of normal wear and tear. Misuse and mishandling of Kennedy Tool Storage products include but are not limited to overloading, especially while moving or transporting the item, and to scratching of painted and unpainted tops.

Cornwell and Kennedy are not responsible for any special, punitive, incidental or consequential damages which may arise out of the purchase or use of any Cornwell or Kennedy product. Cornwell's and Kennedy's liability for any breach of warranty shall be limited to the cost of the repair or replacement of the defective items as described above.

THIS WARRANTY IS YOUR CUSTOMER'S EXCLUSIVE CORNWELL HARD LINE/KENNEDY TOOL STORAGE WARRANTY AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Cornwell extends the full manufacturer's warranty to your customers, as the original end-user purchaser of products manufactured by others. No special, punitive, incidental or consequential damages of any kind are recoverable from Cornwell by any person from the use of these products. Further, there is no other warranty extended by Cornwell with respect to these products, including but not limited to warranties of merchantability and fitness for a particular purpose. In order to replace a defective item, it must be returned to Cornwell Quality Tools Company, 454 Corporate Parkway, Wadsworth, Ohio 44281.

THIS WARRANTY IS YOUR CUSTOMER'S EXCLUSIVE WARRANTY FROM CORNWELL AS TO PRODUCTS MANUFACTURED BY OTHERS AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES BY CORNWELL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Dealer agrees to extend all of the warranties described in this Paragraph to the Dealer's customers.

4. Advertising Program. Cornwell confines its advertising to programs such as promotional literature and catalogs which are made available to you and information on its

website, www.comwelltools.com. Comwell does little or no national advertising. You need not spend any money for advertising, but you may do so if you wish. Comwell will not reimburse your advertising expenditures. You may use your own printed advertising materials, as long as they are accurate if they use any Cornwell trademark. There is no advertising council of Cornwell dealerships. You need not participate in any local or regional advertising cooperative or advertising fund. You will receive no accounting of how Cornwell expends funds for advertising. Cornwell expends approximately ~~90.27~~92.28% of its advertising funds primarily to solicit new franchise sales.

5. Computer System. You are required to acquire a laptop computer, bar code scanner ~~and credit card~~ signature pad from Cornwell and you will have the recommended option to acquire a debit/credit card processor (together, "the Hardware") for use on your truck. Cornwell will sell the Hardware to you at Cornwell's cost, now approximately $3,500. Cornwell will give you a $1,500 credit on your open account to offset your Hardware purchase expense. You will also be required to purchase or lease a compatible printer and ~~wireless card~~mobile internet. Should you wish to obtain additional computers, you are required to contact the IBN Support Desk to obtain specifications and requirements for them.

Cornwell will extend a three-year limited warranty on the Hardware to you, as well as pass through the Hardware manufacturer's limited warranties. Cornwell's warranty will be for support and repair or replacement of the Hardware. Cornwell will attempt to provide support within 2 business hours of report of the issue and to provide loaned Hardware by overnight delivery while repair is attempted or until replacement Hardware is provided.

After the expiration of the Cornwell Hardware warranty period, or if you void the warranty by damage occurring to the Hardware that is not the fault of Cornwell, Cornwell will provide the same support, repair and replacement service, but at your cost. You will have the option of replacing any of the Hardware at your cost during or after the warranty period. The Hardware warranty then being extended by Cornwell will be made to you as to the new Hardware you purchase.

You must:

- Maintain antivirus and endpoint protection on all business systems.
- Keep all operating system, application, and browser security updates current.
- Follow PCI-compliant standards for data handling and submit an annual attestation of compliance through the designated payment processor.
- Notify Cornwell promptly of any data breach or data loss.
- Adhere to all formally communicated maintenance and security directives.
- You are responsible for maintaining security systems and ~~is~~are liable for any repercussions resulting from failure to comply.

You are required to maintain a commercial-grade, high-bandwidth internet connection in your mobile store (tool truck) sufficient to support all Cornwell business systems, including

real-time order entry, payment processing, cloud synchronization, and remote communication. Consumer-grade mobile hotspots, personal cellular tethering, or limited-data mobile plans are not acceptable to meet this requirement. The connection must utilize a dedicated broadband service designed for continuous mobile business use, such as a low Earth orbit satellite broadband service, multi-carrier cellular router, or an equivalent high-throughput solution with latency sufficient for uninterrupted connectivity while operating the mobile store.

You are responsible for the cost of all hardware, installation, data plans, and any upgrades necessary to maintain this connection. Cornwell may update the technology standards as new systems are introduced.

Cornwell will not make any profit on initial Hardware or on Hardware support, repair and replacement provided to you. You must always use Hardware provided by Cornwell on your truck.

~~You are required to obtain and maintain high speed Internet access via a standalone Network Access Device from a mobile wireless broadband carrier, to be able to communicate electronically with Cornwell.~~

Computer system expenditures are normally non-refundable. Cornwell has no control over any such refunds of expenditures you make to third-party vendors.

~~You must:~~

- ~~Maintain antivirus and endpoint protection on all business systems.~~
- ~~Keep all operating system, application, and browser security updates current.~~
- ~~Follow PCI-compliant standards for data handling and submit an annual attestation of compliance through the designated payment processor.~~
- ~~Notify Cornwell promptly of any data breach or data loss.~~
- ~~Adhere to all formally communicated maintenance and security directives.~~
- ~~You are responsible for maintaining security systems and is liable for any repercussions resulting from failure to comply.~~
- ~~You are required to maintain a commercial-grade, high-bandwidth internet connection in your mobile store (tool truck) sufficient to support all Cornwell business systems, including real-time order entry, payment processing, cloud synchronization, and remote communication.~~
- ~~Consumer-grade mobile hotspots, personal cellular tethering, or limited-data mobile plans are not acceptable to meet this requirement. The connection must utilize a dedicated broadband service designed for continuous mobile business use, such as a low Earth orbit satellite broadband service, multi-carrier cellular router, or an equivalent high-throughput solution with latency sufficient for uninterrupted connectivity while operating the mobile store.~~

~~You are responsible for the cost of all hardware, installation, data plans, and any upgrades necessary to maintain this connection. Cornwell may update the technology standards as new systems are introduced.~~

6. Computer Software. You will be required to license the "Ironman Business Network (IBN)" Software under a separate License Agreement with Cornwell. You will be required to use the "My Business" function in IBN as directed in order for you and Cornwell to monitor your business properly.

The License Agreement includes an open-end service plan, which includes the use of the IBN Software, price updates, program updates and software support. There is a one-time $100.00 set up fee, plus a monthly service contract fee of $50.00, which is payable to Cornwell and will be billed to your Cornwell open account every month. There will also be a one-time $~~175~~30.00 license set up fee and up to $50.00 montly fees payable to a credit card processing vendor for Credit/Debit Card Processing Software that interfaces with the IBN Software. Use of the vendor and the Card Processing Software and hardware is optional and those fees will not be charged if you do not choose to use the vendor or Card Processing Software and hardware. Cornwell has the right to increase the fees. The IBN software will provide you with a basic means of keeping track of certain financial information about your dealership. But the IBN Software is not a complete accounting system and does not replace the need for professional accounting services or advice.

You will agree to use only the IBN Software in the operation of the dealership. You will also agree to obtain and use upgrades and updates of the IBN Software from Cornwell as they become available. You will also agree that Cornwell will have independent access to the information that will be generated and stored on your computer system using the IBN Software. You will agree to use the IBN Software to generate and maintain accurate reports of your activities on a current basis, with complete information being entered at least once per week. Your IBN Software will automatically store and electronically transmit this information to Cornwell. You will agree to submit separately all information generated by the computer system, if requested by Cornwell, including but not limited to, the weekly reports. Failure to submit this information on request will be a material breach of the Franchise Agreement.

7. Operating Manual (Guide). The table of contents for the Operations Guide is as follows:

a)	ND-Dealer Program	11 pages
b)	DCA-Dealer Credit Account Program Authorization	2 pages
c)	STM090-CNW-Dealer Installment Loan Weekly Statement	1 page

d)	D1-B-EXP-Explanation of Dealer Statement	7 pages
e)	DL-FC-Past Due Accounts Finance Charge	1 page
f)	DBP-Deferred Billing Program	2 pages
g)	WATS/FAX-Telephone, Wats & Fax Directory	1 page
h)	CDL-Cornwell Dealer Link	1 page
i)	WOC-Warning of Cancellation	1 page
j)	NOOC-Notice of Order Cancellation	1 page
k)	BP-1-Backorder Program	1 page
l)	SO-1-Special Order/Special Order Drop Ship Program	1 page
m)	SL-1A – SL-1D-Special Order Drop Ship Supplier List	4 pages
n)	CSI-PLC1-Customer Service Initiative (CSI)	3 pages
o)	ND-2-New Tool Return Policy	1 page
p)	WC-Warranty Code Information Sheet	1 page
q)	DLP-3-"A" Line Warranty Returns and Repairs	3 pages
r)	SP-1 REV3-Sample Program Registration Form	1 page
s)	FCG0101-Shipment Guidelines	2 pages
t)	ACH-Agreement-Authorization Agreement for Automatic Payment	1 page
u)	CBX0103 – Cornwell Tools CBX Account	1 page

The Dealer Operations Guide is comprised of 47 pages.

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8. Training Program.

Item 11 Table

Training Table		
Subject	**Virtual or Classroom**	**Field / On Route**
Territory Operations	1.5	10
Business Procedures	11.05	10
Route Management	9.1	15
Tool Truck Setup	0	15
Product Knowledge	3.5	10
Sales Training	6.5	10
Business Analytics	4.1	5
IBN Software	3.5	5
Cornwell History	0.75	0
	40	80

A. Training classes are held once or twice a month at Cornwell's corporate headquarters in Wadsworth, Ohio, or some other location.

B. Instructional materials consist of a New Dealer Training Guide. Cornwell's ~~National Training Manager~~Dealer Development Specialists ~~has~~ have ~~over 38~~ 40 combined years of ~~instructing~~ experience in the automotive aftermarket industry and mobile tool business.

Training is provided by ~~Keith McConnell, Franchise Learning & Development Manager~~Darren Hannum and Matt Schugk, Dealer Development Specialists. ~~He~~ They ~~has~~ have combined 40~~38~~ years of experience in the mobile tool industry and ~~5~~ 22 years with Cornwell Tools. Training is supervised by the Director of National Sales, Andrew Scott. He has 2~~4~~3 years of experience in the mobile tool industry.

C. There is no charge to you for your~~the~~ training or for the initial training of one employee of a Second Franchise. You must, however, pay your own travel and living expenses to receive training offered in Ohio or some other location. If re-training is to be provided to employees of a Second Franchise, Cornwell may charge up to $5,000.00 for each such re-training.

D. The principal Operator of the Dealership and anyone else who will participate actively in the operation of the Dealership on the truck must attend the training and complete it to Cornwell's satisfaction, even if you are a converted dealer from another company. You must

complete the training before commencing your dealership, at the earliest time it is offered after you are approved to be a Cornwell dealer.

E. No additional training or refresher courses are required, but you may elect to take them.

ITEM 12. TERRITORY

You will be assigned a specific geographic territory by Cornwell that is designed to allow for sales growth. Cornwell has conditions established by policy for agreeing to a revision of your territory, if you request relocation. Any territory revision must be in your best interests and those of Cornwell, as Cornwell determines. You and the principal Operator of the Dealership must agree to use best, full-time efforts to serve your assigned territory fully by the sale of Cornwell products. Cornwell may require you to agree to a modification of the territory as a condition of waiving a default of your failure to use best efforts to serve the territory fully.

By mutual agreement, your assigned geographic territory may exclude certain stops within it, which may be served by another Cornwell dealer. Likewise, by mutual agreement, certain stops may be assigned to you outside your geographic territory that will not be assigned to another Cornwell dealer.

You may not acquire more than one Cornwell Franchise (a "Second Franchise") except under these conditions, or if the Spouse Pathway described below is applicable: 1) Your Cornwell purchase average must have been at least 150% of the national purchase average during all of at least the 12 months before you seek approval of a Second Franchise. 2) You must be and remain "full equity," which means that you have no outstanding loan from Cornwell or any other lender who takes a security interest in the assets of your Franchise. Approval will be denied or withdrawn if any other lender takes a security interest in the assets of the Franchise. 3) The Second Franchise must be "full equity," which means that investment for the Second Franchise cannot be made with funds you borrowed from Cornwell or any other lender who takes a security interest in the assets of your Franchise. Approval will be denied or withdrawn if any other lender takes a security interest in the assets of the Second Franchise. 4) Both the existing franchisee's territory and the proposed second franchise territory must be surveyed by Cornwell in accordance with Cornwell policies in effect at the time. If there is area in your existing territory that is not being served, Cornwell may require that area to be released and included in the Second Franchisee's territory or released to be included in a future dealership's territory. 5) You must be in good standing with, but not limited to, wholesale credit and tech credit and your original franchise and the Second Franchise must remain that way. 6) If any person who will operate the Second Franchise is not already an Operator (an existing Operator or other Owner who has completed New Dealer Training), that person must be approved by Cornwell and must complete New Dealer Training (as must another Owner who will operate the Second Franchise and did not previously complete New Dealer Training). 7) All of the requirements for a new franchise must be met, including, but not limited to, the purchase of an Initial

Inventory amount, Time Payment Reserve, Working Capital and truck approval. 8) Both your existing Franchise and the Second Franchise must use IBN. 9) The territory of the Second Franchise must be fully served without interruption of more than 60 consecutive days, or the Second Franchise will be deemed abandoned and terminated. 10) Both your existing Franchise and the Second Franchise must always meet all Cornwell requirements. 11) The existing Franchise must maintain at least 100% of the national purchase average. The Second Franchise must maintain at least 100% of the national purchase average commencing six months after the Second Franchise begins operation. 12) If your existing Franchise is terminated, the Second Franchise will be terminated as well.

Spouse Pathway: If the Second Franchise is to be owned by both of two Individual Dealers who are legally considered to be spouses under the laws of your state and is to be operated principally by the current Second Individual Dealer, ~~two~~some of the requirements for a Second Franchise described above are modified as follows, approval of the Second Franchise by Cornwell still being necessary: 1) Your Cornwell purchase average must have been at least ~~100%~~the percentage of the national purchase average applicable to your existing Franchise during all of at least the 12 months before you seek approval of the Second Franchise. ... 3) The Second Franchise may receive DSA financing from Cornwell, if the application for such is approved, ~~but not~~or from any other lender. ~~who takes a security interest in the assets of the Second Franchise. Approval will be denied or withdrawn if any other lender takes a security interest in the assets of the Second Franchise.~~ 4) The proposed second franchise territory must be surveyed by Cornwell in accordance with Cornwell policies in effect at the time. ... 6) If the person who will operate the Second Franchise has not already completed New Dealer Training, that person must complete New Dealer Training. ... 9) The territory of the Second Franchise must be fully served without interruption of more than 60 consecutive days and the Second Franchise must be operated only by the First Individual Dealer of the Second Franchise (no other Operator will be approved), or the Second Franchise will be deemed abandoned and terminated. ...11) The existing Franchise and the Second Franchise must maintain at least the percentage of the national purchase average applicable to each of the Franchises.

You do not receive an exclusive territory. You may therefore face competition from other franchisees or from other channels of distribution or competitive brands that we control. However, Cornwell has a policy of entering into an agreement with only one dealer for any territory. Typically, there is little, if any, selling by dealers in the territory of others. Cornwell does not have a typical territory in terms of physical size. Your assigned territory will have a minimum of 350 potential customers. Currently, Cornwell does not distribute its products other than through dealers and a limited number of industrial and vocational-technical school distributors. No other form of Cornwell outlet will be established in your territory.

You are permitted to operate only one (1) truck anywhere and no other truck, directly or indirectly, unless Cornwell expressly agrees to let you operate one additional truck. It is Cornwell's present policy not to approve second trucks.

Currently, Cornwell will not solicit or accept orders from customers inside your Territory. Cornwell does however reserve the right to use other channels of distribution, such as catalog sales, telemarketing, or other direct marketing sales, to make sales within your Territory using Cornwell's principal trademarks or using other trademarks. Currently, there are accordingly no provisions for Cornwell to pay for soliciting or accepting orders inside your Territory, other than for vocational-technical school sales, as described elsewhere in this Disclosure.

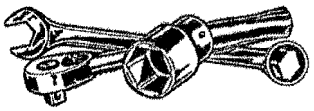
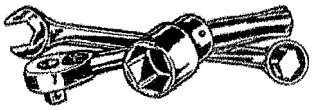
There are no restrictions on your right to solicit or accept direct orders from customers at their places of business or employment outside your Territory, or on your right to use other channels of distribution, such as catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory. You are not permitted to use any Cornwell trademarks for the purpose of internet sales other than to customers located within your Territory. Cornwell strongly discourages sales outside your Territory. Cornwell reserves the right to decline Tech Credit Plan financing for sales to your Customers outside your assigned Territory.

The continuation of your franchise depends on you continuing to purchase reasonable amounts of Cornwell products. Subject to requirements of state law, Cornwell may terminate a dealership whose purchases are limited, so that the territory may be offered to another dealership who may perform better. Cornwell requires you to maintain annual purchases at a volume of at least 90% of the national purchase average for dealerships, as described in Item 8 above, in order to avoid termination and the offer of the territory to another dealership. Cornwell may also propose to alter your territory, rather than to terminate you altogether, if portions of it are not being serviced adequately, so as to provide more adequate service through another dealership.

ITEM 13. TRADEMARKS

Cornwell has registered its trademark and trade name with the registration date and numbers as follows:

Mark	Registration No.	Registration Date	Date of First Use in Interstate Commerce
Cornwell	747,209	3/26/1963	1962
CORNWELL	747,210	3/26/1963	1920

Mark	Registration No.	Registration Date	Date of First Use in Interstate Commerce
	1,139,026	8/26/80	1963
	1,150,695	4/7/81	1966
	1,163,457	8/4/81	1972
The Choice of Professionals	1,276,492	5/1/84	1966
The Choice of Professionals	1,276,565	5/1/84	1966
The Choice of Professionals	2,497,549	10/16/01	1968
TECH-CREDIT	2,514,179	12/04/2010	2001
	2,533,695	1/29/02	1996
	3,456,834	7/1/08	1979
	3,470,727	7/22/08	1996
The Choice of Professionals	3,494,755	9/2/08	1979
Cornwell	3,548,901	12/23/08	1979

Mark	Registration No.	Registration Date	Date of First Use in Interstate Commerce
	3,855,015	6/1/09	2009
	3,920,502	6/1/09	2010
Pro Series	4,449,249	12/10/2013	2013
IBN	4,645,512	11/25/2014	2014
IRON MAN BUSINESS NETWORK	4,649,553	12/2/14	2014
	~~4,898,747~~	~~2/9/2016~~	~~1995~~
CORNWELL CUSTOM	4,926,021	3/29/2016	2009
ARCA	7,306,458	02/13/2024	2023

Cornwell has filed all required affidavits for continuing trademark use. There are no presently effective determinations of the Patent and Trademark Office, the trademark administrator of this state or any court, any pending interference, opposition or cancellation proceeding or any pending material litigation involving such trademarks or trade names, which are relevant to their use in this state or any other state.

Likewise, there are no agreements currently in effect which significantly limit the right of Cornwell to use or license the use of such trademarks or trade names in any manner material to the franchise.

You must display the Cornwell Trademarks ("Marks") in the location, style and manner specified by Cornwell. No other trademarks shall be used or employed by you on or in connection with the Cornwell products except as specified in writing by Cornwell. Cornwell's Marks are not to be included in your trade name or trade style at any time during or after your operation of a franchise.

Your use of any of the Marks shall not create any right, title, or interest in any of the Marks. Specifically, Cornwell prohibits the use of the Marks outside the scope of the Franchise Agreement. You are not permitted to use any Cornwell trademarks for the purpose of internet sales other than to customers located with your Territory.

You must notify Cornwell immediately when you learn about an infringement of or challenge to your use of Cornwell's trademark. Cornwell will take the action it thinks appropriate. While Cornwell is not required to defend you against a claim against your use of the trademark, Cornwell will reimburse you for liability and reasonable costs you incur in connection with defending Cornwell's trademark. To receive reimbursement, you must have notified Cornwell immediately upon learning about the infringement or challenge.

You must modify or discontinue the use of a trademark if Cornwell modifies or discontinues it. If this happens, Cornwell will reimburse you for tangible costs of compliance (for example, changing decals or signs). You must not directly or indirectly contest Cornwell's right to its trademarks, trade secrets or business techniques that are a part of Cornwell's business.

Upon termination of your dealership for any reason, all of your rights pertaining to the trademarks will automatically revert to Cornwell. Upon termination, you must immediately discontinue use of the trademarks and – at your own expense – you must immediately remove all of the trademarks appearing on decals, signs or otherwise, and any terms confusingly similar to them, from your truck, clothing, business cards, documents and other property. You must also discontinue any use of the trademarks or any reference to them in your advertising.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Cornwell owns United States Patent No. 10,443,271, issued on October 15, 2019, for a drawer latch system. Cornwell owns no rights in or to any other patents that are material to the operation of the franchise. Cornwell publishes promotional literature, which is copyrighted, and which is made available to you at low or no cost. Although Cornwell has not filed an application for a copyright registration for the Operations Guide and IBN Software, it claims a copyright and the information is proprietary. The Operations Guide is described in Item 11. You must promptly tell us when you learn about unauthorized use of this proprietary information. Cornwell is not obligated to take any action, but will respond to this information, as it deems appropriate.

There is no pending interference, opposition, cancellation proceeding or litigation concerning such copyrighted material, nor do any agreements limit the rights of Cornwell to publish such material.

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

The Dealer Franchise Agreement requires you and the principal Operator of the Dealership personally to engage full time in the business of selling Cornwell's products and to use best efforts to serve your assigned Territory fully. In Cornwell's experience, if you do not work full time it is unlikely that you will be able to meet the required purchase level of 90% of the national franchised dealer weekly average. The principal Operator must participate personally in the direct operation of the Dealership. You are not permitted to hire employees or independent contractors in lieu of the obligation of an Owner personally to provide full-time, best efforts as the Operator of the Dealership. This obligation continues even if you have a Second Franchise, as described in Item 12.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

So long as you meet your merchandise purchase requirements (See Items 8 and 12), Cornwell does not restrict the type of goods or services that you may offer. Cornwell has the right to change the types of authorized goods and services, without limitation.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document. You should also read the Notes included below.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
a. Term of the franchise	Section 10	No set term
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for you to renew or extend	Not Applicable	Not Applicable
d. Termination by you	Section 13	30 days' written notice, subject to state law
e. Termination by Cornwell without cause	Section 13, 16	Five years from the date of the Franchise Agreement, if Cornwell ceases selling its products in the state. Cornwell will give one year notice.
f. Termination by Cornwell with cause	Section 13	Cornwell may terminate if you default in any obligation under the Franchise Agreement.
g. "Cause" defined – defaults which can be cured	Section 13	You have thirty days to cure default due to non-payment, failure to maintain inventory purchase level or other reasons not set forth in subsection h below. Cornwell may agree to waive any default.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
h. "Cause" defined – defaults which cannot be cured	Section 13	You have no right to cure default caused by bankruptcy or similar proceedings against you, the appointment of a receiver, assignment for benefit of creditors or a felony conviction. Cornwell may agree to waive any default on such terms as Cornwell determines.
i. Your obligations on termination/nonrenewal	Section 15	Obligation includes payment of amount due, discontinuance of use of marks, and shipment merchandise to be purchased by Cornwell within 30 days of termination date
j. Assignment of contract by Cornwell	Section 11	No restriction on Cornwell's right to assign
k. "Transfer" by you – definition	Section 11	Includes transfer of franchise or assets
l. Cornwell's approval of transfer by franchisee	Section 11	Cornwell has full right of approval of franchise transfer, which will not be unreasonably withheld. You may transfer assets freely, subject to Cornwell's security interest.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
m. Conditions for Cornwell approval of transfer	Section 11	Active family member, in Cornwell's sole discretion, for transfer of franchise on death or disability; satisfaction of debt, for assets
n. Cornwell's right of first refusal to acquire your business	Not Applicable	Not Applicable
o. Cornwell's option to purchase your business	Not Applicable	Not Applicable
p. your death or disability	Sections 11, 14	Terminates franchise; transfer possible to active family member
q. Non-competition covenants during the term of the franchise	Not Applicable	Subject to state law
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Subject to state law
s. Modification of the agreement	Section 18	Only in writing signed by Cornwell and You
t. Integration/merger clause	Section 19	Only terms of agreement are binding (subject to state law). Any other promise may not be enforceable

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
u. Dispute resolution by arbitration or mediation	Section 20	Except for injunctive relief by Cornwell, all claims must be arbitrated, subject to state law
v. Choice of forum	Section 20	Arbitration must be in Ohio, subject to state law
w. Choice of law	Section 20	Ohio law applies, subject to state law

NOTE 1 - You may be terminated by Cornwell because of default caused by the following: (1) breach of promises contained in the Agreement, including but not limited to your failure to promptly pay for merchandise delivered by Cornwell or to maintain the inventory purchase levels described in Item 8, to display Cornwell's trademarks and to refrain from their misuse, to supply weekly data required described in Item 11, Note 5; (2) failure to maintain full collateralization of any promissory note and security agreement; (3) failure to use best full-time efforts to serve the Territory fully; (4) a voluntary or involuntary proceeding is instituted against you in bankruptcy or other similar laws (this provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.); (5) a Receiver is appointed for your assets; (6) you make an assignment for the benefit of your creditors; or (7) you are convicted of a felony. You have thirty (30) days to cure default caused by nonpayment for merchandise and failure to maintain inventory purchase levels, unless the laws of your state provide for a longer time. No action or failure to act on the part of Cornwell will operate as a waiver or otherwise of the subsequent right to terminate you, unless expressly so stated in writing.

NOTE 2 - You may terminate the Dealer Franchise Agreement at any time after mailing written notice thirty (30) days before the effective date to Cornwell. After five (5) years, Cornwell may exercise a similar right of termination if Cornwell ceases generally from the business of selling the Products in the State in which the Territory is located. Cornwell shall give at least one (1) year's notice in writing of such termination, and shall not offer franchises again to sell the Products in the State for at least five (5) years thereafter.

NOTE 3 - Following termination, you must cease from and may not use the Cornwell trademark or trade names in any fashion and – at your own expense – you must remove the trademarks and trade names and all reference to the trademarks and trade names by

way of truck decals, signs or otherwise from your truck, clothing and other property and discontinue reference to the trademarks and trade names from your advertising.

NOTE 4 - Upon termination, Cornwell will purchase certain merchandise from you or your estate at the then prevailing dealer prices, less a 15% restocking charge. These tools must be shipped freight prepaid to Cornwell's distribution center in Wadsworth, Ohio. Only new tools and other merchandise will be approved for return. New tools will be approved for return only if they are in new and saleable condition, are active items, and have not been discontinued by Cornwell. All returns must be of current design and finish. All tools returned must be in their original individual carton or container. Broken packs of Cornwell or Cornwell-Allied tools will not be accepted for return if the tools are normally sold by Cornwell in factory pack quantities. The following items are **not** subject to return under this program: Tool storage, socket trays, clips and rails, vinyl kit bags, air compressors, lifting equipment, large shop equipment, parts washers, sales administration or truck display aids, welders, battery chargers, and serial numbered test equipment.

NOTE 5 - Upon termination, Cornwell will refund any credit balance remaining after all outstanding loan and open account balances are satisfied. Cornwell does not retain any right of first refusal concerning the purchase of your dealership or any of its inventory or other property.

NOTE 6 - Your dealership is not transferable or assignable by you, either voluntarily or by operation of law, without Cornwell's written approval, which will not be unreasonably withheld. Cornwell may always transfer or assign its rights and obligations under the Franchise Agreement, however. You retain the right to assign or transfer your assets, subject to Cornwell's security interest. Cornwell may also in its sole discretion waive the prohibition against assignment of the dealership, to permit a succession of ownership within your family upon your death or disability, when the proposed successor has been active previously in the business.

NOTE 7 - The Franchise Agreement may only be modified in writing by both parties. However, Cornwell reserves the right to establish the prices and terms at which it will sell to dealers and repurchase inventory from them, in its sole discretion.

NOTE 8 - Any claim or controversy in connection with, arising out of, or relating to the Agreement between you and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration will take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio, unless the laws of your state provide otherwise. The laws applicable to the arbitration procedure will be the laws of the State of Ohio, unless the laws of your state provide otherwise.

NOTE 9 - The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s). Cornwell reserves the right to seek injunctive relief from the act or omission of any activity prohibited by the Agreement in any court having jurisdiction.

NOTE 10 - Any notice required to be given under the Franchise Agreement or the Dealer Purchase Order, Note and Security Agreement, or service of process for the purposes of arbitration or litigation of issues arising out of the dealership, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281, and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of the dealership, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

These states have statutes, which may supersede the franchise agreement in your relationship with the franchisor, including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Profd. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code tit. 6 Sections 2551-2556], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [Rev. Stat. Chapter 121 ½ par 1719-1720], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], MICHIGAN [Stat. Section 19.854 (27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], SOUTH DAKOTA [Codified Laws Sections 37-5B-5], VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. These and other states may have court decisions, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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.

ITEM 18. PUBLIC FIGURES

Public figures have from time to time promoted Cornwell products and franchise by use of the products and otherwise on Stacey David's GearZ® TV show and by John Force Racing, Inc., and at national auto racing events and otherwise. Under license, Cornwell offers products bearing Stacey David's GearZ® and John Force Racing, Inc., and related trademarks and copyrights. No public figure using Cornwell products is involved in the actual management or control of Cornwell. No public figure has invested any amount in Cornwell or in a franchise offered by Cornwell.

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.

Presented below in Sections 19-A and 19-B are certain operating and sales results from ~~669~~ 699 Cornwell Dealers during the period from January 1, ~~2024~~ 2025 through December 31, ~~2024~~2025. This Item 19 only includes operating data for Cornwell Dealers in the United States that operated pursuant to Dealer Franchise Agreements with Cornwell and were in business for all of ~~2024~~2025. Cornwell is not providing, and this Item 19 does not reflect, information regarding Dealers who started during ~~2024~~ 2025 or those who terminated during ~~2024~~2025.

Section 19-A reflects the average gross revenue figures, referred to as "Average Total Completed Business," for the described Cornwell Dealers, which includes the revenue from the sales of goods purchased by the Dealers from Cornwell and any other items that were sold by the Dealers. Section 19-A also includes the Median, and the Highest and Lowest gross revenue figures. The information is segregated into thirds, based on Total Completed Business.

Section 19-B reflects the average weekly sales figures for the described Cornwell Dealers in ~~2024~~2025. Section 19-B also includes the Median, and the Highest and Lowest weekly sales figures.

The information in Section 19-A and Section 19-B is explained below. Please read carefully all of the information in this Item 19, and all of the notes following the data, in conjunction with your review of the historical data.

Section 19-A:

Average, Median, and Highest and Lowest Numbers in the Range of Total Completed Business – ~~2024~~2025

CHART 1

All reporting Dealerships		
Top 1/3	Middle 1/3	Bottom 1/3
Average: ~~$882,192.42~~ $901,550.60	Average: ~~$577,493.34~~ $581,434.60	Average: ~~$381,257.88~~ $393,439.77
No. of Dealers Above Average: ~~83~~92 (~~37~~39%)	No. of Dealers Above Average: 115 (~~52~~49%)	No. of Dealers Above Average: ~~120~~127 (54%)
Median: ~~$821,927.78~~ $838,393.83	Median: ~~$578,875.22~~ $579,847.97	Median: ~~$395,706.46~~ $414,762.62
Highest: ~~$2,023,692.59~~ $2,063,369.34	Highest: ~~$665,275.48~~ $661,370.73	Highest: ~~$499,075.91~~ $510,073.47
Lowest: ~~$665,832.82~~ $662,877.66	Lowest: ~~$500,474.38~~ $510,787.35	Lowest: ~~$61,162.73~~ $49,046.03

Notes for Section 19-A:

1. Chart 1 reflects the operating data for ~~669~~ 699 total Cornwell Dealers in the United States operating pursuant to Dealer Franchise Agreements with Cornwell that were in business for all of ~~2024~~ 2025 and who reported sales for at least 48 weeks during ~~2024~~2025. The three groupings of Dealers in Chart 1 (Top 1/3, Middle 1/3 and Bottom 1/3) included ~~223~~ 233 Dealers in the Top 1/3 group, ~~223~~233 Dealers in the Middle 1/3 group, and ~~223~~ 233 Dealers in the Bottom 1/3 group.

2. The term "Total Completed Business," as used in Section 19-A, means the total cash or revenue a Dealer received during ~~2024~~2025, including sales tax collected, from the sale of all "Products." This includes revenue from the sale of goods purchased by the

Dealers from Cornwell and any other items that were sold by the Dealers. The revenue received by the Dealers is comprised of cash sales (received by currency, check or credit/debit card), Time Payment collections from previous sales and credits received by the Dealer from the sale of Tech-Credit Agreements (installment contracts; see Item 10, Note 2 above).

3. The "Average" is calculated by adding the total business for all Dealers in the group, and dividing that number by the number of Dealers in the group.

4. The term "Median" means the data point that is in the center of all data points used. For example, in the "Top 1/3" group in Chart 1 there were ~~223~~ 233 Cornwell Dealers. The "median" Total Completed Business of ~~$821,927.78~~ $838,393.83 means that ~~111~~ 116 of the ~~223~~ 233 Dealers in the group had Total Completed Business greater than ~~$821,927.78~~ $838,393.83, ~~111~~ 116 of the ~~223~~ 233 Dealers in the group had Total Completed Business of less than that figure, and 1 of the ~~223~~ 233 Dealers in the group had exactly Total Completed Business of that figure.

5. The term "Highest" and "Lowest," as used in Section 19-A, refers to the highest and lowest numbers in the range.

* * *

CHART 2

Section 19-B

Weekly National Dealer Sales Average - ~~2024~~2025

All Reporting Dealers	
National Dealer Sales Average:	~~$12,344.97~~$12,581.50
Dealers Reporting:	~~668~~698
Dealers At or Above Average:	~~258~~ 259 (~~39~~37%)
Median:	~~$11,211.84~~ $11,216.78
Highest:	~~$53,527.70~~ $60,924.96
Lowest:	~~$448.47~~ $673.59

Notes for Section 19-B:

1. Chart 2 reflects the operating data for ~~668~~ 698 total Cornwell Dealers in the United States operating pursuant to Dealer Franchise Agreements with Cornwell that were in business for all of ~~2024~~ 2025 and who reported sales for at least 48 weeks during ~~2024~~2025.

2. The terminology "National Dealer Sales Average" as used in Section 19-B means the total reported sales of all "Products" (goods purchased by the Dealers from Cornwell and any other items that were sold by the reporting Dealers) in ~~2024~~2025, divided by the number of weekly "close-outs" of those same Dealers. Each week the Dealers are required to report their sales of Products which are the gross selling price of all Products, whether or not the sale is for cash, for credit, or partial cash and partial credit, or trade-in. When a Dealer closes out its sales for the week, it triggers a report. The total sales for a year may not be reported for each of 52 weeks, as Dealers may not close out sales each week. Therefore, the annual National Sales Average may not represent 52 weeks of sales.

~~4~~3. The term "Median" means the data point that is in the center of all data points used. The "median" sales of ~~$11,211.84~~ $11,216.78 means that ~~334~~349 of the ~~668~~698 Dealers had total reported sales averages greater than ~~$11,211.84~~ $11,216.78 and ~~334~~349 of the ~~668~~698 Dealers in the group had total reported sales of less than that figure.

~~5~~4. The terminology "Highest" and "Lowest," as used in Section 19-B refers to the highest and lowest numbers in the range. The Highest amount of Product sales averages reported in a week during ~~2024~~2025 was ~~$53,527.70~~ $60,924.96 and the Lowest amount was ~~$448.47~~ $673.59.

~~6~~5. The number of Dealers reporting sales in ~~2024~~2025 was ~~668~~698. The ~~668~~698 Dealers were Cornwell Dealers in the United States who (i) were in business at the beginning of ~~2024~~2025, (ii) were operating at the end of ~~2024~~2025, and (iii) reported sales close-outs at least 48 weeks during ~~2024~~2025.

~~7~~6. One of the differences between the "Total Completed Business" and "Sales" is that "Sales" (Section 19-B) reflects all sales, even if some of the payments have not been received, and "Total Completed Business" (Section 19-A) reflects sales only based on cash collected and Tech-Credit credits received. Therefore, there is a difference due to timing and collections. Another difference between "Total Completed Business" and "Sales," is that the figures reported by Dealers for Total Completed Business includes sales tax collected, and that the figures for Sales do not include sales tax.

~~8~~7. The National Dealer Sales Average is different from "the national average of Cornwell franchise dealers' weekly purchases" that will be utilized in connection with the performance criteria discussed in Item 8.

Notes for both Sections 19-A and 19-B, and this entire Item 19:

1. The data in the charts are obtained from the Dealers through the IBN system (see Item 7, Note 11). As Dealers purchase goods from Cornwell, they also report on sales made and revenue received. A weekly sales report is generated if the Dealer places an order to purchase goods in a given week. Therefore, the information in the charts is based

solely on data received from the Dealers through IBN. We have not attempted to verify the information received from the Dealers. These figures have not been reviewed or audited by Cornwell.

2. During the time period covered by this financial performance representation—the ~~2024~~ 2025 calendar year—~~129~~ 93 Dealers closed or ceased operations. Of these, ~~15~~ 8 were open for less than 12 months.

3. Substantiation of the data used in preparing the materials in this Item 19 will be made available to you upon reasonable request.

4. Your sales, revenue and income will be affected by a variety of factors, including the sales and marketing skills of the Principal Operator of the Dealership; the Principal Operator's frequency of visits to actual and potential customers; efforts to collect on unpaid invoices or installment contracts; retail prices charged for products; discounts that may be offered; prevailing economic or market conditions; demographics; interest rates; the capitalization level of the Dealership; the amount and terms of any financing that you may secure; and the Principal Operator's business and management skills.

5. Some Dealers have sold and collected the amounts shown. Your own results may differ. There is no assurance that you will sell or collect as much.

6. The charts do not include any estimate of, or specific or historical data regarding, costs, expenses or debts that a Dealer has incurred, or may in the future incur. We cannot predict or project your costs and expenses to be paid from revenue you receive. We cannot therefore project your net income.

The following is a partial list of the types of expenses that a Cornwell Dealer may incur:

- Labor costs, including payroll, taxes and benefits (which may include health and/or life insurance, vacation, and pension plan contributions) for your Principal Operator or any other employee.
- Cost of goods sold, which includes wholesale cost of products that may be offered.
- Truck or van costs, including lease or purchase payments, maintenance, gas, and similar costs.
- Insurance.
- Marketing and promotional costs.
- Communication costs (phone, internet, etc.).

- Freight costs incurred with tool returns and warranty repairs, as well as those incurred for receiving shipments of certain items from Cornwell.

- Interest paid to Cornwell or other sources of financing and banking/credit/debit card fees.

- Bad debt owed by a Dealer's customers that must be written off.

The types of expenses, and the amount of costs and expenses, are likely to vary from Cornwell Dealer to Cornwell Dealer. These may not be all of the expenses that you will incur.

7. Prospective Dealers should be aware that in evaluating a financial performance representation or an earnings claim that includes revenue or sales figures only, or does not include all costs of goods sold, operating expenses, and other expenses, that costs and expenses must be deducted from the gross revenue or gross sales figures to obtain net income or profit. This Item 19 financial performance representation does not include net income or profit.

8. The Cornwell Dealers whose results are reflected in Sections 19-A and 19-B have been operating a Cornwell Dealership during ~~2024~~2025. Some of the Dealers have been operating their Cornwell Dealership for many years and may have developed a large and loyal customer base.

9. The information in this Item 19 reflects the historical aggregate results of ~~669~~ 699 Cornwell Dealers in ~~2024~~2025. You are strongly advised to conduct an independent investigation of this opportunity to evaluate the expected or potential costs and expenses you will incur as a Cornwell Dealer. You should consult your attorney, accountant, and other professional advisors. Also, current and former Dealers listed in this Disclosure Document may be one source of information.

10. Other than the preceding financial performance representations in this Item 19, Cornwell does not make any financial performance representations. We do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing Dealership, however, we may provide you with the actual records of that business. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Andrew Scott, Cornwell's Director of National Sales, at 667 Seville Road, Wadsworth, Ohio 44281, (330) 336-3506, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

1. FRANCHISED AND COMPANY OWNED OUTLETS. The following table gives the total number of Cornwell franchisees in the last three years. There are no Cornwell-owned outlets, nor does Cornwell intend to establish any company-owned outlets.

TABLE NO. 1
SYSTEM-WIDE OUTLET SUMMARY
FOR THE YEARS ~~2022~~ 2023 TO ~~2024~~2025

~~Outlet Type~~	~~Year~~	~~Outlets at the Start of the Year~~	~~Outlets at the End of the Year~~	~~Net Change~~
~~Franchised~~	~~2022~~	~~776~~	~~809~~	~~33~~
	~~2023~~	~~809~~	~~795~~	~~-14~~
	~~2024~~	~~795~~	~~793~~	~~-2~~
~~Company Owned~~	~~2022~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~
~~Total Outlets~~	~~2022~~	~~776~~	~~809~~	~~33~~
	~~2023~~	~~809~~	~~795~~	~~-14~~
	~~2024~~	~~795~~	~~793~~	~~-2~~

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	809	795	-14
	2024	795	793	-2
	2025	793	811	18
Company Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	809	795	-14
	2024	795	793	-2
	2025	793	811	18

2. CHANGES IN NUMBER OF OUTLETS. The following table gives the total number of transfers of ownership of franchises from one franchisee to another. Cornwell does not acquire franchises. The "transfer" of a franchise for this purpose means that Cornwell approved a new franchised dealer in some or all of the same territory as a former dealer. Ownership of a Cornwell franchise, as such, cannot be transferred except upon the death or disability of a franchisee, to an active member of his or her family. Any

transfer of assets from an outgoing dealer to a new dealer, such as a truck, inventory and accounts receivable, is arranged directly between them, without any involvement by Cornwell, other than to approve the truck for further use or to facilitate the process of asset transfer if the parties so request. Cornwell reserves the right to advise the new dealer concerning the terms of the transfer, if it believes that the terms would have a significant negative effect on the financial position of the new dealer.

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TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS ~~2022~~ 2023 TO ~~2024~~2025

~~State~~	~~Year~~	~~Number of Transfers~~
~~Alabama~~	~~2022~~	~~0~~
	~~2023~~	~~0~~
	~~2024~~	~~0~~
~~Arizona~~	~~2022~~	~~0~~
	~~2023~~	~~0~~
	~~2024~~	~~1~~
~~Arkansas~~	~~2022~~	~~0~~
	~~2023~~	~~0~~
	~~2024~~	~~0~~
~~California~~	~~2022~~	~~1~~
	~~2023~~	~~2~~
	~~2024~~	~~0~~
~~Colorado~~	~~2022~~	~~11~~
	~~2023~~	~~2~~
	~~2024~~	~~3~~
~~Connecticut~~	~~2022~~	~~0~~
	~~2023~~	~~0~~
	~~2024~~	~~0~~
~~Delaware~~	~~2022~~	~~0~~
	~~2023~~	~~0~~
	~~2024~~	~~0~~
~~Florida~~	~~2022~~	~~2~~
	~~2023~~	~~1~~
	~~2024~~	~~1~~
~~Georgia~~	~~2022~~	~~0~~
	~~2023~~	~~0~~
	~~2024~~	~~0~~
~~Idaho~~	~~2022~~	~~0~~
	~~2023~~	~~0~~
	~~2024~~	~~1~~
~~Illinois~~	~~2022~~	~~1~~
	~~2023~~	~~0~~
	~~2024~~	~~1~~

State	Year	Number of Transfers
Indiana	2022	0
	2023	0
	2024	1
Iowa	2022	0
	2023	0
	2024	1
Kansas	2022	0
	2023	0
	2024	2
Kentucky	2022	0
	2023	0
	2024	0
Louisiana	2022	0
	2023	0
	2024	0
Maine	2022	0
	2023	0
	2024	0
Maryland	2022	0
	2023	0
	2024	0
Massachusetts	2022	0
	2023	0
	2024	1
Michigan	2022	1
	2023	4
	2024	0
Minnesota	2022	0
	2023	0
	2024	1
Mississippi	2022	0
	2023	0
	2024	1
Missouri	2022	0
	2023	0
	2024	0
Montana	2022	0
	2023	0

State	Year	Number of Transfers
	2024	0
Nebraska	2022	0
	2023	0
	2024	0
Nevada	2022	0
	2023	1
	2024	0
New Hampshire	2022	0
	2023	0
	2024	1
New Jersey	2022	0
	2023	0
	2024	0
New Mexico	2022	0
	2023	0
	2024	0
New York	2022	0
	2023	0
	2024	0
North Carolina	2022	2
	2023	1
	2024	3
North Dakota	2022	0
	2023	0
	2024	0
Ohio	2022	1
	2023	0
	2024	0
Oklahoma	2022	0
	2023	1
	2024	1
Oregon	2022	2
	2023	1
	2024	0
Pennsylvania	2022	1
	2023	1
	2024	0

State	Year	Number of Transfers
Rhode Island	2022	0
	2023	0
	2024	0
South Carolina	2022	0
	2023	0
	2024	0
South Dakota	2022	0
	2023	0
	2024	0
Tennessee	2022	1
	2023	2
	2024	0
Texas	2022	3
	2023	5
	2024	3
Utah	2022	5
	2023	2
	2024	0
Vermont	2022	0
	2023	0
	2024	0
Virginia	2022	1
	2023	0
	2024	2
Washington	2022	2
	2023	1
	2024	0
West Virginia	2022	0
	2023	0
	2024	0
Wisconsin	2022	2
	2023	0
	2024	1
Wyoming	2022	0
	2023	0
	2024	0

~~Totals~~	~~2022~~	~~36~~
	~~2023~~	~~24~~
	~~2024~~	~~25~~

State	Year	Number of Transfers
Alabama	2023	0
	2024	0
	2025	0
Arizona	2023	0
	2024	1
	2025	0
Arkansas	2023	0
	2024	0
	2025	0
California	2023	2
	2024	0
	2025	0
Colorado	2023	2
	2024	3
	2025	2
Connecticut	2023	0
	2024	0
	2025	0
Delaware	2023	0
	2024	0
	2025	0
Florida	2023	1
	2024	1
	2025	1
Georgia	2023	0
	2024	0
	2025	0
Idaho	2023	0
	2024	1
	2025	1
Illinois	2023	0
	2024	1
	2025	0
Indiana	2023	0

State	Year	Number of Transfers
	2024	1
	2025	1
Iowa	2023	0
	2024	1
	2025	0
Kansas	2023	0
	2024	2
	2025	1
Kentucky	2023	0
	2024	0
	2025	0
Louisiana	2023	0
	2024	0
	2025	0
Maine	2023	0
	2024	0
	2025	0
Maryland	2023	0
	2024	0
	2025	1
Massachusetts	2023	0
	2024	1
	2025	1
Michigan	2023	4
	2024	0
	2025	0
Minnesota	2023	0
	2024	1
	2025	1
Mississippi	2023	0
	2024	1
	2025	1
Missouri	2023	0
	2024	0
	2025	0

State	Year	Number of Transfers
Montana	2023	0
	2024	0
	2025	0
Nebraska	2023	0
	2024	0
	2025	0
Nevada	2023	1
	2024	0
	2025	1
New Hampshire	2023	0
	2024	1
	2025	0
New Jersey	2023	0
	2024	0
	2025	0
New Mexico	2023	0
	2024	0
	2025	0
New York	2023	0
	2024	0
	2025	0
North Carolina	2023	1
	2024	3
	2025	1
North Dakota	2023	0
	2024	0
	2025	0
Ohio	2023	0
	2024	0
	2025	2
Oklahoma	2023	1
	2024	1
	2025	0
Oregon	2023	1
	2024	0
	2025	1

State	Year	Number of Transfers
Pennsylvania	2023	1
	2024	0
	2025	2
Rhode Island	2023	0
	2024	0
	2025	0
South Carolina	2023	0
	2024	0
	2025	1
South Dakota	2023	0
	2024	0
	2025	0
Tennessee	2023	2
	2024	0
	2025	0
Texas	2023	5
	2024	3
	2025	1
Utah	2023	2
	2024	0
	2025	0
Vermont	2023	0
	2024	0
	2025	0
Virginia	2023	0
	2024	2
	2025	1
Washington	2023	1
	2024	0
	2025	0
West Virginia	2023	0
	2024	0
	2025	0
Wisconsin	2023	0
	2024	1
	2025	0

State	Year	Number of Transfers
Wyoming	2023	0
	2024	0
	2025	1
Totals	**2023**	**24**
	2024	**25**
	2025	**21**

3. STATUS OF FRANCHISEE-OWNED OUTLETS. The following table gives the status of Cornwell franchises in each state in the last three years. Cornwell franchises are not subject to non-renewal, nor are Cornwell franchises ever acquired or re-acquired by the company. "Termination" for this purpose means that Cornwell terminated the franchise without providing any compensation to the franchisee (whether by payment or forgiveness or assumption of debt.)

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS ~~2022~~ 2023 TO ~~2024~~2025

~~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~~
~~Alabama~~	~~2022~~	~~6~~	~~2~~	~~0~~	~~0~~	~~0~~	~~2~~	~~6~~
	~~2023~~	~~6~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~6~~
	~~2024~~	~~6~~	~~1~~	~~0~~	~~0~~	~~0~~	~~1~~	~~6~~
~~Arizona~~	~~2022~~	~~19~~	~~7~~	~~0~~	~~0~~	~~0~~	~~5~~	~~21~~
	~~2023~~	~~21~~	~~2~~	~~0~~	~~0~~	~~0~~	~~3~~	~~20~~
	~~2024~~	~~20~~	~~4~~	~~1~~	~~0~~	~~0~~	~~5~~	~~18~~
~~Arkansas~~	~~2022~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~2~~
	~~2023~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~2~~
	~~2024~~	~~2~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~3~~
~~California~~	~~2022~~	~~64~~	~~7~~	~~0~~	~~0~~	~~0~~	~~7~~	~~64~~
	~~2023~~	~~64~~	~~5~~	~~3~~	~~0~~	~~0~~	~~15~~	~~51~~
	~~2024~~	~~51~~	~~5~~	~~5~~	~~0~~	~~0~~	~~8~~	~~43~~
~~Colorado~~	~~2022~~	~~40~~	~~11~~	~~0~~	~~0~~	~~0~~	~~11~~	~~40~~
	~~2023~~	~~40~~	~~7~~	~~0~~	~~0~~	~~0~~	~~8~~	~~39~~
	~~2024~~	~~39~~	~~6~~	~~0~~	~~0~~	~~0~~	~~6~~	~~39~~
~~Connecticut~~	~~2022~~	~~3~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~4~~
	~~2023~~	~~4~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~4~~
	~~2024~~	~~4~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~	~~3~~
~~Delaware~~	~~2022~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
	~~2023~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
	~~2024~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~

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
Florida	2022	18	12	0	0	0	4	26
	2023	26	3	2	0	0	5	22
	2024	22	6	0	0	0	4	24
Georgia	2022	7	2	0	0	0	1	8
	2023	8	0	0	0	0	2	6
	2024	6	2	1	0	0	0	7
Idaho	2022	9	3	0	0	0	0	12
	2023	12	0	0	0	0	1	11
	2024	11	3	1	0	0	1	12
Illinois	2022	21	2	0	0	0	2	21
	2023	21	2	0	0	0	2	21
	2024	21	2	0	0	0	1	22
Indiana	2022	21	0	0	0	0	4	17
	2023	17	1	1	0	0	2	15
	2024	15	5	1	0	0	0	19
Iowa	2022	11	1	0	0	0	2	10
	2023	10	1	0	0	0	1	10
	2024	10	3	1	0	0	3	9
Kansas	2022	16	0	0	0	0	4	12
	2023	12	2	0	0	0	1	13
	2024	13	3	0	0	0	3	13
Kentucky	2022	4	3	0	0	0	1	6
	2023	6	0	0	0	0	0	6
	2024	6	2	0	0	0	1	7
Louisiana	2022	10	4	0	0	0	1	13
	2023	13	1	0	0	0	1	13
	2024	13	0	0	0	0	1	12
Maine	2022	6	0	0	0	0	0	6
	2023	6	1	0	0	0	0	7
	2024	7	2	0	0	0	0	9
Maryland	2022	12	1	0	0	0	0	13
	2023	13	1	0	0	0	1	13
	2024	13	2	0	0	0	2	13
Massachusetts	2022	17	0	0	0	0	2	15
	2023	15	2	0	0	0	3	14
	2024	14	3	1	0	0	0	16
Michigan	2022	24	7	2	0	0	2	27
	2023	27	5	0	0	0	5	27
	2024	27	2	1	0	0	2	26
Minnesota	2022	10	3	0	0	0	1	12
	2023	12	1	0	0	0	2	11

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
	2024	11	2	0	0	0	2	11
Mississippi	2022	10	0	0	0	0	2	8
	2023	8	0	0	0	0	1	7
	2024	7	2	0	0	0	2	7
Missouri	2022	10	1	0	0	0	1	10
	2023	10	4	1	0	0	1	12
	2024	12	6	1	0	0	4	13
Montana	2022	4	1	0	0	0	0	5
	2023	5	1	0	0	0	2	4
	2024	4	0	0	0	0	0	4
Nebraska	2022	17	0	0	0	0	0	17
	2023	17	2	0	0	0	2	17
	2024	17	0	0	0	0	2	15
Nevada	2022	10	3	0	0	0	0	13
	2023	13	2	0	0	0	2	13
	2024	13	2	1	0	0	0	14
New Hampshire	2022	11	3	0	0	0	0	14
	2023	14	3	0	0	0	2	15
	2024	15	3	0	0	0	3	15
New Jersey	2022	8	2	0	0	0	0	10
	2023	10	1	0	0	0	0	11
	2024	11	0	0	0	0	1	10
New Mexico	2022	9	1	0	0	0	2	8
	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
New York	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	1	0
	2024	0	1	0	0	0	0	1
North Carolina	2022	32	9	2	0	0	2	37
	2023	37	7	1	0	0	6	37
	2024	37	7	1	0	0	3	40
North Dakota	2022	5	0	1	0	0	0	4
	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
Ohio	2022	27	5	0	0	0	2	30
	2023	30	4	0	0	0	4	30
	2024	30	8	2	0	0	5	31
Oklahoma	2022	14	2	0	0	0	0	16
	2023	16	2	0	0	0	1	17
	2024	17	4	0	0	0	3	18
Oregon	2022	15	3	0	0	0	4	14

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	14	2	0	0	0	6	10
	2024	10	3	0	0	0	2	11
Pennsylvania	2022	38	8	0	0	0	5	41
	2023	41	6	0	0	0	1	46
	2024	46	7	1	0	0	5	47
Rhode Island	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
South Carolina	2022	10	2	0	0	0	2	10
	2023	10	1	0	0	0	1	10
	2024	10	2	0	0	0	4	8
South Dakota	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	1	2
	2024	2	1	0	0	0	1	2
Tennessee	2022	26	6	1	0	0	2	29
	2023	29	5	0	0	0	3	31
	2024	31	2	1	0	0	4	28
Texas	2022	118	12	0	0	0	12	118
	2023	118	16	0	0	0	12	122
	2024	122	17	9	0	0	11	119
Utah	2022	22	4	0	0	0	4	22
	2023	22	3	0	0	0	4	21
	2024	21	1	0	0	0	2	20
Vermont	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Virginia	2022	16	2	1	0	0	1	16
	2023	16	2	0	0	0	1	17
	2024	17	3	1	0	0	3	16
Washington	2022	24	3	0	0	0	3	24
	2023	24	2	0	0	0	1	25
	2024	25	1	1	0	0	1	24
West Virginia	2022	2	1	0	0	0	2	1
	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	1	2
Wisconsin	2022	19	3	0	0	0	4	18
	2023	18	3	0	0	0	4	17
	2024	17	2	0	0	0	4	15
Wyoming	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	2	0	0	0	0	5

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
Totals	2022	776	138	7	0	0	98	809
	2023	809	99	8	0	0	105	795
	2024	795	127	30	0	0	99	793

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
Alabama	2023	6	0	0	0	0	0	6
	2024	6	1	0	0	0	1	6
	2025	6	3	0	0	0	1	8
Arizona	2023	21	2	0	0	0	3	20
	2024	20	4	1	0	0	5	18
	2025	18	4	0	0	0	4	18
Arkansas	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	0	0	0	0	1	2
California	2023	64	5	3	0	0	15	51
	2024	51	5	5	0	0	8	43
	2025	43	2	3	0	0	5	37
Colorado	2023	40	7	0	0	0	8	39
	2024	39	6	0	0	0	6	39
	2025	39	5	0	0	0	3	41
Connecticut	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	1	3
	2025	3	0	0	0	0	0	3
Delaware	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	26	3	2	0	0	5	22
	2024	22	6	0	0	0	4	24
	2025	24	7	2	0	0	1	28
Georgia	2023	8	0	0	0	0	2	6
	2024	6	2	1	0	0	0	7
	2025	7	1	0	0	0	0	8
Idaho	2023	12	0	0	0	0	1	11
	2024	11	3	1	0	0	1	12
	2025	12	2	0	0	0	2	12
Illinois	2023	21	2	0	0	0	2	21
	2024	21	2	0	0	0	1	22
	2025	22	1	0	0	0	3	20

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
Indiana	2023	17	1	1	0	0	2	15
	2024	15	5	1	0	0	0	19
	2025	19	2	0	0	0	3	18
Iowa	2023	10	1	0	0	0	1	10
	2024	10	3	1	0	0	3	9
	2025	9	2	0	0	0	0	11
Kansas	2023	12	2	0	0	0	1	13
	2024	13	3	0	0	0	3	13
	2025	13	2	0	0	0	1	14
Kentucky	2023	6	0	0	0	0	0	6
	2024	6	2	0	0	0	1	7
	2025	7	1	0	0	0	2	6
Louisiana	2023	13	1	0	0	0	1	13
	2024	13	0	0	0	0	1	12
	2025	12	0	0	0	0	0	12
Maine	2023	6	1	0	0	0	0	7
	2024	7	2	0	0	0	0	9
	2025	9	2	0	0	0	2	9
Maryland	2023	13	1	0	0	0	1	13
	2024	13	2	0	0	0	2	13
	2025	13	3	0	0	0	1	15
Massachusetts	2023	15	2	0	0	0	3	14
	2024	14	3	1	0	0	0	16
	2025	16	1	1	0	0	2	14
Michigan	2023	27	5	0	0	0	5	27
	2024	27	2	1	0	0	2	26
	2025	26	7	0	0	0	2	31

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
Minnesota	2023	12	1	0	0	0	2	11
	2024	11	2	0	0	0	2	11
	2025	11	2	0	0	0	2	11
Mississippi	2023	8	0	0	0	0	1	7
	2024	7	2	0	0	0	2	7
	2025	7	2	0	0	0	1	8
Missouri	2023	10	4	1	0	0	1	12
	2024	12	6	1	0	0	4	13
	2025	13	4	0	0	0	1	16
Montana	2023	5	1	0	0	0	2	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Nebraska	2023	17	2	0	0	0	2	17
	2024	17	0	0	0	0	2	15
	2025	15	1	0	0	0	1	15
Nevada	2023	13	2	0	0	0	2	13
	2024	13	2	1	0	0	0	14
	2025	14	4	0	0	0	4	14
New Hampshire	2023	14	3	0	0	0	2	15
	2024	15	3	0	0	0	3	15
	2025	15	0	0	0	0	0	15
New Jersey	2023	10	1	0	0	0	0	11
	2024	11	0	0	0	0	1	10
	2025	10	1	0	0	0	0	11
New Mexico	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	0	8
New York	2023	1	0	0	0	0	1	0
	2024	0	1	0	0	0	0	1
	2025	1	2	0	0	0	0	3
North Carolina	2023	37	7	1	0	0	6	37
	2024	37	7	1	0	0	3	40
	2025	40	6	1	0	0	5	40
North Dakota	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Ohio	2023	30	4	0	0	0	4	30
	2024	30	8	2	0	0	5	31
	2025	31	6	0	0	0	4	33
Oklahoma	2023	16	2	0	0	0	1	17
	2024	17	4	0	0	0	3	18
	2025	18	2	0	0	0	0	20

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
Oregon	2023	14	2	0	0	0	6	10
	2024	10	3	0	0	0	2	11
	2025	11	1	0	0	0	0	12
Pennsylvania	2023	41	6	0	0	0	1	46
	2024	46	7	1	0	0	5	47
	2025	47	3	4	0	0	4	42
Rhode Island	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
South Carolina	2023	10	1	0	0	0	1	10
	2024	10	2	0	0	0	4	8
	2025	8	4	0	0	0	1	11
South Dakota	2023	3	0	0	0	0	1	2
	2024	2	1	0	0	0	1	2
	2025	2	1	0	0	0	0	3
Tennessee	2023	29	5	0	0	0	3	31
	2024	31	2	1	0	0	4	28
	2025	28	2	0	0	0	6	24
Texas	2023	118	16	0	0	0	12	122
	2024	122	17	9	0	0	11	119
	2025	119	15	3	0	0	14	117
Utah	2023	22	3	0	0	0	4	21
	2024	21	1	0	0	0	2	20
	2025	20	3	0	0	0	1	22
Vermont	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Virginia	2023	16	2	0	0	0	1	17
	2024	17	3	1	0	0	3	16
	2025	16	3	0	0	0	0	19
Washington	2023	24	2	0	0	0	1	25
	2024	25	1	1	0	0	1	24
	2025	24	4	0	0	0	2	26
West Virginia	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	1	2
	2025	2	2	0	0	0	1	3
Wisconsin	2023	18	3	0	0	0	4	17
	2024	17	2	0	0	0	4	15
	2025	15	0	0	0	0	0	15
Wyoming	2023	3	0	0	0	0	0	3
	2024	3	2	0	0	0	0	5
	2025	5	1	0	0	0	2	4

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
Totals	2023	809	99	8	0	0	105	795
	2024	795	127	30	0	0	99	793
	2025	793	114	14	0	0	82	811

4. COMPANY-OWNED OUTLETS. Cornwell has not owned any outlets, nor does it have any intention of doing so.

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS ~~2022~~ 2023 to ~~2024~~2025

~~State~~	~~Year~~	~~Outlets at start of the Year~~	~~Outlets Opened~~	~~Outlets Reacquired from Franchisee~~	~~Outlets Closed~~	~~Outlets Sold to Franchisee~~	~~Outlets at End of the Year~~
~~Totals~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~

State	Year	Outlets at start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Totals	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

5. PROJECTED FRANCHISED OUTLETS. The following table gives the number of projected new franchised outlets in the coming year. Cornwell does not have company-owned outlets and does not project opening any such outlets.

TABLE No. 5
PROJECTED OPENINGS AS OF DECEMBER 31, ~~2024~~2025

~~STATE~~	~~FRANCHISE AGREEMENTSIGNED BUT OUTLET NOT OPENED~~	~~PROJECTED NEW FRANCHISE OUTLETS IN 2025~~	~~PROJECTED NEW COMPANY-OWNED OUTLETS IN 2025~~
~~Alabama~~	~~0~~	~~1~~	~~0~~
~~Arizona~~	~~0~~	~~3~~	~~0~~
~~Arkansas~~	~~0~~	~~2~~	~~0~~

STATE	FRANCHISE AGREEMENTSIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISE OUTLETS IN 2025	PROJECTED NEW COMPANY-OWNED OUTLETS IN 2025
California	0	4	0
Colorado	0	5	0
Connecticut	0	2	0
Delaware	0	0	0
Florida	0	7	0
Georgia	0	2	0
Idaho	0	1	0
Illinois	0	4	0
Indiana	0	3	0
Iowa	0	2	0
Kansas	0	2	0
Kentucky	0	1	0
Louisiana	0	2	0
Maine	0	2	0
Maryland	0	2	0
Massachusetts	0	2	0
Michigan	0	3	0
Minnesota	0	3	0
Mississippi	0	1	0
Missouri	0	1	0
Montana	0	0	0
Nebraska	0	2	0
Nevada	0	1	0
New Hampshire	0	1	0
New Jersey	0	2	0
New Mexico	0	2	0
New York	0	4	0
North Carolina	0	5	0
North Dakota	0	0	0
Ohio	0	5	0
Oklahoma	0	4	0
Oregon	0	4	0
Pennsylvania	0	8	0
Rhode Island	0	0	0
South Carolina	0	3	0
South Dakota	0	1	0
Tennessee	0	4	0
Texas	0	14	0
Utah	0	1	0

~~STATE~~	~~FRANCHISE AGREEMENTSIGNED BUT OUTLET NOT OPENED~~	~~PROJECTED NEW FRANCHISE OUTLETS IN 2025~~	~~PROJECTED NEW COMPANY-OWNED OUTLETS IN 2025~~
~~Vermont~~	~~0~~	~~2~~	~~0~~
~~Virginia~~	~~0~~	~~3~~	~~0~~
~~Washington~~	~~0~~	~~2~~	~~0~~
~~West Virginia~~	~~0~~	~~2~~	~~0~~
~~Wisconsin~~	~~0~~	~~3~~	~~0~~
~~Wyoming~~	~~0~~	~~2~~	~~0~~
~~TOTALS~~	~~0~~	~~130~~	~~0~~

STATE	FRANCHISE AGREEMENTSIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISE OUTLETS IN 2026	PROJECTED NEW COMPANY-OWNED OUTLETS IN 2026
Alabama	0	2	0
Arizona	0	2	0
Arkansas	0	1	0
California	0	0	0
Colorado	0	2	0
Connecticut	0	1	0
Delaware	0	1	0
Florida	0	7	0
Georgia	0	2	0
Idaho	0	1	0
Illinois	0	4	0
Indiana	0	3	0
Iowa	0	2	0
Kansas	0	2	0
Kentucky	0	1	0
Louisiana	0	1	0
Maine	0	2	0
Maryland	0	2	0
Massachusetts	0	2	0
Michigan	0	4	0
Minnesota	0	3	0
Mississippi	0	1	0
Missouri	0	1	0
Montana	0	0	0
Nebraska	0	2	0
Nevada	0	2	0
New Hampshire	0	1	0

STATE	FRANCHISE AGREEMENTSIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISE OUTLETS IN 2026	PROJECTED NEW COMPANY-OWNED OUTLETS IN 2026
New Jersey	0	2	0
New Mexico	0	2	0
New York	0	5	0
North Carolina	0	5	0
North Dakota	0	0	0
Ohio	0	5	0
Oklahoma	0	3	0
Oregon	0	3	0
Pennsylvania	0	4	0
Rhode Island	0	0	0
South Carolina	0	3	0
South Dakota	0	1	0
Tennessee	0	4	0
Texas	0	15	0
Utah	0	2	0
Vermont	0	2	0
Virginia	0	3	0
Washington	0	2	0
West Virginia	0	2	0
Wisconsin	0	3	0
Wyoming	0	2	0
TOTALS	**0**	**120**	**0**

~~(Intentionally left blank)~~

6. EXISTING FRANCHISEES. The following table lists the names, home addresses, and telephone numbers of at least 100 or more existing Cornwell franchised dealers operating in the state in which this Disclosure Document is being delivered (and where appropriate in contiguous states), as of January 1, ~~2025~~2026.

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
AYERS, THOMAS RANDALL	169 KENMORE RD.	ARAB	AL	35016	(615) 668-4684
BOURDON, TRACY A.	335 MONTCLAIR DRIVE	KILLEN	AL	35645	(256) 648-6778
GREEN, JASON L.	205 TIGER LN.	HELENA	AL	35080	(205) 368-6735
JARRELL, DANIEL J.	12685 WOODLAND LAKE RD	MCCALLA	AL	35111	(205) 239-8739
OSBORN, JASON A.	216 E. HAWTHORNE ST.	FLORENCE	AL	35630	(662) 419-7002
SKRAMSTAD JR., RONALD J.	11689 LAKE NICOL RD.	TUSCALOOSA	AL	35406	(845) 391-4607
		AL COUNT	6		
ANDERSON, SCOTT E.	16094 HICKORY DRIVE	FAYETTEVILLE	AR	72704	(479) 966-0402
CARROLL, VANCE A.	280 WILCOX DR.	MOUNTAIN VIEW	AR	72560	(253) 576-0650
DABBS, MARK T.	2807 QUAIL RUN PLACE	GREENWOOD	AR	72936	(479) 650-2031
		AR COUNT	3		
BRIBIESCAS JR., RAYMOND	8102 N. 106TH AVE.	PEORIA	AZ	85345	(602) 680-8671
BRIGGS, JASON T.	5102 WEST ACOMA DR.	GLENDALE	AZ	85306	(623) 810-5642
CRESPIN JR., DAVID L.	30142 NORTH RIDGE RD.	QUEEN CREEK	AZ	85142	(480) 996-3149
CRUZ, ARMANDO	9302 E. PLATA AVE.	MESA	AZ	85212	(310) 988-5670
DOUGHERTY JR., JAMES F.	2383 W CORONADO AVE	FLAGSTAFF	AZ	86001	(928) 380-8458
FIBROW, TIMOTHY A.	2229 RUNABOUT DR.	LAKE HAVASU CITY	AZ	86403	(760) 221-0346
GARRISON, JOHN F	27072 N 175TH DR	SURPRISE	AZ	85387	(602) 910-9177
GIBBONS, WILLIAM L.	21204 W. ELLIOT RD.	BUCKEYE	AZ	85326	(623) 261-1754
GILSTRAP, JAMES A.	1323 SKYLINE AVE.	SIERRA VISTA	AZ	85635	(425) 361-6016
GUTIERREZ BATIZ, JULIO C.	44091 WEST PALO NUEZ STREET	MARICOPA	AZ	85138	(951) 318-6022
HOLLEY JR., DAVID T.	1665 E. SOUTH DR	MOHAVE VALLEY	AZ	86440	(760) 983-1137
JESSEE, MICHAEL D.	17627 W. GOLDEN EYE AVE	GOODYEAR	AZ	85338	(541) 728-8816
MERRITT, JEREMY C.	14628 WEST REDBIRD RD	SURPRISE	AZ	85387	(623) 695-1185
MURILLO, CHRISTIAN J.	11840 N. 42ND DRIVE	PHOENIX	AZ	85029	(602) 446-9120
PIEL, SAMUEL B.	1085 W. MAGMA RD.	SAN TAN VALLEY	AZ	85143	(480) 729-9279
SPRAGUE, RANDY E.	13032 N 34TH DR	PHOENIX	AZ	85029	(602) 695-1912
STIVING, WILLIAM B.	11829 N. 65TH AVE.	GLENDALE	AZ	85304	(623) 810-9346
VERNO, WILLIAM P.	25825 N. 1ST PLACE	PHOENIX	AZ	85085	(623) 694-7353
		AZ COUNT	18		
AMENDE, MAX L.	440 W. BUFFINGTON ST.	UPLAND	CA	91784	(909) 821-4224
ANDERSON, MATTHEW D.	5003 THOMAS DR	AUBURN	CA	95602	(916) 223-0766
ARRUDA, KEVIN G.	655 CORNELL DR	TURLOCK	CA	95382	(209) 585-5723
BAZAN, OSVALDO R.	1532 CAMPUS AVENUE	REDLANDS	CA	92374	(951) 423-0976
BROWNELL, BROOK O.	12449 REATA RD.	APPLE VALLEY	CA	92308	(760) 987-6610
BUERER, GERALD E.	2383 SALISBURY DR.	SAN DIEGO	CA	92123	(858) 735-4200
CAMPOS, JAIME	25243 CORTE SOMBRERO	MURRIETA	CA	92563	(951) 415-0629
ESTRADA, CHARLES A.	3732 BLACKBERRY DR.	SAN BERNARDINO	CA	92407	(510) 978-9016
FERNANDEZ, JOSE J.	389 N. FERN ST.	ORANGE	CA	92867	(714) 396-0321
FLOREA, GEORGE G.	5998 PINE AVE.	ANGELUS OAKS	CA	92305	(909) 648-8063
FLORES, NEIL D.	27300 HEMET ST.	HEMET	CA	92544	(951) 445-1250
GURSSLIN, NOAH N.	6974 27TH ST.	JARUPA VALLEY	CA	92509	(951) 233-8886
GURSSLIN, ROBERT C.	6974 27TH STREET	JURUPA VALLEY	CA	92509	(951) 204-5236
HEINEMAN, ALBERT E.	3105 GOSHAWK WAY	PERRIS	CA	92571	(951) 208-8668
HOSIER, SCOTTY J.M.	2280 TRUCKEE DR.	SANTA ROSA	CA	95401	(707) 799-4495

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
JACQUOT, DAVID L.	630 MINOT AVENUE	CHULA VISTA	CA	91910	(619) 456-7444
LAVER, DAVID L.	P.O BOX 567	JACKSON	CA	95642	(209) 256-0118
LEARNER, MARTY	11174 SQUANAN RIVER COURT	RANCHO CORDOVA	CA	95670	(916) 203-7353
LEON, JAVIER	21650 TEMESCAL CANYON RD. #91	CORONA	CA	92883	(714) 757-1249
LOPEZ, ADOLFO	10343 S AIRPORT WAY	MANTECA	CA	95336	(209) 564-7042
MACRAE, TROY G.	13622 MELISSA LANE	POWAY	CA	92064	(858) 837-3492
MCGILL, BRANDON J.	604 E. 4TH ST	ONTARIO	CA	91764	(909) 724-9235
MCLEAN, GAYLE	10285 CARDINAL AVE.	FOUNTAIN VALLEY	CA	92708	(714) 968-6777
MENDEZ, MARIO	8339 EDWIN STREET	RANCHO CUCAMONGA	CA	91729	(909) 969-1049
MOODY, RANDALL D.	245 SOUTH WELLS RD T202	VENTURA	CA	93004	(805) 861-0900
OLGUIN CALDERON, ALFREDO	2329 SERRANO ROAD	SAN BERNARDINO	CA	92405	(909) 816-6846
OLOCKI, DEVYN J.	1420 GOLDFIELD LN	DIXON	CA	95620	(707) 718-2586
PAISLEY, ROBERT W.	288 E LIVE OAK AVE SUITE A #101	ARCADIA	CA	91006	(562) 686-3614
PEREA, RYAN J.	2514 55TH ST.	SAN DIEGO	CA	92105	(619) 701-5000
PEREZ, ARMANDO	123 SALINAS COURT	HEMET	CA	92545	(951) 757-0685
PETTY, RICHARD S.	PO BOX 611	RIO LINDA	CA	95673	(916) 719-7566
PISHNY, KEVIN S.	17423 BANGOR AVE	HESPERIA	CA	95345	(909) 815-6293
PUTITS, DAVID J.	30447 REDDING AVE	MURRIETA	CA	92563	(951) 265-0309
QUIGLEY, JOHN J.	5061 SPARROW DRIVE	HUNTINGTON BEACH	CA	92649	(714) 655-5931
RANGEL, GILBERT	14515 SAN DIEGUITO DR.	LA MIRADA	CA	90638	(714) 936-8504
RICHARDS, TIMOTHY B.	4590 BARILOCHE LANE	HEMET	CA	92544	(951) 438-0084
SETTEMBER, DAVID J.	126 E. ROSEWOOD CT	ONTARIO	CA	91764	(909) 418-1908
STEWART, CLINTON P.	2216 CAPE CORAL CT	ELVERTA	CA	95626	(916) 759-1142
TODARO, EDWARD L.	7141 SEINE AVE.	HIGHLAND	CA	92346	(909) 834-2113
TOMSUN, TROY F.	1575 FERRERO DR.	DIXON	CA	95620	(707) 564-7946
TORRES, LUIS A.	1250 RIVER STONE COURT	HEMET	CA	92545	(562) 206-6677
VALENZUELA, OMAR E.	16377 HARVEY DR.	FONTANA	CA	92336	(909) 277-0147
WRIGHT, JASON K.	22707 SAN JOAQUIN DR EAST	CANYON LAKE	CA	92587	(951) 764-2675
		CA COUNT	43		
AHRENS, JOHN R.	10854 GROVE COURT	WESTMINSTER	CO	80031	(303) 525-1526
ALBRECHT, MAURICE J.	7094 W. HINSDALE DR.	LITTLETON	CO	80128	(720) 660-7033
ALTERGOTT, BRADLEY D.	2109 YOSEMITE RD.	GRAND JUNCTION	CO	81507	(970) 433-4992
BAKER, MATTHEW T.	3259 S. KITTREDGE WAY	AURORA	CO	80013	(720) 300-1492
BAUMGARTNER, BARRY D.	15398 HWY 140	HESPERUS	CO	81326	(970) 422-2390
BOWLES, SCOTT M.	389 LOCKWOOD ST.	CASTLE ROCK	CO	80104	(303) 551-4726
BRUNTZ, WILLIAM H.	9681 E 145TH AVE	THORNTON	CO	80602	(303) 204-4102
CAREY, ALEXANDER M.	1631 W. CANAL CIRCLE UNIT 831	LITTLETON	CO	80120	(303) 324-3436
CAREY, SAMUEL S.	637 IDAHO ST.	GOLDEN	CO	80403	(303) 324-3969
CHILDERS, WILLIAM L.	45 PARK AVENUE	MEEKER	CO	81641	(970) 274-9142
DEVITO, NICHOLAS J.	20676 WILLOW BEND LANE	PARKER	CO	80138	(303) 908-5035
ESPINOZA, BOBBY J.	915 SAWATCH DRIVE	LEADVILLE	CO	80461	(970) 389-5044
FICCO, CHANCE M.	620 CLAYTON ST.	BRUSH	CO	80723	(970) 768-2373
GENTRY, CHRISTOPHER A.	1531 URBAN ST	LAKEWOOD	CO	80215	(719) 351-2483
GORDON, JUSTIN C.	5110 PARFET ST.	WHEAT RIDGE	CO	80033	(303) 921-4740
GURULE, FLAVIO N.	185 S. STARDUST COURT	PUEBLO	CO	81007	(719) 298-1055
HAYES, WILLIAM P.	PO BOX 486	WELLINGTON	CO	80549	(970) 889-2095
HERGEMUELLER, CLIFFORD W.	795 COUNTY RD. 39	BRIGHTON	CO	80603	(303) 829-7491
JENNINGS, JESSE R.	1963 S. WOLCOTT CT.	DENVER	CO	80219	(303) 887-0450
JOHNSON, KASEY L.	8874 WAGNER STREET	WESTMINSTER	CO	80031	(303) 919-3425

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
KRUMPFER, DENNIS M.	3839 COUNTY RD 335	NEW CASTLE	CO	81647	(970) 989-3385
MARTINEZ, DAVID A.	5810 MURR RD	PEYTON	CO	80831	(719) 322-6446
MOODIE, RAYDON B.	939 21 ROAD	FRUITA	CO	81521	(970) 901-5721
MOWERY, SCOTT W.	3719 INDIAN PIPE CIR	COLORADO SPRINGS	CO	80918	(719) 329-4968
NEWTON, GREGORY A.	7855 FOX CHASE LN	WELLINGTON	CO	80549	(970) 593-8240
NILES, MARK A.	2281 SPRINGSIDE DR.	COLORADO SPRINGS	CO	80951	(719) 757-9427
OSBORN, ALEXANDER J.	630 CIMARRON TR	AULT	CO	80610	(970) 593-8586
PEDRETT, TROY M.	5076 PEREGRINE RD	DACONO	CO	80514	(720) 635-6891
PINKNEY, FRED M.	172 ENCANTADO LN.	DURANGO	CO	81303	(970) 946-8594
PRENTICE, DAVID M.	7791 HENRY ST.	FORT LUPTON	CO	80621	(720) 202-7587
QUIROGA JR., LUIS C.	8726 W 86TH AVE	ARVADA	CO	80005	(562) 418-9055
SABIN, MATHEW T.	352 34 1/2 ROAD	PALISADE	CO	81526	(970) 730-7092
SCRAFIELD, DANIEL R.	2237 MONTE BELLO CT. W	COLORADO SPRINGS	CO	80918	(719) 492-6623
SHEETS, THOMAS J.	890 MILLER ST	LAKEWOOD	CO	80215	(970) 389-5222
SIGLER, MICHAEL C.	8496 SUN COUNTRY DR	ELIZABETH	CO	80107	(303) 514-2238
SMITH, CANON D.	739 W CALLE DE CABALLOS	PUEBLO WEST	CO	81007	(720) 244-8027
TALAVERA, PATRICK S.	1336 S. KENDALL ST.	LAKEWOOD	CO	80232	(303) 870-0058
TRIMINIO, XAVIER A.	23577 E. ROCKY TOP AVE.	AURORA	CO	80016	(720) 351-9122
WILLIAMSON, ZACHARY M.	1862 PEPPERWOOD PLACE	COLORADO SPRINGS	CO	80910	(719) 201-8707
		CO COUNT	39		
CHAPMAN, DAVID A.	803 HILLCREST RD.	ORANGE	CT	06477	(203) 913-4822
FLYNN, KEVIN M.	3782 OLD MOUNTAIN RD.	WEST SUFFIELD	CT	06093	(860) 716-4234
PRATT, LINCOLN L.	8 LUCINDA LANE	MIDDLETOWN	CT	06457	(860) 338-7627
		CT COUNT	3		
PIERCE, III., WILLIAM J.	328 GREYBULL DR.	BEAR	DE	19701	(302) 293-1926
		DE COUNT	1		
ASTIN, PRESTON B.	5223 PALE MOON DRIVE	PENSACOLA	FL	32507	(850) 525-4773
BORTOFF, PAUL J.	4029 NE 8TH PLACE	CAPE CORAL	FL	33909	(239) 233-4835
BREAM, STEVEN M.	16710 SW 52ND PLACE	SOUTHWEST RANCHES	FL	33331	(954) 850-3311
CORTES JIMENEZ, ISRAEL A.	1398 NW 2ND LANE	FLORIDA CITY	FL	33034	(787) 396-6225
CRUZ, ARLIS N.	238 HUNT ST	CLERMONT	FL	34711	(407) 765-0731
DALY JR., DANIEL J.	4007 BAY POINTE DR	GULF BREEZE	FL	32563	(850) 454-5758
DAVIS, JASON S.	1653 WEST HIGHWAY 316	CITRA	FL	32113	(352) 494-7869
DOOLITTLE, MARK J.	8320 N.W. 46TH STREET	LAUDERHILL	FL	33351	(954) 547-3029
FINLEY II, LEE E.	8422 SOUTHWOOD PINES ST.	LITHIA	FL	33547	(863) 640-5339
FRANCIS, THOMAS R.	P.O. BOX 391	SCOTTSMOOR	FL	32775	(321) 289-2702
GOMES ALVES, MAICHAEL A.	12333 S.W. 148 TERR	MIAMI	FL	33186	(786) 694-2368
JAMES, GARY C.	514 BOITNOTT LANE	BUSHNELL	FL	33513	(352) 603-9008
LASSITER, BENJAMIN F.	1820 CARTER LANDING BLVD.	JACKSONVILLE	FL	32221	(904) 684-1610
MONTGOMERY III., JAMES D.	5695 QUAIL LANE	KEYSTONE HEIGHTS	FL	32656	(904) 263-8372
O'CONNOR, EDWARD J.	11933 NW 28TH STREET	POMPANO BEACH	FL	33065	(954) 695-2810
ORTIZ, WILFREDO S.	25855 SW 145TH AVE	NARANJA	FL	33032	(787) 407-3221
PEREZ SANTANA, CARLOS J.	3225 GARFIELD ST	HOLLYWOOD	FL	33021	(787) 408-6084
ROEBUCK, STEPHEN A.	403 BAISDEN RD	JACKSONVILLE	FL	32218	(904) 591-6952
SANTANA HERNANDEZ, FABIAN	902 SE 19TH ST	HOMESTEAD	FL	33034	(305) 240-7275
STARLING, JAMMIE A.	4384 HICKORY ST.	MACCLENNY	FL	32063	(904) 305-1383
STINE, JORGE P.	6850 SW 106TH WAY	HAMPTON	FL	32044	(904) 826-5258

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
TARBOX, RONALD	36213 POINSETTIA AVE	FRUITLAND PARK	FL	34731	(978) 846-0246
WHALEY, JAMES R.	14714 OLD SPIKES RD.	SOUTHPORT	FL	32409	(850) 614-4441
WILLIAMS, SCOT J.	7421 DOUGLAS ST.	HOLLYWOOD	FL	33024	(954) 483-3767
		FL COUNT	24		
COLQUITT, DAVID B.	346 ELLIOTT RD.	WAYNESVILLE	GA	31566	(912) 269-6485
FUNK, NICHOLAS M.	204 KEATON COURT	ALTO	GA	30510	(678) 773-3790
HUGGETT, ANTHONY L.	308 CARDINAL LANE	DALTON	GA	30721	(253) 579-6087
MCKERN, KEVIN F.	2049 EMILY DRIVE	SOCIAL CIRCLE	GA	30025	(404) 723-0891
MOORE, MICHAEL D.	250 JIM KNIGHT RD SE	CARTERSVILLE	GA	30121	(770) 883-8518
NOLL, CHARLES E.	3015 PADDOCK RD.	COVINGTON	GA	30014	(678) 859-8579
SCROGGINS II, STEPHEN D.	2325 HAWTHORNE TRACE	MONROE	GA	30655	(404) 597-7424
		GA COUNT	7		
DAVIS, ERIC D.	931 LONGVIEW DR	MISSOURI VALLEY	IA	51555	(402) 980-4881
HIMMEL, NATHAN A.	505 W JEFFERSON AVE	URBANA	IA	52345	(319) 929-1068
LAMBERT, JOSEPH R.	P.O. BOX 703	SHELL ROCK	IA	50670	(319) 529-1416
MONAHAN, DEAN J.	1309 SOUTHRIDGE RD	HARLAN	IA	51537	(712) 579-4112
PARBS, JASON A.	3125 CARRIAGE DR. SW	CEDAR RAPIDS	IA	52404	(319) 721-0866
POSTMA, DELWYN D.	205 7TH ST.	IRETON	IA	51027	(712) 540-3577
ROLING, MATTHEW C.	909 SPRING ST.	CLERMONT	IA	52125	(563) 412-9110
ROSENER, MARK A.	10264 NUTMEG AVE	RODNEY	IA	51051	(712) 635-2780
VORE, TODD E.	PO BOX 350	ALTON	IA	51003	(712) 441-5856
		IA COUNT	9		
ANDERSEN, COLIN J.	1963 N. COOL SPRINGS AVE.	KUNA	ID	83634	(208) 901-0018
ARNOLD, DUSTIN E.	16155 SETTLEMENT AVE.	CALDWELL	ID	83607	(208) 841-1462
CAMPING, RYAN M.	3083 E 3400 N	TWIN FALLS	ID	83301	(951) 532-5716
DEJONG, DWAINE M.	PO BOX 54	BASALT	ID	83218	(208) 710-9070
GRANDEN, ROBERT C.	24200 DAVENPORT LANE	CALDWELL	ID	83607	(208) 941-3913
HANSEN, KENNETH R.L.	3116 S. KOKOMO DR.	NAMPA	ID	83686	(208) 721-0804
HENRIE, DAVID E.	14890 KENSINGTON LANE	CHUBBUCK	ID	83202	(208) 240-2337
MERRICK, BRIAN H.	7311 WILD HORSE WAY	NAMPA	ID	83686	(208) 550-2015
NORTH, MICHAEL D.	8958 W. MAPLEVIEW	BOISE	ID	83704	(208) 860-0938
ODIERNA, JUSTIN N.	1248 WEST BRENTWOOD LOOP	COEURD' ALENE	ID	83815	(714) 471-2541
PAMPLONA, JOSHUA C.	1798 GLENDALE AVENUE	TWIN FALLS	ID	83301	(208) 358-1636
POOLE, WAYNE S.	P.O. BOX 343	RIGBY	ID	83442	(208) 521-5676
		ID COUNT	12		
ABBINANTE, VITO M.	840 WILDWOOD DR.	PINGREE GROVE	IL	60140	(224) 489-1560
BURNS III, JAMES J.	1787 LAKEVIEW DR.	WATERLOO	IL	62298	(618) 612-0333
COSTLEY, DANIEL F.	1565 DRIFTWOOD L*ANE	CRYSTAL LAKE	IL	60014	(847) 800-5212
CREWS, COLLIN J.	1870 BALCOM RD	ANNA	IL	62906	(618) 697-2457
DAVIS, NATHAN G.	243 OAKWOOD RD	EAST PEORIA	IL	61611	(309) 264-6382
FLOOD, RANDY G.	673 US ROUTE 40 E	MONTROSE	IL	62445	(217) 621-2014
JAROS, KENNETH R.	25553 TAMARACK DR	WAUCONDA	IL	60084	(847) 962-0112
JENNINGS, MICHAEL P.	516 GERRY ST.	WOODSTOCK	IL	60098	(815) 575-0025
KENDRICK, ROBERT J.	543 N. MAIN STREET	JONESBORO	IL	62952	(618) 697-0681
LOEHR, MATTHEW D.	228 W 12TH STREET	FLORA	IL	62839	(618) 231-2362
MAGNUSON, KEITH R.	5408 AMBY LN.	MCHENRY	IL	60051	(847) 660-0978
MCGINNIS, SEAN	231 LONGBEACH ROAD	LAKEMOOR	IL	60051	(815) 505-4299
OWEN, RICHARD T.	18746 W. WESTWOOD PLACE	LAKE VILLA	IL	60046	(847) 962-0079
PLATOU, BRIAN K.	5407 EUCLID DR.	MCHENRY	IL	60050	(262) 745-0392
PURPURA, CHRIS N.	7150 BLACKSTONE AVE	JUSTICE	IL	60458	(708) 612-7979
RICHER, DOUG	11500 S. NATCHEZ AVE.	WORTH	IL	60482	(708) 567-7441

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
SMITH, LANE A.	1230 S. CHENEY ST	TAYLORVILLE	IL	62568	(217) 824-5212
SPECIALE, PHILLIP P.	9N915 APACHE RUN	ELGIN	IL	60124	(630) 903-9779
SPENCER, WAYNE G.	420 E. DEPOT ST.	ANTIOCH	IL	60002	(224) 588-6980
THEODOSSOPOULOS, JAMES J.	23718 S CENTER RD	FRANKFORT	IL	60423	(708) 800-6869
WARD, CALEB A.	906 CRESCENT CT	STEELEVILLE	IL	62288	(618) 615-3187
		IL COUNT	21		
CHERRY, RODGER W.	3775 COUNTRY LANE	BROWNSBURG	IN	46112	(317) 258-5166
CLAYWELL, ADAM P.	8094 DALTON ROAD	HAGERSTOWN	IN	47346	(765) 730-6972
DEAN, TODD A.	2151 E 850 N	ROME CITY	IN	46784	(260) 385-4089
DEVRIES, HARRISON (68Y9 2ND FRN)	51474 IRONWOOD	GRANGER	IN	46530	(574) 344-3243
DEVRIES, STEVEN	51474 IRONWOOD	GRANGER	IN	46530	(574) 339-6642
DOWNS, MARK W.	7265 PEPPLE PKWY.	MICHIGAN CITY	IN	46360	(219) 898-7510
EICKHOFF, NICHOLAS P.	4935 ORCHARD RD	EVANSVILLE	IN	47720	(812) 746-8783
ESTES, TY A.	13700 W COUNTY ROAD 700 N	GASTON	IN	47342	(765) 631-3433
FLAUGH, TIMOTHY A.	10612 NORTH TURKEY CREEK RD	SYRACUSE	IN	46567	(574) 518-1028
HAMMOND, STEVEN D.	17936 LINCOLN HWY E	MONROEVILLE	IN	46773	(260) 452-5956
HARVEY, JACK S.	4044 NORTH 100 EAST	DECATUR	IN	46733	(260) 433-0418
MARTIN, KYLE R.	27870 CR 36	GOSHEN	IN	46526	(574) 238-3305
MAYFIELD, JASON L.	4872 WILLKIE RD	TERRE HAUTE	IN	47802	(812) 230-5133
MICHAEL, DAWSON D.	6040 S. 400 WEST	ASHLEY	IN	46705	(260) 385-0595
MILLER, LANCE W.	18254 US HWY 6	NEW PARIS	IN	46553	(574) 322-1656
PHILLIPS, TIMOTHY E.	1350 EAST MAPLE TURN RD	MARTINSVILLE	IN	46151	(317) 694-8230
RAYBURN, STEPHEN C.	5280 W CR 300 S	NEW CASTLE	IN	47362	(765) 465-0697
SCHMITT, ERIC J.	12122 WAYLAND COURT	EVANSVILLE	IN	47725	(812) 228-9287
THEODOSSOPOULOS, TIM	427 OAK BREEZE DR	VALPARAISO	IN	46383	(708) 932-3942
WILSON, DEVIN D.	8310 W. 101ST AVE.	SAINT JOHN	IN	46373	(941) 243-6256
		IN COUNT	20		
AMAYO, IV., JOSEPH A.	2198 IDAHO RD.	WILLIAMSBURG	KS	66095	(785) 521-0555
BATEMON, BRADLY J.	15026 114TH STREET	OSKALOOSA	KS	66066	(913) 360-0249
BJERKE, BRIAN E.	1079 S. WICKFORD RD.	OLATHE	KS	66061	(913) 238-2108
COX, CASEY M.	6420 S LYNNRAE ST	DERBY	KS	67037	(316) 218-5408
DOONAN, WADE C.	2138 LEWIS AVE	SALINA	KS	67401	(620) 282-1132
ESAU, STEPHEN D.	1101 E. DENKER ST	WICHITA	KS	67216	(316) 712-8008
FULLERTON, LISA	1906 ARLINGTON ST.	EL DORADO	KS	67042	(316) 244-1539
HARRIS, JEFFREY S.	3024 GIRARD STREET	LEAVENWORTH	KS	66048	(913) 547-1884
HURT, MICHAEL L.	945 E. CHARLOTTE TOWN ROAD	OLATHE	KS	66061	(913) 530-7601
OSBORNE, ADAM M.	20196 207TH ST.	TONGANOXIE	KS	66086	(913) 702-2639
RUMPEL, AARON R.	301 S. 7TH ST.	WA KEENEY	KS	67672	(785) 726-1013
SCRIPP, BRAD A.	13011 E. LAGUNA	WICHITA	KS	67230	(316) 644-9525
WILLARD JR., MICHAEL D.	2450 W. MESQUITE TERRACE	OLATHE	KS	66061	(913) 645-5127
		KS COUNT	13		
ABBOTT, LYLE S.	2217 FOX TRAIL COURT	LA GRANGE	KY	40031	(502) 639-7721
BOGUSZEWSKI, DAVID M.	24 WASHINGTON AVE.	BELLEVUE	KY	41073	(859) 628-5205
FIELDS, JOSHUA G.	104 VENETIAN WAY	BARDSTOWN	KY	40004	(717) 881-5572
JOBE, MICAH S.	3693 STATE ROUTE 3306	ARGILLITE	KY	41121	(606) 254-7768
MASLINE, ERIC H.	44 KINGSVIEW LANE	SOMERSET	KY	42501	(606) 350-0066
PINE, ROBERT A.	496 7TH AVE.	CLAY CITY	KY	40312	(303) 335-8003
VENNEMAN, JOHN D.	485 SOUTH GRAND AVE	FORT THOMAS	KY	41075	(859) 409-3664
		KY COUNT	7		
AYO, SHANE G.	971 HWY 20	THIBODAUX	LA	70301	(985) 637-7882

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
BOGDAN, DAVID M.	7329 BARKRIDGE DR	SHREVEPORT	LA	71119	(318) 426-2709
CLINE, ANGEL S.	1075 DOMINGUE ST.	BREAUX BRIDGE	LA	70517	(337) 453-7415
GILLESPIE, CHAD M.	651 AVENUE G	WESTWEGO	LA	70094	(504) 360-5625
GIOVINGO, NICHOLAS J.	1801 MANHATTAN BLVD. SUITE J	HARVEY	LA	70058	(504) 329-9924
NGUYEN, TAN V.	106 LIVE OAK LN.	LULING	LA	70070	(504) 319-9020
ROGERS, JEFFREY A.	41 SAYES RD	PINEVILLE	LA	71360	(318) 447-2657
ROMERO, AUDIE J.	6215 NORRIS BRANCH RD.	NEW IBERIA	LA	70560	(337) 278-5286
SEAUX JR., DENNIS J.	PO BOX 1328	YOUNGSVILLE	LA	70592	(337) 577-2927
STEIN, DONALD L.	78264 BOOTH RD.	FOLSOM	LA	70437	(228) 229-4463
WARREN, EDWIN B.	PO BOX 2211	DENHAM SPRINGS	LA	70727	(225) 938-6804
WATSON, JIMMY E.	313 JADE CT	MADISONVILLE	LA	70447	(985) 867-6773
		LA COUNT	12		
ARSENAULT, ANDRE D.	28 PEARSON DR.	BYFIELD	MA	01922	(978) 866-3450
BERUBE, JOSEPH L.	121 SWANSOM ROAD	SWANSEA	MA	02777	(774) 930-2773
HAMDI, THAER R.	252 WINTER ST	NORTH ANDOVER	MA	01845	(978) 885-0622
HAWORTH, WILLIAM G.	16 PILGRIM RD.	LAKEVILLE	MA	02347	(774) 406-0544
INDECK, ALEXANDER	91 LAKESIDE AVE	LAKEVILLE	MA	02347	(774) 226-0028
JOHNSON, DAVID S.	4 STONE WALL LANE	BILLERICA	MA	01821	(781) 589-7189
KINNEALEY, THOMAS A.	1310 VERNON ST.	BRIDGEWATER	MA	02324	(774) 222-0934
LANG, COREY F.	69 TREBLE COVE ROAD	NORTH BILLERICA	MA	01862	(978) 758-1786
LEBLANC, LAWRENCE	1 JOHNATHAN LANE	TOWNSEND	MA	01474	(978) 729-5028
MALDONADO, JOSE R.	52 DEADY AVE.	STOUGHTON	MA	02072	(781) 552-6721
PALUMBO, KENNETH J.	31 GOVERNOR FULLER RD.	BILLERICA	MA	01821	(617) 240-8644
PICARDI, MATTHEW T.	135 FOX AVENUE	DRACUT	MA	01826	(617) 543-2302
RICCI, ANDREW J.	180 HIGHLAND ST.	HOLDEN	MA	01520	(508) 509-3525
SANTIAGO, DANIEL J.	348 OLD WEST WARREN RD.	WEST WARREN	MA	01092	(508) 579-1281
TRIMPER, JASON W.	9 HAWTHORNE RD	NEWBURYPORT	MA	01950	(781) 718-0107
WALKER, ANDREW M.	28 MINOT AVENUE	WAREHAM	MA	02571	(774) 260-0327
		MA COUNT	16		
CAMPBELL, DAVID A.	1235 COOL MINT COURT	WESTMINSTER	MD	21157	(443) 622-7244
COLLINS, CHARLES R.	1351 SUDLERSVILLE ROAD	SUDLERSVILLE	MD	21668	(410) 490-6190
DECKERT, LOUIS J.	1355 JORDAN DRIVE	SHADY SIDE	MD	20764	(410) 562-7284
FLYE, KYLE M.	219 MAIN AVE. SW	GLEN BURNIE	MD	21061	(410) 209-7135
HUETHER, RICHARD D.	5301 FORGE RD	WHITE MARSH	MD	21162	(443) 506-2581
MILLER, JUSTIN C.	115 N. HOUCKSVILLE ROAD	HAMPSTEAD	MD	21074	(410) 596-8589
PARKS, PATRICK M.	9320 BEL AIR DRIVE	MARDELA SPRINGS	MD	21837	(443) 440-2388
PATTERSON JR, JOHN E.	6136 ROLLING VIEW DRIVE	SYKESVILLE	MD	21784	(443) 254-3192
PEAY, WILLIAM D.	695 VERDA LANE	HUNTINGTOWN	MD	20639	(240) 876-9467
PHELPS, ANDREW R.	1555 SOUTH PLEASANT VALLEY DR	WESTMINSTER	MD	21158	(410) 596-2037
SMITH, BRIAN K.	6804 RUNNING SPRINGS CT.	FREDERICK	MD	21703	(301) 748-0492
STROUD, MICHAEL W.	27127 ERIN DRIVE	MECHANICSVILLE	MD	20659	(301) 481-8517
WALSH, JAMES T.	2370 EAGLE WOOD DRIVE	MOUNT AIRY	MD	21771	(443) 605-2810
		MD COUNT	13		
ALLAIRE, ALEX P.	377 N. BUCKFIELD RD	BUCKFIELD	ME	04220	(207) 754-1836
ARSENAULT, SEAN J.	306 BRIDGTON RD.	EAST BALDWIN	ME	04024	(207) 415-4197
DUCHART, MARK V.	8 SUNRISE DRIVE #C122	NEWRY	ME	04261	(207) 239-0969
DUNHAM, KEVIN K.	8 MARCHO ROAD	CARMEL	ME	04419	(207) 944-3543
HORST, SHAWN E.	226 CORNER RD	BRIDGEWATER	ME	04735	(207) 551-9859
LAPOINTE, WAYNE G.	4 MADELYN AVE.	TOPSHAM	ME	04086	(207) 632-6803
MADRUGA, ALEXANDER J.	8 NORAH LANE	BERWICK	ME	03901	(207) 229-0016
MESERVE, DUSTIN R.	18 MESERVE LANE	CORNISH	ME	04020	(207) 432-5379

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
RENDO, WILLIAM A.	37 GOLDENEYE DR	TOPSHAM	ME	04086	(603) 819-3360
		ME COUNT	9		
ANES, JOSHUA R.	151 ARTHUR ST.	MARNE	MI	49435	(616) 438-8727
BEYER, ANDREW J.	PO BOX 622	ALANSON	MI	49706	(231) 373-2351
BROWN, BRIAN T.	449 CANADA ROAD	CASNOVIA	MI	49318	(616) 634-2664
BURMEISTER, STEVEN C.	9827 SIL ST.	TAYLOR	MI	48180	(313) 729-2759
DEKUBBER, AARON C.	4390 22 MILE RD NW	GRANT	MI	49327	(616) 291-8006
EDDS, MICHAEL S.	26211 PARKINGTON ST.	ROSEVILLE	MI	48066	(586) 649-8418
FARLEY, JAMES D.	21171 ARMADA RIDGE ROAD	ARMADA	MI	48005	(586) 746-9281
FINCH, ZACHARY T.	10215 PULASKI RD	HANOVER	MI	49241	(517) 425-0772
FISHER, AMELIA A.	6812 EAST V AVE.	VICKSBURG	MI	49097	(269) 762-3959
GIBSON, DUSTIN A.	258 N FISKE ROAD	COLDWATER	MI	49036	(517) 990-2886
GROSSHANS, GARRISON G.	10619 N. CLINTON TRAIL	SUNFIELD	MI	48890	(517) 256-2329
HACKERT JR., ARTHUR W.	2900 WILLIAMSTON RD	LESLIE	MI	49251	(517) 749-5365
JOHNSON, KEVIN R.	14374 136TH AVE.	GRAND HAVEN	MI	49417	(616) 540-6419
KELLY, NOLAN R.	1118 BARNESWOODS CRT	ROCHESTER HILLS	MI	48306	(313) 585-4010
LELLO, VINCENT W.	1583 FENNER RD	OWOSSO	MI	48867	(810) 623-9776
MANDERS, DAVID	21180 MARTINSVILLE RD	BELLEVILLE	MI	48111	(734) 624-4569
MICALLEF, JR., ALFRED A.	4800 E. ALLEN RD.	HOWELL	MI	48855	(734) 718-7338
RAMSEY, DEREK W.	12740 PINE LAKE RD	PLAINWELL	MI	49080	(269) 806-0663
RUDOLFI, KEVIN E.	14765 15 MILE RD	STERLING HEIGHTS	MI	48312	(248) 667-6174
SCHUELKE, KARL J.	9099 RAMSDELL DR.	ROCKFORD	MI	49341	(616) 430-1758
SHERMAN, MARK D.	12735 W. PINE LAKE ROAD	PLAINWELL	MI	49080	(269) 808-6491
SHERMAN,MALISSA (37Y9 2ND FRN)	12735 W. PINE LAKE RD.	PLAINWELL	MI	49080	(269) 303-3510
STATTLER, BRANDON L.	94227 M51	DOWAGIAC	MI	49047	(269) 308-9831
WATSON, JAMES C.	2243 S PERKEY RD	CHARLOTTE	MI	48813	(517) 303-9400
WHITE, THEODORE B.	4900 KELSO RD	NORTH ADAMS	MI	49262	(517) 607-1035
WINN, II., JOHN M.	1425 LILLIAN ST	WESTLAND	MI	48186	(734) 612-7832
		MI COUNT	26		
ANDERSON, DAVID P.	18595 145TH ST. NW	ELK RIVER	MN	55330	(763) 300-6287
BOYLES, SAM P.	13573 NEVADA AVE	SAVAGE	MN	55378	(612) 306-8626
CREIGHTON, CODY J.	32902 8TH AVE WAY	DENNISON	MN	55018	(507) 403-3386
DILLEY, NATHAN L.	1031 5TH ST	ALBANY	MN	56307	(320) 428-4495
DZIENGEL, JOSHUA J.	2128 196TH ST E	CLEARWATER	MN	55320	(320) 282-8010
GARDNER, RICHARD M	13158 145TH ST	WATKINS	MN	55389	(320) 420-2311
KLEKOTKA, MATTHEW A.	550 PARK ST. E	NEW GERMANY	MN	55367	(952) 426-2901
LARSON, JAY W.	4355 224TH AVENUE NE	EAST BETHEL	MN	55011	(763) 360-2780
LUDWIG, JUSTIN S.	6900 30TH ST W	ELKO	MN	55020	(651) 500-6603
THEIS, MATTHEW D.	1515 WOOD DUCK TRAIL	SHAKOPEE	MN	55379	(612) 964-9227
WATSON, BRIAN M.	248 15TH STREET	FARMINGTON	MN	55024	(612) 247-0446
		MN COUNT	11		
BECKER, PHILLIP A.	17306 E. BUNDSCHU RD	INDEPENDENCE	MO	64056	(913) 626-9568
BUNCH, JEREMIAH D.	54 PARKWAY DR.	TROY	MO	63379	(770) 363-3354
DAVIS JR, DONALD E.	# 9 MEADOW LAKE DR.	ST. LOUIS	MO	63146	(314) 954-5546
ELZ-BADE, RYAN J.	565 WAPITI TRAIL	NEW HAVEN	MO	63068	(405) 301-4660
HURT, RAYMOND C.	643 SUNSET INN RD	BRANSON	MO	65616	(913) 788-0173
KALLAS, CHRIS M.	974 SICKLEBAR DRIVE	PECULIAR	MO	64078	(816) 686-7079
KELLER, EDWIN O.	3696 WHITETAIL RD	DE SOTO	MO	63020	(314) 570-0818
MUMMERT, ROBERT K.	27872 HWY 52	COLE CAMP	MO	65325	(660) 221-3439
POUSH, RICKY D.	609 OAK ST	BUCKLIN	MO	64631	(660) 216-7768
RUSH, ERIC S.	2402 N. CIRCLE DR.	SAINT JOSEPH	MO	64505	(606) 425-7781

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
SPAIN, BRANDON L.	11302 EAST FIR RD	CARTHAGE	MO	64836	(417) 438-2834
STEINMEYER, BRYCE D. A.	6 BELLA JOY CT	WINFIELD	MO	63389	(314) 732-3600
TATE, MATTHEW C.	611 OSAGE LAKE DR.	CEDAR HILL	MO	63016	(314) 780-1477
		MO COUNT	13		
ALFORD, DANNY D.	1012 DEAR COURT LN.	CRYSTAL SPRING	MS	39059	(601) 906-3010
DEAVER, KENNETH A.	PO BOX 835	CLINTON	MS	39060	(601) 942-3205
IRWIN JR., LYNN D.	6930 POPLAR CORNER ROAD	WALLS	MS	38680	(901) 238-8250
KENDALL, THOMAS COLE	228 ROLLING HILLS BLVD.	FLORENCE	MS	39073	(601) 906-5243
KILLINGSWORTH, SHAWN R.	984 MULLICAN RD.	FLORENCE	MS	39073	(601) 955-6302
REDDING, CAREY L.	659 RED BANKS RD. SOUTH	BYHALIA	MS	38611	(901) 491-3910
TAYLOR, EDWIN E.	1082 EAST RAILROAD ST	WESSON	MS	39191	(601) 502-6189
		MS COUNT	7		
LIVESAY, AUSTIN W.	621 N 5TH ST	MILES CITY	MT	59301	(406) 839-4581
SUTTON, SCOTT C.	1555 RIVER EDGE RD. UNIT 2	BILLINGS	MT	59101	(701) 210-2866
TORCZON, CLINTON T.	819 WEST G RD.	HUNTLEY	MT	59037	(406) 591-3952
WOODBURY, BRADLEY J.	152 E TOBIANO TRAIL	BELGRADE	MT	59714	(406) 551-5634
		MT COUNT	4		
ATWELL, PATRICK H.	3831 PEARL AVE	SOPHIA	NC	27350	(336) 442-2196
BAILEY JR., CLIFTON E.	120 ROCKWOOD DR.	KINSTON	NC	28504	(919) 330-2018
BARRON, CHRISTOPHER T.	40698 PAULS CROSSING RD	RICHFIELD	NC	28137	(704) 219-8743
BARROW JR., CHARLES	4804 EASON RD.	LA GRANGE	NC	28551	(252) 560-4142
BATCHELOR, ISAAC C.	201 WESTMINISTER DR	JACKSONVILLE	NC	28540	(910) 265-0144
BELL JR, ELDREDGE	1224 PEACH ORCHARD RD	LOUISBURG	NC	27549	(919) 215-8894
BRYAN, RICK L.	2923 CATHERINE LAKE ROAD	RICHLANDS	NC	28574	(910) 330-5150
CARDWELL, KEITH D.	961 PILGRIM BAPTIST CHURCH RD.	WILKESBORO	NC	28697	(336) 452-9192
CHERRY, ZACHARY A.	994 ELLIOT FARM RD.	FAYETTEVILLE	NC	28311	(910) 578-3077
COCHRAN, JOSHUA A.	628 ANGEL COVE RD.	FRANKLIN	NC	28734	(828) 371-2275
COX, ANTHONY A.	1662 STEED RD.	RANDLEMAN	NC	27317	(336) 991-6707
CRADDOCK, CARL A.	2313 POND RIDGE CT.	KANNAPOLIS	NC	28083	(980) 621-4695
DEAL, DON	560 OAKLAND AVE EXT	MORGANTON	NC	28655	(828) 443-7273
DOBSON, GARY W.	404 VIRGINIA DR.	SPRING LAKE	NC	28390	(910) 489-8117
FARRELL, JEFFREY T.	5508 DEER HUNTER CT	GARNER	NC	27529	(919) 524-1812
FINCK, DYLAN S.	219 NEWBERN DR.	KNOTTS ISLAND	NC	27950	(757) 335-1322
GERBER, CHRISTOPHER M.	100 GRAY FOX ROAD	FRANKLIN	NC	28734	(828) 421-2469
GRAGG, RICHARD B.	691 ALONZO MCNEIL DR.	MILLERS CREEK	NC	28651	(336) 984-8421
HARVEY, DALE RYAN	2597 CEDAR LN.	OXFORD	NC	27565	(919) 339-0750
HAYNES, JUSTIN M.	289 MILLER FARM RIDGE	FLEETWOOD	NC	28626	(828) 964-8664
JAMES, MATTHEW E.	628 MONGER LANE	SANFORD	NC	27330	(919) 908-4374
JOHNSON, JEREMY N.	7192 DAVIS COUNTRY RD	RANDLEMAN	NC	27317	(336) 870-6015
LEWIS, ALLEN R.	2101 W. BUFFALO ROAD	WEST JEFFERSON	NC	28694	(336) 977-6151
LINCOLN, LUCAS S.	165 W. MAPLE DRIVE	MILLERS CREEK	NC	28651	(828) 964-3931
LITTLE, DANIEL S.	5834 MONARCH PASS	CLAREMONT	NC	28610	(828) 310-8496
LUCAS, BRANDON M.	2001 MOON BEAM LANE	STANLEY	NC	28164	(704) 675-3003
MILLS, ZACHARY T.	702 HAZEL AVE	KANNAPOLIS	NC	28083	(704) 213-6865
NEAL, COLTON D.	297 SAINT LAWRENCE WAY	CLAYTON	NC	27520	(919) 800-8454
O'NEILL, JASON M.	780 HARRIS BRIDGE RD	STONY POINT	NC	28678	(704) 402-0498
PATTON, COLLIN D.	5890 OXFORD SCHOOL RD	CLAREMONT	NC	28610	(573) 300-0341
PRICE, PATRICK R.	2421 GENES LOOP	MORGANTON	NC	28655	(828) 430-1162
REAVIS, JAMES A.	5934 REST HOME RD.	CLAREMONT	NC	28610	(828) 615-5070
RHEW, VICTOR K.	60 OLDE OAKS LANE	PITTSBORO	NC	27312	(919) 796-4456
RUSSELL, TRAVIS E.	122 ST. LAWRENCE WAY	CLAYTON	NC	27520	(919) 455-7887

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
SMITH, BRANDON K.	181 DIANNA AVE.	THOMASVILLE	NC	27360	(336) 442-2215
STEPHENS, JEFF K.	1801 JENKS CARPENTER RD	CARY	NC	27519	(858) 967-7773
STUTTS, JEFFREY LEE	5425 ZOO PARKWAY	ASHEBORO	NC	27205	(336) 953-7787
SUGGS, GARTHA	1925 OLD GREENFIELD RD	RALEIGH	NC	27604	(919) 818-4831
THOMAS, DAVID B.	5509 NC HWY 16	CLAREMONT	NC	28610	(980) 318-2121
TYNDALL JR., DONALD R.	7101 THORNE FARM RD	ELM CITY	NC	27822	(252) 245-2481
		NC COUNT	40		
BADER, TIMOTHY A.	8400 29TH AVE NW	BURLINGTON	ND	58722	(701) 500-5824
BEETER, BRANDON R.	140 4TH ST SE	GARRISON	ND	58540	(701) 833-2462
KRAFT, COREY A.	6717 SELLAND LOOP	BISMARCK	ND	58503	(701) 400-5992
SCHON, CODY R.	452 LANGER AVE.	CASSELTON	ND	58012	(701) 371-3130
SHIPLEY JR, KIRK D.	6669 55TH AVE SOUTH	FARGO	ND	58104	(701) 730-3982
		ND COUNT	5		
BENTON, BRIAN B.	2313 WESTRIDGE DR	OGALLALA	NE	69153	(303) 204-8552
BRAUN, MARK O.	14024 PATRICK AVE	OMAHA	NE	68164	(402) 305-5623
COLE, GAGE M.	240066 HWY 92	GERING	NE	69341	(308) 765-8688
FREUDENBURG, BRIAN C.	82861 547TH AVENUE	MADISON	NE	68748	(402) 920-3282
GUGAT, MATTHEW C. E.	814 ELDON DR	LINCOLN	NE	68510	(402) 560-7773
HALSEY, BARRY A.	4070 DACK AVE	GRAND ISLAND	NE	68803	(308) 750-2120
HEIM, JEFF S.	4250 CO ROAD F	TEKAMAH	NE	68061	(402) 659-6426
HOWELL, JACOB L.	2266 HICKORY CIRCLE	BLAIR	NE	68008	(712) 355-2624
JEWETT, BRIAN R.	721 7TH ST	GOTHENBURG	NE	69138	(308) 440-5578
JOHNSON, BRADLEY L.	7931 KEYSTONE DR	OMAHA	NE	68134	(402) 660-3862
JURANEK, TANNER S.	652 3RD ST	SYRACUSE	NE	68446	(402) 209-1666
ST. ANDRE, RYAN L.	137 CEDAR STREET	CHADRON	NE	69337	(308) 430-1386
WALTER, MARK	745 N. GRANT	FREMONT	NE	68025	(402) 680-1490
WILSON, BRENT B.	55316 JOANN DRIVE	NORFOLK	NE	68701	(402) 750-9095
WOLVERTON, BRAD A.	11702 S 201ST STREET	GRETNA	NE	68028	(402) 689-4965
		NE COUNT	15		
ALVES, CHARLES R	32 COBURN AVE	NASHUA	NH	03063	(603) 809-9921
CHASE, BRANDIN	662 MAPLE ST.	HOPKINTON	NH	03229	(603) 496-1235
COLUMBUS, DANIEL C.	39 HANSOM DR	MERRIMACK	NH	03054	(603) 566-6257
CREAN, GREGG W.	153 RAYMOND ROAD	DEERFIELD	NH	03037	(978) 337-3320
ERIKSON-GISETTO, KYLE P.	3 EDDY AVE.	BROOKLINE	NH	03033	(603) 401-5463
FORTIER, JEREMIE JC	10 ROBIN HOOD DR.	LONDONDERRY	NH	03053	(978) 337-4956
FROST, ADAM R.	49 BUSH HILL RD	HUDSON	NH	03051	(617) 653-4885
GRENIER, JUSTIN M.	69 STEARNS RD	AMHERST	NH	03031	(603) 657-8601
HOPPER, AMANDA M.	129 OSSIPEE LAKE RD.	TAMWORTH	NH	03886	(603) 418-5615
LABBE, DAVID J.	225 ASH ST.	MANCHESTER	NH	03104	(603) 674-7409
LIBBY, GABRIELLE N.	286 AMORY ST.	MANCHESTER	NH	03102	(603) 930-2510
MORTON, BRIAN F.	46 CRESTWOOD CIRCLE	SALEM	NH	03079	(603) 401-1332
OSTLER, SEAN M.	98 DUGGIN RD	WILTON	NH	03086	(603) 321-2384
STEPHENSON, KEVIN M.	7 JULIA DRIVE	HOOKSETT	NH	03106	(857) 492-4335
THANE, KEITH M.	152 HUNT HILL ROAD	RINDGE	NH	03461	(508) 527-0975
		NH COUNT	15		
BUGDON, ALYSIA D.	6209 PINE ST.	MAYS LANDING	NJ	08330	(609) 816-3113
CHRISTIAN, DAVID M.	15 ADAMS ST	LOGAN	NJ	08085	(856) 510-6006
ERRICHETTI, STEVEN C.	12 AVON DRIVE	MADISON	NJ	07940	(201) 715-2946
FROITZHEIM, STEPHEN J.	10 MARTIN AVE	LAKE HOPATCONG	NJ	07849	(973) 219-0201
ISRAEL, RICHARD J.	29 CREEK LANE	MOUNT ROYAL	NJ	08061	(856) 478-8400
KNAPP, RICHARD E.	5 DEER LANE	SUCCASUNNA	NJ	07876	(201) 317-4708

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
MEJIAS, GABRIEL	83 WESTVILLE AVE.	CALDWELL	NJ	07006	(973) 614-4991
ROSICA, ADAM L.	160 QUAKER NECK ROAD	SALEM	NJ	08079	(856) 981-9736
SANDELLI, MARCUS R.	29 CONTINENTAL AVE.	MORRISTOWN	NJ	07960	(973) 936-3456
SCHIEDLO, CHRISTOPHER J.	25 RIPPLEWOOD DR.	LAKE HOPATCONG	NJ	07849	(973) 945-0123
		NJ COUNT	10		
ADDIS, MARK C.	1676 ANGEL RD	CORRALES	NM	87048	(505) 573-5758
CALKINS, MICHAEL A.	1604 A. FAIRVIEW RD.	TULAROSA	NM	88352	(575) 443-3400
GURULE, NORMAN V.	1043 ORTEGA RD. NW	ALBUQUERQUE	NM	87114	(505) 239-4640
KEARNS, PHILIP A.	1406 W. BONITA DR.	ROSWELL	NM	88203	(480) 371-4520
ORPHEY, FRANK W.	2418 E HWY 66 #480	GALLUP	NM	87301	(575) 546-1902
ROGNSVOOG, JASON M.	54 ARROWHEAD TRAIL	TIJERAS	NM	87059	(505) 908-7173
SCHNAKENBERG, LOUIE M.	2704 LERMA ROAD NE	RIO RANCHO	NM	87144	(505) 385-2520
SIMPKINS, RAYMOND G.	714 ANGEL RD	CORRALES	NM	87048	(505) 238-7110
		NM COUNT	8		
BARTHOLOMEW, MARK D.	152 CECILIA COURT	SPANISH SPRINGS	NV	89441	(775) 223-4054
CASTANEDA JR., JIM A.	180 E CYPRESS DRIVE	HENDERSON	NV	89015	(702) 528-9986
CASTANEDA, HUNTER N.	180 E. CYPRESS DR.	HENDERSON	NV	89015	(702) 292-0377
CASTANEDA, JENNA B.	180 E. CYPRESS DR	HENDERSON	NV	89015	(702) 580-7941
ENRIQUEZ, JERRY S.	111 ALAMOSA ST	DAYTON	NV	89403	(775) 291-8442
FLORES, EDGAR	10617 MOUNTAIN STREAM CT.	LAS VEGAS	NV	89129	(702) 472-1973
GUTIERREZ-ZARAGOZA, HECTOR A.	5928 ARMIDE ST	N LAS VEGAS	NV	89081	(702) 752-0515
MARTINS, OLEGARIO C.	3221 SOLUTARE CT.	NORTH LAS VEGAS	NV	89031	(702) 217-6638
SCHOCH, MICHAEL L	1838 LEONOR CT.	NORTH LAS VEGAS	NV	89031	(702) 343-3217
SIROTEK, GARRETT J.	1010 DOTTA DR.	ELKO	NV	89801	(775) 340-8253
SKEEM, MARK A.	550 W PLUMB LANE, STE B, BOX 193	RENO	NV	89509	(775) 800-3957
TAN, VINCENT P.	9264 ROMANCE DIAMOND ST.	LAS VEGAS	NV	89178	(702) 767-5195
VANDEPUT, ROGIER T.	6935 ALIENTE PARKWAY SUITE 104-134	N. LAS VEGAS	NV	89084	(702) 832-9942
WICKHAM, NICHOLAS C.	1603 BEARCLAW TERRACE	HENDERSON	NV	89014	(702) 575-5989
		NV COUNT	14		
GRUBE, ROBERT E.	13 REEVES AVE.	RIVERHEAD	NY	11901	(631) 877-7350
WENTLING, KATELYN M.	17 SHAVER ST.	RIPLEY	NY	14775	(814) 504-3430
		NY COUNT	2		
ALSOBROOK, DANIEL J.	46160 CRABAPPLE RD.	SAINT CLAIRSVILLE	OH	43950	(740) 312-4038
BRICKER, DONALD D.	249 TOWNSHIP RD 2150	JEROMESVILLE	OH	44840	(419) 564-1055
CLEMENS, STEVEN M.	11071 CAROLINA TRACE RD	HARRISON	OH	45030	(513) 200-6824
COLON, CHRISTOPHER A.	4289 W. 181ST	CLEVELAND	OH	44135	(216) 313-5732
DONALDSON, PHILLIP B.	1868 STANHOPE DRIVE UNIT 1	NEWARK	OH	43055	(740) 334-1134
DUNLAP, THOMAS A.	4245 TWP RD. 115	MCCOMB	OH	45858	(419) 722-6345
GEORGE, ADAM G.	1061 HARTVILLE RD NORTH	HARTVILLE	OH	44632	(330) 704-1215
GIOVANNONI, BRIAN C.	3465 BERRYWOOD DR	DAYTON	OH	45424	(262) 287-8560
GREER JR, WILLIAM J.	4792 WALLINGTON DRIVE	HILLIARD	OH	43026	(614) 205-1158
HERSHBERGER, EVAN L.	6825 TOWNSHIP RD 522	MILLERSBURG	OH	44654	(330) 243-1525
HUTSON, CLYDE R.	4900 ORCHARD RD.	MENTOR	OH	44060	(440) 376-7870
LAMBERT, JEFFREY E.	PO BOX 537	UTICA	OH	43080	(419) 565-8350
LEWIS, SHAWN M.	2966 KEW DRIVE	AKRON	OH	44319	(330) 352-1675
LINDSEY, KENNETH J.	4378 FAIRGROUNDS RD	ATWATER	OH	44201	(330) 608-7245
LUDWIG, LAWRENCE C.	1944 COMPTON ROAD	CINCINNATI	OH	45231	(513) 939-5453
NAGY, WILLIAM A.	1877 FLINT AVE	AKRON	OH	44305	(330) 515-0934
NEWBURY, CHRISTOPHER M.	43106 DELLEFIELD RD	ELYRIA	OH	44035	(414) 617-8503

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
NIGN, CHAD EW	687 KERR AVE.	CADIZ	OH	43907	(740) 381-9934
REDFERN, CALEB L.	315 RIVERS END RD	GAHANNA	OH	43230	(614) 209-3181
RUSSO, SAMUEL J.	47841 HUGHES RD.	WELLINGTON	OH	44090	(216) 647-6993
RYAN, CHRISTIAN R.	284 STATE ROUTE 250	JEROMESVILLE	OH	44840	(567) 215-3582
SCOTT, JOHN B.	1160 STANWICK DR.	BEAVERCREEK	OH	45430	(937) 475-5601
SENAY, TROY M.	4206 BAYBERRY CT.	HAMILTON	OH	45011	(513) 630-7210
SIATRAS, DEMETRIUS J.	214 GRANDVIEW AVE.	WADSWORTH	OH	44281	(330) 703-7055
SNYDER, TROY D.	3962 OAKMONT LANE NE	LANCASTER	OH	43130	(740) 689-5601
SPOHR, FRITZ R.	7990 GLENBROOK CT	CINCINNATI	OH	45224	(513) 505-6279
STRAIGHT, JOSHUA M.	13211 SUGAR BUSH AVE	MOGADORE	OH	44260	(330) 907-5230
STROCK, THOMAS B.	4902 EMALENE RD.	WOOSTER	OH	44691	(330) 464-2123
TODARO, CAMILLO J.	1405 HIGHTOWER DR	UNIONTOWN	OH	44685	(330) 603-1838
WIESMANN, DANIEL R.	171 CIRCLE DR.	HARRISON	OH	45030	(513) 317-9762
YERKEY, TIMOTHY D.	185 LINVALE DRIVE	NORWICH	OH	43767	(419) 889-2551
		OH COUNT	31		
BRADLEY, ERIC L.	21495 N.S 411 RD	NOWATA	OK	74048	(970) 531-6450
CHRONISTER, JEREMY B.	3451 N. PINE HOLLOW RD.	MCALESTER	OK	74501	(918) 916-6931
COOK, JARED M.	112391 SOUTH 4179 RD	CHECOTAH	OK	74426	(918) 707-0518
EVANS, DALE M.	1437 SOUTH 117TH EAST AVE	TULSA	OK	74128	(918) 639-7909
FERGUSON, JASON R.	12850 SE 158TH ST.	OKLAHOMA CITY	OK	73165	(405) 476-4865
FERNANDEZ JR., LOUIS X.	9239 S 86TH EAST AVE	TULSA	OK	74133	(918) 829-6609
HASLEY, CHRISTOPHER L.	8420 N 121ST E AVENUE	OWASSO	OK	74055	(918) 810-5327
HASTEY, CHRISTOPHER D.	341 NE 139TH SUITE 22	EDMOND	OK	73013	(405) 973-5361
HUFF, KELLEN J.	21105 SE 37TH ST.	HARRAH	OK	73045	(405) 638-5973
JOHNSON, DAVID D.	125 N. MARKET AVE	SHAWNEE	OK	74801	(405) 517-1031
NEUGEBAUER, EDDIE (A522 2ND FRN)	20 SW 50TH STREET	LAWTON	OK	73505	(580) 284-9122
NEUGEBAUER, JON M.	2848 NW 115TH PLACE	OKLAHOMA CITY	OK	73120	(405) 209-2976
PILCHER, ANGEL (B128 2ND FRN)	23404 E 136TH ST S	COWETA	OK	74429	(918) 951-7582
PILCHER, JOSHUA R.	23404 E 136TH ST. S	COWETA	OK	74429	(918) 951-7381
SELEMENT, ALAN D.	4700 SE 41ST ST	OKLAHOMA CITY	OK	73165	(405) 496-0378
SINGLETON, WARREN F.	209 S. 79TH STREET	BROKEN ARROW	OK	74014	(918) 289-7499
SUTTON, SHANE C.	301 SW 40TH	MOORE	OK	73160	(405) 401-2059
WEST JR., MICHAEL G.	597 ETCHISON ROAD	QUINTON	OK	74561	(918) 839-5146
		OK COUNT	18		
CLELAND, TYLER B.	3403 LAVINA DR.	FOREST GROVE	OR	97116	(971) 435-0872
COZART, CHRISTOPHER M.	5835 HUSKEY LN SE	AUMSVILLE	OR	97325	(503) 509-3519
HUNTER, JERAMY W.	880 CLEVELAND ST	AUMSVILLE	OR	97325	(541) 604-5430
KUTZ, MICHAEL J.	375 SE HAWTHORNE AVE	DALLAS	OR	97338	(503) 508-6343
LIVINGSTON III, JOHN W.	2085 BAYVIEW AVE. W	TILLAMOOK	OR	97141	(541) 678-4963
NIX, PAUL T.	128 W. NICHOLAS WAY	NEWBERG	OR	97132	(503) 502-8945
REEDER, BENJAMIN A.	1348 OSTRANDER LANE	COTTAGE GROVE	OR	97424	(503) 812-7357
REIF, RYAN C.	P.O. BOX 3872	SUNRIVER	OR	97707	(541) 280-4649
VALDOVINOS TORRES, ELIAS F.	612 SW 1ST STREET	MADRAS	OR	97741	(541) 279-5172
WELLE, DANIEL P.	56580 NW STRASSEL RD	FOREST GROVE	OR	97116	(503) 812-2237
WETZEL, KYLE V.	83576 NORTH HARVEY RD	CRESWELL	OR	97426	(503) 812-7673
		OR COUNT	11		
BAKER, KEVIN D.	235 E. POPLAR ALLEY	BLAIRSVILLE	PA	15717	(724) 467-0422
BAUER, ROBERT J.	242 NORTH BOUNDARY ST	BUTLER	PA	16001	(724) 355-9135
BEGONIA, MATTHEW L.	3029 SCOTTDALE SMITHTON RD.	SCOTTDALE	PA	15683	(724) 610-8083

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
BUTZ, DANIEL R.	1060 MEADOW LANE	MIDDLETOWN	PA	17057	(717) 537-8756
CALL, JEFFREY T.	29 MICHELLE CIRCLE	GILBERTSVILLE	PA	19525	(267) 261-2898
CHECHUCK, LINUS J.	15 CROSS ST APT #4	BURGETTSTOWN	PA	15021	(304) 639-2754
CRIST, JOHN M.	6007 SOMMERTON DRIVE	MECHANICSBURG	PA	17050	(717) 364-0967
DOUTS, JEFFREY S.	126 STREET RD.	HOLTWOOD	PA	17532	(717) 799-6772
FRANKS, JEREMY E.	291 HILLTOP VIEW WAY	ELIZABETHTOWN	PA	17022	(717) 344-0843
GILL, BRIAN E.	108 HIGHLAND AVE	NEW KENSINGTON	PA	15068	(724) 575-2705
GRIBBLE, KEVIN A.	2770 PLEASANT HILL RD	HANOVER	PA	17331	(717) 688-2828
HARTMAN, LEVI N.	2478 CROLL SCHOOL RD	YORK	PA	17403	(717) 968-9476
HOGAN, TIMOTHY M.	238 CHESTNUT STREET	BLAIRSVILLE	PA	15717	(724) 712-6955
HOLMAN, DAVID B.	150 SPRING HILL LANE	LITTLESTOWN	PA	17340	(410) 977-2791
HOUPT, BRIAN C.	688 BOWMAN RD	CHAMBERSBURG	PA	17202	(717) 440-3713
HOWSARE, IAN R.	227 DUTCH GLORY RD	AMITY	PA	15311	(724) 809-3040
JONES, JR., THOMAS M.	105 WOODS EDGE DR.	DOUGLASSVILLE	PA	19518	(610) 396-7158
JONES, RICHARD C.	2927 PA-31	ACME	PA	15610	(724) 757-9974
KIRBY, LARRY J.	1159 MAINSVILLE RD	SHIPPENSBURG	PA	17257	(717) 554-0296
KISHEL, KEVIN A.	106 PERRY AVE.	BELLE VERNON	PA	15012	(724) 986-0113
LUCAS, SCOTT M.	918 SUNRISE LANE	WRIGHTSVILLE	PA	17368	(717) 817-3897
LYTLE II, DENNIS B.	180 DODD DRIVE	WASHINGTON	PA	15301	(724) 986-4910
MANNING, BRANDON D.	56 LAUREL AVE	BIRDSBORO	PA	19508	(610) 715-6602
MCCONNELL, PATRICK T.	301 ROARING RUN RD.	HUGHESVILLE	PA	17737	(570) 979-6868
MCMAHAN, MICHAEL W.	1101 BUTTERNUT LANE	JEANNETTE	PA	15644	(724) 217-4604
MUMMERT, TIMOTHY S.	4219 BALTIMORE PIKE	LITTLESTOWN	PA	17340	(717) 377-7636
PARK, CODY W.	132 NICHOLAS RD	LANCASTER	PA	17603	(717) 917-9594
POKROY, CHRISTOPHER L.	14 SOMERSET DR.	NOTTINGHAM	PA	19362	(610) 761-3291
REED, BRIAN E.	1050 SUSQUE ROAD	TROUT RUN	PA	17771	(570) 220-9172
RISBON, SCOTT W.	479 POPLAR LN	CRYSTAL SPRING	PA	15536	(717) 330-7891
ROSSI, RICHARD M.	218 NEW PHILADELPHIA ROAD	KASKA	PA	17959	(570) 573-9605
SAMARCO, ROBERT S.	129 OLANCHA AVE.	PITTSBURGH	PA	15227	(412) 339-7743
SHAFFER, ROBERT	44 SOUTH ALLWOOD DR.	HANOVER	PA	17331	(443) 277-5170
SNYDER, MASON A.	6 SNYDER LANE	LEWISTOWN	PA	17044	(717) 437-0916
SOUDER, GRANT R.	15217 SHIMPSTOWN RD.	MERCERSBURG	PA	17236	(717) 446-6977
STOECKER, KEVIN J.	905 DIETZ	YORK	PA	17402	(717) 968-7589
STRUBINGER, WILLIAM A.	475 NORTH 8TH STREET	LEHIGHTON	PA	18235	(610) 577-5231
TORCHIA, DANIEL C.	8 BULGER ARCH RD.	BULGER	PA	15019	(724) 961-2829
TORCHIA, ROBERT L.	76 LO BELL DRIVE	WASHINGTON	PA	15301	(412) 352-9390
VAN SCHAICK, MARK C.	3379 EDISON FURLONG RD	FURLONG	PA	18925	(215) 519-5516
VESCHIO, WILLIAM	1101 FAYETTE AVE.	BELLE VERNON	PA	15012	(724) 989-3862
WENTLING, BRETT M.	17270 HWY 86	SAEGERTOWN	PA	16433	(803) 917-2101
WILKES, CORY (57Y9 2ND FRN)	600 PENNDALE LN.	DUNCANSVILLE	PA	16635	(814) 889-1899
WILKES, JEFF S.	600 PENNDALE LANE	DUNCANSVILLE	PA	16635	(814) 414-2118
WOESSNER, JOHN	526 WILSON AVE.	AMBRIDGE	PA	15003	(412) 759-1463
WOJNAROWSKI, DREW S.	5165 NORTH GEORGE ST. EXT.	MANCHESTER	PA	17345	(717) 891-5539
ZANOL, BRANDON A.	477 RURAL VALLEY ROAD	CLAYSVILLE	PA	15323	(724) 579-8032
		PA COUNT	47		
ANDY, TIMOTHY A.	412 RIBIERO DR	SUMMERVILLE	SC	29486	(843) 739-8964
BAUGH, BRIAN L.	137 LISA ANN LANE	MONCKS CORNER	SC	29461	(843) 810-0410
GOODWIN, STEVEN B.	5007 ROBERTS ROAD	HOPKINS	SC	29061	(803) 269-3997
KENT, DENNIS E.	2683 SCARBROUGH DR	LORIS	SC	29569	(804) 696-1499
LEWIS, TYRONE	162 RIVENDALE DR.	COLUMBIA	SC	29229	(803) 318-8638
RASNAK, STEVE M.	309 MCCLAIN ST.	CHARLESTON	SC	29407	(843) 412-9542

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
SHORTT, KENDALL R.	5308 ENCLAVE PARIS DR.	GREENVILLE	SC	29609	(864) 651-6650
TAYLOR, TODD	43 BERMUDA POINTE CR.	HILTON HEAD ISLAND	SC	29926	(843) 301-1893
		SC COUNT	8		
HABERMAN, BROCH J.	605 MIAH ST	HARRISBURG	SD	57032	(605) 660-7143
SCHUT, BRADLEY D.	1913 E SYLVAN CIRCLE	BRANDON	SD	57005	(605) 270-3157
		SD COUNT	2		
ANDERSON, KEVIN R.	121 TWIN COVE DRIVE	LEBANON	TN	37087	(615) 337-9671
CRUM JR., WILLIAM W	238 CROSS VALLEY DR.	COLUMBIA	TN	38401	(330) 717-2797
DA COSTA, DAMIEN	3153 STEWARTS CREEK ROAD	MURFREESBORO	TN	37129	(615) 337-8893
DANIEL, JACK W.	102 SPRING VALLEY DRIVE	COTTONTOWN	TN	37048	(615) 519-3093
ELLIS, BRUCE L.	P.O. BOX 154	ETHRIDGE	TN	38456	(931) 619-4736
FILLINGHAM, RICHARD F.	1548 CHERRYBROOK DR	KNOXVILLE	TN	37912	(865) 599-9133
GREEN, TIMOTHY C.	126 VICTORY CIRCLE	ASHLAND CITY	TN	37015	(615) 430-7529
HARDISON, GARY W.	75 E. VETERANS DR. APT. A102	COOKEVILLE	TN	38501	(615) 975-9086
HARSHMAN, STACEY C.	PO BOX 1294	TRACY CITY	TN	37387	(931) 273-0376
HOLLAND, RUSSEL Z.	270 CAMBRIDGE PASS	OAKLAND	TN	38060	(901) 355-5221
IREY, WILLIAM J.	743 HILLSIDE LANE	LENOIR CITY	TN	37771	(865) 310-3078
JONES, TAYLOR J.	6229 PLEASANT TOP DR	ARLINGTON	TN	38002	(901) 459-8612
MCCONNELL, CARL E.	739 NORTHVIEW DR.	KODAK	TN	37764	(865) 253-3735
NEIGHBORS JR., KENNETH D.	9200 ROYAL VIEW LANE	SODDY DAISY	TN	37379	(423) 653-7977
PERKINS, BAILEY N.	2364 CUBA MILLINGTON RD.	MILLINGTON	TN	38053	(901) 215-7350
PERKINS, DONIVIN B.	6550 WALSH RD	MILLINGTON	TN	38053	(901) 721-8661
PERKINS, JASON L.	2364 CUBA MILLINGTON RD	MILLINGTON	TN	38053	(901) 413-0600
PORTER, RANDY D.	125 MARAUDER CT	MURFREESBORO	TN	37127	(615) 496-1704
PYRDOM, JARED K.	705 UNION RIDGE ROAD	WARTRACE	TN	37183	(931) 588-9520
ROCHELLE, TIMOTHY N.	8220 GREENVALE COURT	NASHVILLE	TN	37221	(615) 418-3368
STALLINGS, JOHN S.	4331 BANKS ST	MURFREESBORO	TN	37129	(615) 585-7666
TAYLOR, ANTHONY R.	137 VINTAGE CIRCLE	HENDERSONVILLE	TN	37075	(615) 568-8225
TAYLOR, KENNETH A.	5527 MAPLE LANDING DR.	ARLINGTON	TN	38002	(731) 697-3211
TERRY, MICHAEL A.	7103 RALEIGH MILLINGTON RD	MILLINGTON	TN	38053	(901) 613-8944
TIDWELL, CHRISTOPHER E.	1758 NORTH SOULES CHAPEL RD	CUMBERLAND FURNACE	TN	37051	(615) 504-5021
WALTON, JOHN H.	9264 CONCORD RD.	ROCKVALE	TN	37153	(615) 533-1006
WILLIAMS JR., CHRISTOPHER A.	453 CLOVER CIRCLE	JACKSBORO	TN	37757	(423) 377-5544
WOODARD, ANTHONY A.	1571 HWY 360	VONORE	TN	37885	(207) 252-4268
		TN COUNT	28		
ANDERSON, ROBERT W.	3502 W LAMBERT	WEATHERFORD	TX	76088	(817) 304-1053
ARREOLA, MARIO R.	4902 COOPERS HILL TRAIL	ROSENBERG	TX	77471	(281) 726-0604
BAKER, JOHN F.	P.O. BOX 207	KINGSBURY	TX	78638	(830) 305-0079
BAYS, ADIN	507 WAKEFIELD DRIVE	LEAGUE CITY	TX	77573	(832) 710-6040
BAYS, ADIN (A863 2ND FRN)	507 WAKEFIELD DR	LEAGUE CITY	TX	77573	(832) 710-6040
BECERRIL, MAYRA	1514 VICKERY DR.	SUGARLAND	TX	77498	(832) 600-4421
BELTRAMINI, BRUCE	P.O. BOX 820664	FT. WORTH	TX	76182	(817) 925-7923
BENITEZ, RICHARD	1241 SHENANDOAH DR.	NEW BRAUNFELS	TX	78130	(830) 708-1188
BERNAL, ROBERT J.	4011 SHADYCREST	PEARLAND	TX	77581	(281) 793-9433
BOGDAN, PHILLIP W.	891 CHEYENNE TRAIL	TRENTON	TX	75490	(214) 784-4667
BORTH, JONATHAN R.	PO BOX 743	BOERNE	TX	78006	(210) 724-8009
BRADBURN, MICHAEL C.	8960 WINDING WAY	GODLEY	TX	76044	(281) 389-4526
CALLENDER, BOBBY A.	302 WROUGHT IRON DRIVE	HARKER HEIGHTS	TX	76548	(512) 541-8152
CAREY, RYAN M.	18100 FM 981	LEONARD	TX	75452	(214) 549-1788

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
CARRICK, TERRY L.	97 SILVER ROCK DRIVE	TROPHY CLUB	TX	76262	(214) 500-9375
CHAVEZ, GASPER E.	970 GRANDEVOLE	EL PASO	TX	79932	(915) 471-1175
CHENEY, DENNIS W.	19300 FM 317	CHANDLER	TX	75758	(619) 322-2852
CHISUM, DENNIS C.	6060 CROW WRIGHT RD	SANGER	TX	76266	(509) 750-6641
CHRISTOPHER, MASON E.	1121 KELLY RD.	TEXARKANA	TX	75501	(229) 630-8060
CLEARY, JUSTIN H.	7610 PROTON SUMMIT	SAN ANTONIO	TX	78252	(210) 636-9812
COLDWELL, RICHARD L.	448 SCENIC WOOD DR.	AZLE	TX	76020	(817) 304-8402
COLE, HOWARD K.	1104 HWY 2214	EASTLAND	TX	76448	(682) 228-1042
CONTRERAS JR., RICHARD A.	10426 LATELEAF OAK	SAN ANTONIO	TX	78223	(210) 901-0879
CORTEZ, JONATHAN	112 BENT TREE COVE	CEDAR CREEK	TX	78612	(512) 705-0088
CROWE JR., HOMER D.	2452 COUNTY ROAD 602	DAYTON	TX	77535	(832) 995-8665
CUELLAR, HENRY	1015 N TEXAS BLVD STE 20B #198	WESLACO	TX	78596	(956) 680-3749
D'AMBRA, JAMES M.	3512 SHADYCREST	PEARLAND	TX	77581	(409) 256-3464
DE LA GARZA, ELADIO	11814 DERWENT LANE	HOUSTON	TX	77064	(832) 275-6346
DELAHOYA, JESUS H.	308 CHAMBERS DR	ITALY	TX	76651	(469) 285-2538
DUFFEE, CLAYTON S.	239 CR 1915	TALCO	TX	75487	(305) 923-5201
EASTER, MATTHEW S.	3330 EASTPARK BLVD. #6205	DENTON	TX	76201	(940) 230-0046
ELTOUKHY, HATEM	3005 ASPEN WAY	MELISSA	TX	75454	(817) 454-8493
ERWIN, WILLIAM C.	3910 FILMORE LANE	DEER PARK	TX	77536	(832) 835-7085
EVANS, BARRI O.	2305 SEABOARD AVE.	MIDLAND	TX	79705	(432) 559-1259
EVANS, BRYANT E.	650 COUNTY ROAD 221	KILLEEN	TX	76549	(512) 293-6663
FITZSIMMONS, FRANK D.	2064 TRAILWOOD DR. W.	BURLESON	TX	76028	(817) 992-9687
FLYNT, JOSHUA A.	3431 RAYFORD RD. BOX #574	SPRING	TX	77386	(832) 948-5789
FORD, BRYON K.	6211 KINCER RD.	DAMON	TX	77430	(281) 455-4043
GARNER, SCOTTIE C.	387 N LINNWOOD DR	NEW CANEY	TX	77357	(281) 761-4573
GARZA, ALONSO	33126 FM 1421	SAN BENITO	TX	78586	(956) 589-4740
GIBSON, PHILLIP R.	P.O. BOX 747	ABERNATHY	TX	79311	(972) 768-1602
GIVENS, DAVID	6518 WESLEY WAY	CORPUS CHRISTI	TX	78415	(361) 877-5024
GONZALEZ JR., MANUEL R.	402 GROVE BEND	SAN ANTONIO	TX	78253	(254) 338-7731
GRANADOS, GARY J.	1337 AMISTAD DR.	ROUND ROCK	TX	78664	(512) 783-7768
GRANADOS, JONATAN	300 COMANCHE CIR	HUTTO	TX	78634	(951) 219-7834
GRANT, PATRICK W.	2203 LOC LOMA LANE	LA PORTE	TX	77571	(832) 803-3373
GUZMAN, RICHARD A.	100 TATE CIRCLE	SHERMAN	TX	75090	(214) 551-2947
HARTIN, JASON R.	28968 LLANO RIVER LOOP	SPRING	TX	77386	(832) 797-3346
HAURY JR., THOMAS L.	108 KOLOIKI LANE	BASTROP	TX	78602	(432) 556-1357
HEMBREE, JONATHAN D.	2823 E. UNIVERSITY BLVD.	ODESSA	TX	79762	(432) 310-6465
HERNANDEZ, ROGELIO	148 OXFORD RANCH RD.	WAXAHACHIE	TX	75167	(214) 693-0692
HIDALGO, LUIS I.	20211 EDWORTHY RD.	CYPRESS	TX	77433	(281) 300-7251
HIGGINS, GREGORY P.	5973 FM 23 W	RUSK	TX	75785	(936) 240-5688
HOSTLER, SERINA M.	19171 ALFORD RD.	MAGNOLIA	TX	77355	(832) 557-7522
HUDSON, CHRISTOPHER E.	6518 WESLEY WAY	CORPUS CHRISTI	TX	78415	(361) 850-0834
HULL, JARED A.	8085 JOHN HENRY DR.	BURLESON	TX	76028	(319) 290-6326
INGRAM, JIM B.	P. O. BOX 455	SIMONTON	TX	77476	(281) 797-5233
INGRAM, ROBERT L.	503 SASSMAN RD.	MARION	TX	78124	(210) 569-9940
JACOBS, JUSTIN W.	263 SHORELINE DR N	AZLE	TX	76020	(817) 304-6532
JIMENEZ, EDGAR O.	15501 CHARDON RD	EL PASO	TX	79938	(915) 549-6585
JOHNSON, BRIAN E.	341 WESTFIELD WAY	WHITEWRIGHT	TX	75491	(903) 819-7043
JONES, JOHN C.	14265 BURNT HILLS	WILLIS	TX	77318	(903) 576-4242
KLEIN, CHRISTOPHER H.	165 CANYON OAKS DRIVE	ARGYLE	TX	76226	(469) 442-7379
LAWRENCE, DAVID M.	2122 CIAS TRAIL LN	SPRING	TX	77386	(832) 722-5624
LEBRON, MATTHEW B.	111 NINOLE CT.	BASTROP	TX	78602	(512) 627-5109

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
LEUNG, ERIC W.	27651 CONCHO DR.	SPLENDORA	TX	77372	(281) 253-3107
LINDSAY, DANIEL C.	818 BALTIC LANE	HOUSTON	TX	77090	(281) 703-6862
LOBUE, CLAYTON P.	87 WHITE OAK DRIVE NORTH	NEW CANEY	TX	77357	(281) 686-8541
LOWE, DENNIS W.	1934 7TH STREET	PORT NECHES	TX	77651	(409) 767-5354
LYONS, HEATH W.	630 SOLON RD. APT 4104	WAXAHACHIE	TX	75165	(945) 542-0197
MANGHAM, JACK D.	150 S. BEAR CREEK RD.	LIBERTY HILL	TX	78642	(737) 777-0626
MANN, ERIC A.	4822 MORNING DR.	AMARILLO	TX	79108	(580) 530-1428
MARCIAL, ANTHONY M.	528 BARNHART DR.	SOCORRO	TX	79927	(915) 244-0565
MCCOY, JUSTIN K.	19580 MCCOY LANE	PORTER	TX	77365	(281) 639-3925
MCELYEA, MICHAEL E.	1215 RIVER HILLS RD.	STEPHENVILLE	TX	76401	(817) 739-1261
MENA JR., BENEDICTO	1205 ALYSSA ST	PROGRESO	TX	78596	(956) 258-6955
MOORE, DARRELL T.	3815 SE CR 2360	STREETMAN	TX	75859	(281) 433-2370
MOORE, JOSEPH W.	12022 HASTINGS GREEN DR.	HOUSTON	TX	77065	(281) 691-5724
NEELEY, JERRY R.	1207 CEDER PINE LANE	OAKPOINT	TX	75068	(972) 741-8308
ORELLANA III, BENITO	1540 TESIS DR	LAREDO	TX	78046	(956) 531-1002
ORNELAS, DANIEL	6001 BROOK FOREST DR.	ARLINGTON	TX	76018	(817) 999-9398
ORSAG, JERRY W.	12753 FRANCES ANN CT.	HASLET	TX	76052	(817) 992-3726
OSBORNE II, CLIFF	911 ELM POINTE	LEAGUE CITY	TX	77573	(832) 287-2533
PARKER JR., RICHARD N.	61 KATHRYN DRIVE	HUNTSVILLE	TX	77320	(936) 577-1341
PEACOR III, DARROL F.	2718 SOUTH SURREY DR.	CARROLLTON	TX	75006	(214) 693-6973
PENA, RICARDO	11908 MESQUITE CIRCLE	WESLACO	TX	78599	(956) 533-2812
PETTETT, GLENN A.	21895 SILVER OAK COURT	PORTER	TX	77365	(713) 384-1127
PIERCE, DOUGLAS W.	264 CR 2415	ALTO	TX	75925	(936) 675-0290
PITTMAN, BRIAN S.	14436 DOVE LN.	NEEDVILLE	TX	77461	(281) 450-9822
PRESLEY III, WILLIAM E.	1108 KIRBY AVE	LUBBOCK	TX	79416	(813) 590-9594
PRIOR, TRAVIS W.	202 SKYLINE DRIVE	LONGVIEW	TX	75605	(903) 576-1881
RAMIREZ, RUBEN A.	10004 WOODTRAIL	SAN ANTONIO	TX	78250	(210) 632-0657
RANKIN JR., PERCY P.	799 TREYS CREEK RD.	FLORESVILLE	TX	78114	(830) 391-5637
REYES JR., ERNEST	1946 CLAMP AVE.	SAN ANTONIO	TX	78211	(210) 378-1262
RIVERA, RYAN (A444 2ND FRN)	25311 GLEN LOCH DR.	SPRING	TX	77380	(832) 418-7346
RIVERA, RYAN (A444 3RD FRN)	25311 GLEN LOCH DR.	SPRING	TX	77380	(832) 418-7346
RIVERA, RYAN K.	25311 GLEN LOCH DR.	SPRING	TX	77380	(832) 418-7346
SALDANA, ROGELIO	11142 FERNDALE WAY DR.	HOUSTON	TX	77064	(281) 635-8907
SANCHEZ, TEDDY H.	5101 BRADLEY RD	EL PASO	TX	79938	(915) 472-9883
SAUCEDA, FRANCISCO	608 ESTERINE RD.	DALLAS	TX	75217	(469) 238-6349
SHANNON, MICHAEL P.	21514 RIO VALLEY COURT	PORTER	TX	77365	(832) 401-4940
SHARPE, CONNIE S.	3066 GREENWOOD CIRCLE	KAUFMAN	TX	75142	(469) 595-1235
SHEFFIELD, DALE C.	111 NINOLE COURT	BASTROP	TX	78602	(512) 294-7708
SPICELAND, MICHAEL R.	808 LIPAN DR.	GRANBURY	TX	76048	(817) 219-0596
STECKER, TRAVIS L.	14103 PARKHURST ST	SAN ANTONIO	TX	78232	(425) 314-8122
STUART, MICHAEL L.	2816 HEDGEWAY DR.	ARLINGTON	TX	76016	(682) 438-0338
TAMEZ, ALAN I.	1621 JACKSON ST.	GRAND PRAIRIE	TX	75051	(817) 936-9361
THOMPSON, TRAVIS H.	518 CAESARS CIRCLE	NEW CANEY	TX	77357	(512) 496-0111
VANDERGRAAF, COLBY L.	2629 FISH TANK RD	CORSICANA	TX	75110	(903) 879-1279
VARGAS, JOSE F.	12129 ALEX GUERRERO CIRCLE	EL PASO	TX	79936	(915) 929-6804
WALD, STEVEN F.	4203 ANGELICO LANE	ROUND ROCK	TX	78681	(512) 663-8798
WALKER, GARY D.	2551 SOUTHLINE ROAD	CONROE	TX	77384	(281) 224-6570
WEST, CHARLES H.	10724 FORSTHOFF RD	BRYAN	TX	77808	(713) 376-3316
WESTBROOK, ROBERT G.	109 DEARING CREEK	GLADEWATER	TX	75647	(903) 720-7025
WILLIAMS, DONDI L.	220 MCKINLEY CIRCLE	WAXAHACHIE	TX	75167	(713) 247-9466
WILSON, TERRY DON	20232 BAT CAVE RD	GARDEN RIDGE	TX	78266	(210) 848-3454

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
WING, BRIAN M.	380 ABREGO LAKE DR	FLORESVILLE	TX	78114	(520) 909-4907
YOUNGBLOOD, CLAYTON T.	10934 CR 4090	SCURRY	TX	75158	(469) 595-4048
YOUNGBLOOD, MITCHELL S.	505 OAK RIDGE	BOERNE	TX	78006	(832) 541-9929
		TX COUNT	119		
ANDERSON, PRESTON S.	2351 W 2650 N	CLINTON	UT	84015	(385) 279-1937
BAKER, JARED M.	4671 W 5215 S	KEARNS	UT	84118	(801) 870-8239
BERTELSEN, WILLIAM G.	324 W 1850 S	CLEARFIELD	UT	84015	(801) 870-8400
BOTT, JUSTIN D.	15515 NORTH 400 WEST	BEAVERDAM	UT	84306	(435) 720-0676
CARSON, JOSHUA L.	4039 W. 5540 S	KEARNS	UT	84118	(801) 520-5902
CHRISTENSEN, NICHOLAS K.	1553 E. 1240 S.	SPANISH FORK	UT	84660	(801) 358-0510
CROOKSTON, SPENCER F.	5362 SOUTH 4700 WEST	HOOPER	UT	84315	(801) 663-3778
FELIX, GABRIEL	2792 S MAGNOLIA LN	SAINT GEORGE	UT	84790	(909) 816-2832
HALL, TODD	70 N HWY 22	ANTIMONY	UT	84712	(435) 669-2612
ISON, DANIEL F.	P.O. BOX 781	MORONI	UT	84646	(435) 469-1196
KOFOED, TYLER J.	4296 W. 5850 S.	ROY	UT	84067	(801) 837-6030
MARKHAM, TIM L.	4985 WEST 7770 SOUTH	WEST JORDAN	UT	84081	(801) 349-6934
MILLARD, MARK O.	2392 W 1125 S	SYRACUSE	UT	84075	(801) 529-7701
RASMUSSEN, KELLY J.	298 NORTH 1400 WEST	SPRINGVILLE	UT	84663	(435) 313-3440
SHORT, MITCHEL W.	3330 SOUTH 2600 WEST	WEST HAVEN	UT	84401	(801) 814-0160
SMITH, MITCHELL S.	1495 N 2720 W	PROVO	UT	84601	(801) 376-6912
STEPHENSON, DAVID JOSHUA	1008 S 550 E	CLEARFIELD	UT	84015	(801) 540-9434
SWEET, SCOTT A.	572 LITTLE ROCK DR	SANTAQUIN	UT	84655	(541) 310-0732
WHITE, TYSON M.	345 N. MAIN	MONA	UT	84645	(435) 660-0762
WIGREN, CHAD J.	1296 N 1580 W	FARMINGTON	UT	84025	(801) 455-0271
		UT COUNT	20		
COOK JR., GARY A.	18 TWIN SPRINGS DR.	FREDERICKSBURG	VA	22407	(571) 259-4938
CRICHTON, CHRISTOPHER J.	4231 CHARITY NECK RD.	VIRGINIA BEACH	VA	23457	(757) 735-1612
DAVITT, RONALD G.	2100 PRINCESS ANNE CT.	VIRGINIA BEACH	VA	23457	(757) 477-2131
HERSKOVITS, THEODORE M.	3942 HATCHERS CHAPEL ROAD	CLAUDVILLE	VA	24076	(480) 747-5249
IORIO, JOHN J.	13414 FOX SPRING ROAD	SOMERSET	VA	22972	(434) 996-9973
ISBELL, JAMES C.	1095 SOUTH FOREST DR.	ARLINGTON	VA	22204	(757) 358-5578
JONES, CHRISTOPHER D.	1828 CHESTWOOD DR.	VIRGINIA BEACH	VA	23453	(571) 278-2618
KERN, STEPHEN V.	1200 RED MAPLE AVE	GROTTOES	VA	24441	(540) 476-0321
MURRISKY, STEPHEN E.	9050 PUMPKIN NECK RD	KING GEORGE	VA	22485	(410) 610-6330
MUSSER, JUSTIN A.	561 ORCHARD DALE DR.	CLEAR BROOK	VA	22624	(540) 409-1729
PLATT, WILLIAM E.	114 OAK VIEW DR SE	LEESBURG	VA	20175	(703) 727-3372
PRITCHETT, DANNY L.	905 ROUGEMONT AVE	CHARLOTTESVILLE	VA	22902	(434) 760-3832
PRUNEDA, ALEJANDRO A.	10605 PINEVIEW RD.	MANASSAS	VA	20111	(571) 882-3564
WALSH, PAUL T.	11904 ZIYAD DRIVE	FREDERICKSBURG	VA	22407	(540) 538-5926
WARD, JASON W.	503 19TH ST	GROTTOES	VA	24441	(540) 421-4806
WOODS, MICHAEL D.	9515 MILITARY ROAD	AMELIA COURT HOUSE	VA	23002	(804) 363-1564
		VA COUNT	16		
COMEAU, JONATHAN M.	742 BROWN FARM RD	HARDWICK	VT	05843	(802) 371-8785
PARKER, THOMAS R.	755 VINCENT FLATS RD.	EAST MONTPELIER	VT	05651	(802) 522-8634
		VT COUNT	2		
BAKER, RYAN J.	4454 MOSQUITO LAKE RD.	DEMING	WA	98244	(360) 441-9600
CALONDER, JOSHUA THOMAS LEE	461 W. SALAL PL	SEQUIM	WA	98382	(360) 460-6879
CAMPOS, URIEL JOSE	3205 LUNA DRIVE	PASCO	WA	99301	(509) 361-0959
COAN, BRADY M.	320 WALBRUN RD.	SULTAN	WA	98294	(425) 330-5144
COWDEN, MATTHEW J.	206 NE 88TH AVE.	VANCOUVER	WA	98664	(360) 904-1684

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
ESTES, WAYNE K.	4601 NE 112TH CIRCLE	VANCOUVER	WA	98686	(971) 563-3595
FENTON, SEAN A.	P. O. BOX 731564	PUYALLUP	WA	98373	(253) 221-7137
HANSEN, NORMAN S.	46280 CONCRETE SAUK VALLEY RD	CONCRETE	WA	98237	(360) 420-8547
HASHAGEN, CAMERON J.	509 CHERRY RD	MONTESANO	WA	98563	(360) 304-3085
HASHAGEN, JAY G.	130 GLEASON RD	CENTRALIA	WA	98531	(360) 304-0050
KETTELLS, JONATHAN W.	17813 77TH ST EAST	BONNEY LAKE	WA	98391	(206) 452-9417
KOLBET, JESSE W.	100 ANDOVER PARK WEST SUITE 150-340	TUKWILA	WA	98188	(206) 753-8425
MARTINEZ JR., ADOLFO	2206 S 69TH AVE.	YAKIMA	WA	98903	(509) 731-6177
MCLAUGHLIN, II., WILLIAM S.	471 PALOMINO RD.	YAKIMA	WA	98908	(509) 961-1717
MORGAN, JIM	5508 47TH AVENUE E.	TACOMA	WA	98443	(253) 310-2121
NEIL, JAMESON D.	2602 96TH AVE CT E	EDGEWOOD	WA	98371	(425) 240-4995
NEIL, JASON S.	2519 96TH AVE. CT E	EDGEWOOD	WA	98371	(253) 455-4336
REASON, CASEY R.	3285 N. WENAS RD.	SELAH	WA	98942	(509) 823-0413
SEGURA, MIGUEL A.	485 NELSON ST.	BUCKLEY	WA	98321	(206) 818-6363
SMITH, TODD L.R.	13620 107TH ST. E.	PUYALLUP	WA	98374	(253) 973-9119
SWEENEY, BRADLEY G.	7206 281ST PLACE NW	STANWOOD	WA	98292	(425) 449-9227
TRONSON, KENNETH G.	14200 NE 102ND STREET	VANCOUVER	WA	98682	(360) 566-7089
TURNER, JOHN W.	122-8 HEIGHTS LANE	ONALASKA	WA	98570	(360) 520-6688
WOODS, KEVIN D.	1207 RANCHO ROAD	CENTRALIA	WA	98531	(206) 409-6899
		WA COUNT	24		
ALBRIGHT, JAKE L.	3621 VAN BUREN RD.	KENOSHA	WI	53142	(262) 960-1745
DRAEGER, ADAM R.	24 TALCOTT COURT	FORT ATKINSON	WI	53538	(920) 723-1261
EDWARDS, DAVID M.	30522 76TH STREET	SALEM	WI	53168	(815) 355-2379
EPPING, PAUL T.	629 SOUTH ST.	PLYMOUTH	WI	53073	(920) 797-4484
HERBISON, BRIAN S.	3993 MAYER RD	FALL CREEK	WI	54742	(715) 829-2732
HOLLEY, KEITH	313 HARSHMAN DR	HUDSON	WI	54016	(651) 587-3057
KNULL, CHRISTOPHER E.	W340 N6621 BREEZY POINT RD.	OCONOMOWOC	WI	53066	(414) 507-1529
KOSTUCH, SCOTT F.	5010 W WABASH AVE	BROWN DEER	WI	53223	(414) 651-7319
LARACUENTE, DAVID E.	8207 OLD SPRING ROAD	MOUNT PLEASANT	WI	53406	(847) 445-5917
LAUSTEN, JOHN A.	1615 ORIOLE DR.	HARTFORD	WI	53027	(414) 254-6136
LIND, ERIC D.	11330 N. GLENWOOD DR.	MEQUON	WI	53097	(414) 391-0340
LUI, JEFF A.	5012 CYNTHIA LANE	RACINE	WI	53406	(262) 770-2242
PARENT, DANIEL G.	7510 EAGLE VIEW DR	ALLENTON	WI	53002	(262) 349-2284
ROSKOPF, CHAD D.	982 PLEASANT VALLEY DR	WEST BEND	WI	53095	(414) 745-8519
WEBER, TERRY A.	W529 HIGHLAND AVE.	GENOA CITY	WI	53128	(815) 482-9000
		WI COUNT	15		
MCCOURT, DORN A.	808 INDIANA AVE	NUTTER FORT	WV	26301	(304) 476-0502
		WV COUNT	1		
BLACKETT, MARK S.	3900 TEN MILE RD.	CASPER	WY	82604	(307) 262-4525
BOOTHE, DENNIS D.	1031 MONROE AVENUE	CHEYENNE	WY	82001	(970) 381-8513
COOK, ANTHONY J.	321 HUNTERS WAY	CHEYENNE	WY	82007	(307) 286-9478
GARCIA, MICHAEL J.	606 W. FOUR MILE RD.	CHEYENNE	WY	82009	(970) 658-7728
LIEBELT, TODD R.	2255 HITCHING POST DRIVE	GREEN RIVER	WY	82935	(970) 217-5069
		WY COUNT	5		
		GRAND COUNT	793		

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
AYERS, THOMAS RANDALL	169 KENMORE RD.	ARAB	AL	35016	(615) 668-4684

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
BOURDON, TRACY A.	335 MONTCLAIR DRIVE	KILLEN	AL	35645	(256) 648-6778
COLE, PHILLIP N.	119 ASHLEY DRIVE	MARBURY	AL	36051	(334) 399-6090
GREEN, JASON L.	205 TIGER LN.	HELENA	AL	35080	(205) 368-6735
JARRELL, DANIEL J.	12685 WOODLAND LAKE RD	MCCALLA	AL	35111	(205) 239-8739
SIBLEY, JOHN M.	10051 BORDER CT.	GRAND BAY	AL	36541	(864) 477-0253
SKRAMSTAD JR., RONALD J.	11689 LAKE NICOL RD.	TUSCALOOSA	AL	35406	(845) 391-4607
YATES, BRYAN W.	3533 COUNTY ROAD 1435	VINEMONT	AL	35179	(256) 244-4373
		AL COUNT	8		
ANDERSON, SCOTT E.	16094 HICKORY DRIVE	FAYETTEVILLE	AR	72704	(479) 966-0402
DABBS, MARK T.	2807 QUAIL RUN PLACE	GREENWOOD	AR	72936	(479) 650-2031
		AR COUNT	2		
BRIGGS, JASON T.	5102 WEST ACOMA DR.	GLENDALE	AZ	85306	(623) 810-5642
CRESPIN JR., DAVID L.	30142 NORTH RIDGE RD.	QUEEN CREEK	AZ	85142	(480) 996-3149
DENNING, MARK E.	4821 EAST AMMOLITE LANE	SAN TAN VALLEY	AZ	85143	(303) 882-1951
DOUGHERTY JR., JAMES F.	2383 W CORONADO AVE	FLAGSTAFF	AZ	86001	(928) 380-8458
DOUGLAS, RODNEY J.	6201 NORTH ROCKLAND DRIVE	PRESCOTT VALLEY	AZ	86314	(928) 848-3806
FIBROW, TIMOTHY A.	2229 RUNABOUT DR.	LAKE HAVASU CITY	AZ	86403	(760) 221-0346
GARRISON, JOHN F	27072 N 175TH DR	SURPRISE	AZ	85387	(602) 910-9177
GIBBONS, WILLIAM L.	21204 W. ELLIOT RD.	BUCKEYE	AZ	85326	(623) 261-1754
GUTIERREZ BATIZ, JULIO C.	44091 WEST PALO NUEZ STREET	MARICOPA	AZ	85138	(951) 318-6022
JESSEE, MICHAEL D.	17627 W. GOLDEN EYE AVE	GOODYEAR	AZ	85338	(541) 728-8816
LONG, DALLIN B.	2569 EAST CATTLE DRIVE	GILBERT	AZ	85297	(928) 965-8774
MERRITT, JEREMY C.	14628 WEST REDBIRD RD	SURPRISE	AZ	85387	(623) 695-1185
MURILLO, CHRISTIAN J.	11840 N. 42ND DRIVE	PHOENIX	AZ	85029	(602) 446-9120
PIEL, SAMUEL B.	1085 W. MAGMA RD.	SAN TAN VALLEY	AZ	85143	(480) 729-9279
SCHILLING, SHANE A.	3518 S RANDI PL	TUCSON	AZ	85730	(520) 557-4031
SPRAGUE, RANDY E.	13032 N 34TH DR	PHOENIX	AZ	85029	(602) 695-1912
STIVING, WILLIAM B.	11829 N. 65TH AVE.	GLENDALE	AZ	85304	(623) 810-9346
VERNO, WILLIAM P.	25825 N. 1ST PLACE	PHOENIX	AZ	85085	(623) 694-7353
		AZ COUNT	18		
AMENDE, MAX L.	440 W. BUFFINGTON ST.	UPLAND	CA	91784	(909) 821-4224
ANDERSON, MATTHEW D.	5003 THOMAS DR	AUBURN	CA	95602	(916) 223-0766
ARRUDA, KEVIN G.	655 CORNELL DR	TURLOCK	CA	95382	(209) 585-5723
BAZAN, OSVALDO R.	1532 CAMPUS AVENUE	REDLANDS	CA	92374	(951) 423-0976
BROWNELL, BROOK O.	12449 REATA RD.	APPLE VALLEY	CA	92308	(760) 987-6610
BUERER, GERALD E.	2383 SALISBURY DR.	SAN DIEGO	CA	92123	(858) 735-4200
CALHOUN, MICHAEL F.	851 S WALNUT ST.	LA HABRA	CA	90631	(714) 240-2649
CAMPOS, JAIME	25243 CORTE SOMBRERO	MURRIETA	CA	92563	(951) 415-0629
DEWHIRST, KENNETH S.	22616 KENTFIELD ST.	GRAND TERRACE	CA	92313	(951) 712-4993
ESTRADA, CHARLES A.	3732 BLACKBERRY DR.	SAN BERNARDINO	CA	92407	(510) 978-9016
FERNANDEZ, JOSE J.	389 N. FERN ST.	ORANGE	CA	92867	(714) 396-0321
FLORES, NEIL D.	27300 HEMET ST.	HEMET	CA	92544	(951) 445-1250
GURSSLIN, NOAH N.	6974 27TH ST.	JARUPA VALLEY	CA	92509	(951) 233-8886
GURSSLIN, ROBERT C.	6974 27TH STREET	JURUPA VALLEY	CA	92509	(951) 204-5236
HOSIER, SCOTTY J.M.	2280 TRUCKEE DR.	SANTA ROSA	CA	95401	(707) 799-4495
JACQUOT, DAVID L.	630 MINOT AVENUE	CHULA VISTA	CA	91910	(619) 456-7444
LEON, JAVIER	21650 TEMESCAL CANYON RD. #91	CORONA	CA	92883	(714) 757-1249
LOPEZ, ADOLFO	10343 S AIRPORT WAY	MANTECA	CA	95336	(209) 564-7042
MACRAE, TROY G.	13622 MELISSA LANE	POWAY	CA	92064	(858) 837-3492
MCLEAN, GAYLE	10285 CARDINAL AVE.	FOUNTAIN VALLEY	CA	92708	(714) 968-6777

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
MENDEZ, MARIO	8339 EDWIN STREET	RANCHO CUCAMONGA	CA	91729	(909) 969-1049
MOODY, RANDALL D.	245 SOUTH WELLS RD T202	VENTURA	CA	93004	(805) 861-0900
OLGUIN CALDERON, ALFREDO	2329 SERRANO ROAD	SAN BERNARDINO	CA	92405	(909) 816-6846
OLOCKI, DEVYN J.	1420 GOLDFIELD LN	DIXON	CA	95620	(707) 718-2586
PAISLEY, ROBERT W.	288 E LIVE OAK AVE SUITE A #101	ARCADIA	CA	91006	(562) 686-3614
PEREA, RYAN J.	2514 55TH ST.	SAN DIEGO	CA	92105	(619) 701-5000
PEREZ, ARMANDO	123 SALINAS COURT	HEMET	CA	92545	(951) 757-0685
PETTY, RICHARD S.	PO BOX 611	RIO LINDA	CA	95673	(916) 719-7566
PISHNY, KEVIN S.	17423 BANGOR AVE	HESPERIA	CA	95345	(909) 815-6293
PUTITS, DAVID J.	30447 REDDING AVE	MURRIETA	CA	92563	(951) 265-0309
QUIGLEY, JOHN J.	5061 SPARROW DRIVE	HUNTINGTON BEACH	CA	92649	(714) 655-5931
RANGEL, GILBERT	14515 SAN DIEGUITO DR.	LA MIRADA	CA	90638	(714) 936-8504
SETTEMBER, DAVID J.	126 E. ROSEWOOD CT	ONTARIO	CA	91764	(909) 418-1908
TODARO, EDWARD L.	7141 SEINE AVE.	HIGHLAND	CA	92346	(909) 834-2113
TOMSUN, TROY F.	1575 FERRERO DR.	DIXON	CA	95620	(707) 564-7946
TORRES, LUIS A.	1250 RIVER STONE COURT	HEMET	CA	92545	(562) 206-6677
WRIGHT, JASON K.	22707 SAN JOAQUIN DR EAST	CANYON LAKE	CA	92587	(951) 764-2675
		CA COUNT	37		
AHRENS, JOHN R.	10854 GROVE COURT	WESTMINSTER	CO	80031	(303) 525-1526
ALBRECHT, MAURICE J.	7094 W. HINSDALE DR.	LITTLETON	CO	80128	(720) 936-0186
ALTERGOTT, BRADLEY D.	2109 YOSEMITE RD.	GRAND JUNCTION	CO	81507	(970) 433-4992
ARMSTRONG, LUCAS C.	568 SERENADE CT.	GRAND JUNCTION	CO	81504	(303) 981-4782
BAKER, MATTHEW T.	3259 S. KITTREDGE WAY	AURORA	CO	80013	(720) 300-1492
BAUMGARTNER, BARRY D.	15398 HWY 140	HESPERUS	CO	81326	(970) 422-2390
BOWLES, SCOTT M.	389 LOCKWOOD ST.	CASTLE ROCK	CO	80104	(303) 551-4726
BRUNTZ, WILLIAM H.	9681 E 145TH AVE	THORNTON	CO	80602	(303) 204-4102
CAREY, ALEXANDER M.	1631 W. CANAL CIRCLE-UNIT 831	LITTLETON	CO	80120	(303) 324-3436
CAREY, SAMUEL S.	637 IDAHO ST.	GOLDEN	CO	80403	(303) 324-3969
CHILDERS, WILLIAM L.	45 PARK AVENUE	MEEKER	CO	81641	(970) 274-9142
DEVITO, NICHOLAS J.	20676 WILLOW BEND LANE	PARKER	CO	80138	(303) 908-5035
ELLIS, KILEY D.	1481 S. DANUBE WAY UNIT 103	AURORA	CO	80017	(720) 530-3675
ESPINOZA, BOBBY J.	915 SAWATCH DRIVE	LEADVILLE	CO	80461	(970) 389-5044
FICCO, CHANCE M.	620 CLAYTON ST.	BRUSH	CO	80723	(970) 768-2373
GARCIA, MICHAEL J.	4203 PEACH TREE	LOVELAND	CO	80538	(970) 658-7728
GENTRY, CHRISTOPHER A.	1531 URBAN ST	LAKEWOOD	CO	80215	(719) 351-2483
GORDON, JUSTIN C.	5110 PARFET ST.	WHEAT RIDGE	CO	80033	(303) 921-4740
GURULE, FLAVIO N.	185 S. STARDUST COURT	PUEBLO	CO	81007	(719) 298-1055
HAYES, WILLIAM P.	PO BOX 486	WELLINGTON	CO	80549	(970) 889-2095
HERGEMUELLER, CLIFFORD W.	795 COUNTY RD. 39	BRIGHTON	CO	80603	(303) 829-7491
JENNINGS, JESSE R.	1963 S. WOLCOTT CT.	DENVER	CO	80219	(303) 887-0450
JOHNSON, KASEY L.	8874 WAGNER STREET	WESTMINSTER	CO	80031	(303) 919-3425
MARTINEZ, DAVID A.	5810 MURR RD	PEYTON	CO	80831	(719) 322-6446
MOODIE, RAYDON B.	939 21 ROAD	FRUITA	CO	81521	(970) 901-5721
MOUNTFORD, SCOTT A.	2972 F 3/10 ROAD	GRAND JUNCTION	CO	81504	(970) 201-5500
MOWERY, SCOTT W.	3719 INDIAN PIPE CIR	COLORADO SPRINGS	CO	80918	(719) 329-4968
NEWTON, GREGORY A.	7855 FOX CHASE LN	WELLINGTON	CO	80549	(970) 593-8240
NILES, MARK A.	2281 SPRINGSIDE DR.	COLORADO SPRINGS	CO	80951	(719) 757-9427
OSBORN, ALEXANDER J.	630 CIMARRON TR	AULT	CO	80610	(970) 593-8586

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
PEDRETT, TROY M.	5076 PEREGRINE RD	DACONO	CO	80514	(720) 635-6891
PINKNEY, FRED M.	172 ENCANTADO LN.	DURANGO	CO	81303	(970) 946-8594
PRENTICE, DAVID M.	7791 HENRY ST.	FORT LUPTON	CO	80621	(720) 202-7587
SCRAFIELD, DANIEL R.	2237 MONTE BELLO CT. W	COLORADO SPRINGS	CO	80918	(719) 492-6623
SHEETS, THOMAS J.	890 MILLER ST	LAKEWOOD	CO	80215	(970) 389-5222
SIGLER, MICHAEL C.	8496 SUN COUNTRY DR	ELIZABETH	CO	80107	(303) 514-2238
SMITH, CANON D.	739 W CALLE DE CABALLOS	PUEBLO WEST	CO	81007	(720) 244-8027
TALAVERA, PATRICK S.	1336 S. KENDALL ST.	LAKEWOOD	CO	80232	(303) 870-0058
TRIMINIO, XAVIER A.	23577 E. ROCKY TOP AVE.	AURORA	CO	80016	(720) 351-9122
WILLIAMSON, ZACHARY M.	1862 PEPPERWOOD PLACE	COLORADO SPRINGS	CO	80910	(719) 201-8707
WILSON, RICK L.	2210 NORMAN LN.	PUEBLO	CO	81005	(719) 369-0576
		CO COUNT	41		
CHAPMAN, DAVID A.	803 HILLCREST RD.	ORANGE	CT	06477	(203) 913-4822
FLYNN, KEVIN M.	3782 OLD MOUNTAIN RD.	WEST SUFFIELD	CT	06093	(860) 716-4234
PRATT, LINCOLN L.	8 LUCINDA LANE	MIDDLETOWN	CT	06457	(860) 338-7627
		CT COUNT	3		
PIERCE III., WILLIAM J.	328 GREYBULL DR.	BEAR	DE	19701	(302) 293-1926
		DE COUNT	1		
ASTIN, PRESTON B.	5223 PALE MOON DRIVE	PENSACOLA	FL	32507	(850) 525-4773
BORTOFF, PAUL J.	4029 NE 8TH PLACE	CAPE CORAL	FL	33909	(239) 233-4835
CASO, JOSEPH T.	1153 23RD ST SW	NAPLES	FL	34117	(239) 821-6003
CORTES JIMENEZ, ISRAEL A.	1398 NW 2ND LANE	FLORIDA CITY	FL	33034	(787) 396-6225
CRUZ, ARLIS N.	3604 BENERAID ST	LAND O' LAKES	FL	34638	(407) 765-0731
DALY JR., DANIEL J.	4007 BAY POINTE DR	GULF BREEZE	FL	32563	(850) 454-5758
DAVIS, JASON S.	1653 WEST HIGHWAY 316	CITRA	FL	32113	(352) 494-7869
DOOLITTLE, MARK J.	8320 N.W. 46TH STREET	LAUDERHILL	FL	33351	(954) 547-3029
FINLEY II, LEE E.	8422 SOUTHWOOD PINES ST.	LITHIA	FL	33547	(863) 640-5339
FINLEY, COLTON L.	4009 TIMBERWOOD DRIVE	LAKELAND	FL	33811	(863) 226-7824
FRANCIS, THOMAS R.	P.O. BOX 391	SCOTTSMOOR	FL	32775	(321) 289-2702
GOMES ALVES, MAICHAEL A.	12333 S.W. 148 TERR	MIAMI	FL	33186	(786) 694-2368
JAMES, GARY C.	514 BOITNOTT LANE	BUSHNELL	FL	33513	(352) 603-9008
LASSITER, BENJAMIN F.	1820 CARTER LANDING BLVD.	JACKSONVILLE	FL	32221	(904) 333-0058
MONTGOMERY III., JAMES D.	4223 S.E 1ST AVE	KEYSTONE HEIGHTS	FL	32656	(904) 263-8372
O'CONNOR, EDWARD J.	11933 NW 28TH STREET	POMPANO BEACH	FL	33065	(954) 695-2810
ORTIZ, WILFREDO S.	25855 SW 145TH AVE	NARANJA	FL	33032	(787) 407-3221
OWENS, JARED C.	5350 NE 56TH ST	HIGH SPRINGS	FL	32643	(352) 226-3000
PAULHUS, SEAN W.	5947 COUNTY ROAD 352	KEYSTONE HEIGHTS	FL	32656	(352) 215-0243
PEREZ SANTANA, CARLOS J.	3225 GARFIELD ST	HOLLYWOOD	FL	33021	(787) 408-6084
PRATHER, TRENT A.	2609 LAKE FOREST DR.	DELAND	FL	32720	(801) 231-0833
QUIROGA JR., LUIS C.	1116 S 12TH ST	PALATKA	FL	32177	(562) 418-9055
REYES JR., MIGUEL	3030 LAUREL OAK LANE	WINTER HAVEN	FL	33884	(708) 228-2604
ROEBUCK, STEPHEN A.	403 BAISDEN RD	JACKSONVILLE	FL	32218	(904) 591-6952
SANTANA HERNANDEZ, FABIAN	902 SE 19TH ST	HOMESTEAD	FL	33034	(305) 240-7275
STARLING, JAMMIE A.	1203 HERITAGE ESTATES TRCE	JACKSONVILLE	FL	32220	(904) 305-1383
STINE, JORGE P.	6850 SW 106TH WAY	HAMPTON	FL	32044	(904) 826-5258
TARBOX, RONALD	36213 POINSETTIA AVE	FRUITLAND PARK	FL	34731	(978) 846-0246
		FL COUNT	28		
COLQUITT, DAVID B.	346 ELLIOTT RD.	WAYNESVILLE	GA	31566	(912) 269-6485
FUNK, NICHOLAS M.	204 KEATON COURT	ALTO	GA	30510	(678) 773-3790

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
HUGGETT, ANTHONY L.	308 CARDINAL LANE	DALTON	GA	30721	(253) 579-6087
MCKERN, KEVIN F.	3486 HWY 155 N SUITE 221	MCDONOUGH	GA	30252	(404) 723-0891
MOORE, MICHAEL D.	250 JIM KNIGHT RD SE	CARTERSVILLE	GA	30121	(770) 883-8518
NOLL, CHARLES E.	3015 PADDOCK RD.	COVINGTON	GA	30014	(678) 859-8579
SCROGGINS II, STEPHEN D.	2325 HAWTHORNE TRACE	MONROE	GA	30655	(404) 597-7424
WILLIAMS, JUSTIN A.	195 SHANNON DR.	RINGGOLD	GA	30736	(423) 680-0702
		GA COUNT	8		
DAVIS, ERIC D.	931 LONGVIEW DR	MISSOURI VALLEY	IA	51555	(402) 980-4881
HERMSTAD, BRADLEY R.	PO BOX 411	SIOUX RAPIDS	IA	50585	(712) 390-2080
HIMMEL, NATHAN A.	505 W JEFFERSON AVE	URBANA	IA	52345	(319) 929-1068
HOWELL, JACOB L.	2904 PRESTON PL.	LOGAN	IA	51546	(712) 355-2624
LAMBERT, JOSEPH R.	P.O. BOX 703	SHELL ROCK	IA	50670	(319) 529-1416
MONAHAN, DEAN J.	1309 SOUTHRIDGE RD	HARLAN	IA	51537	(712) 579-4112
NELTON, ROBERT C.	5105 EMERSON DR	AMES	IA	50014	(515) 341-5492
PARBS, JASON A.	3125 CARRIAGE DR. SW	CEDAR RAPIDS	IA	52404	(319) 721-0866
POSTMA, DELWYN D.	205 7TH ST.	IRETON	IA	51027	(712) 540-3577
ROLING, MATTHEW C.	909 SPRING ST.	CLERMONT	IA	52135	(563) 412-9110
ROSENER, MARK A.	10264 NUTMEG AVE	RODNEY	IA	51051	(712) 635-2780
VORE, TODD E.	PO BOX 350	ALTON	IA	51003	(712) 441-5856
		IA COUNT	12		
ABBOTT, CODY W.	940 BOBCAT DR.	JEROME	ID	83338	(208) 789-9978
ANDERSEN, COLIN J.	1963 N. COOL SPRINGS AVE.	KUNA	ID	83634	(208) 901-0018
ARNOLD, DUSTIN E.	16155 SETTLEMENT AVE.	CALDWELL	ID	83607	(208) 841-1462
CAMPING, RYAN M.	3083 E 3400 N	TWIN FALLS	ID	83301	(951) 532-5716
DEJONG, DWAINE M.	PO BOX 54	BASALT	ID	83218	(208) 710-9070
GRANDEN, ROBERT C.	24200 DAVENPORT LANE	CALDWELL	ID	83607	(208) 941-3913
HANSEN, KENNETH R.L.	3116 S. KOKOMO DR.	NAMPA	ID	83686	(208) 721-0804
MERRICK, BRIAN H.	7311 WILD HORSE WAY	NAMPA	ID	83686	(208) 550-2015
NORTH, MICHAEL D.	8958 W. MAPLEVIEW	BOISE	ID	83704	(208) 860-0938
ODIERNA, JUSTIN N.	1248 WEST BRENTWOOD LOOP	COEURD' ALENE	ID	83815	(714) 471-2541
POOLE, WAYNE S.	P.O. BOX 343	RIGBY	ID	83442	(208) 521-5676
VILLASENOR JR., DAVID	408 3RD AVE. W	JEROME	ID	83338	(208) 731-2595
		ID COUNT	12		
ABBINANTE, VITO M.	840 WILDWOOD DR.	PINGREE GROVE	IL	60140	(224) 489-1560
BLACK, JOSHUA D.	24030 SOUTH KINGS ROAD	CRETE	IL	60417	(708) 733-0713
BURNS III, JAMES J.	1787 LAKEVIEW DR.	WATERLOO	IL	62298	(618) 612-0333
COSTLEY, DANIEL F.	1565 DRIFTWOOD LANE	CRYSTAL LAKE	IL	60014	(847) 800-5212
CREWS, COLLIN J.	1870 BALCOM RD	ANNA	IL	62906	(618) 697-2457
DAVIS, NATHAN G.	243 OAKWOOD RD	EAST PEORIA	IL	61611	(309) 264-6382
FLOOD, RANDY G.	673 US ROUTE 40 E	MONTROSE	IL	62445	(217) 621-2014
JAROS, KENNETH R.	25553 TAMARACK DR	WAUCONDA	IL	60084	(847) 962-0112
KENDRICK, ROBERT J.	543 N. MAIN STREET	JONESBORO	IL	62952	(618) 697-0681
LOEHR, MATTHEW D.	228 W 12TH STREET	FLORA	IL	62839	(618) 231-2352
MAGNUSON, KEITH R.	5408 AMBY LN.	MCHENRY	IL	60051	(847) 660-0978
MCGINNIS, SEAN	231 LONGBEACH ROAD	LAKEMOOR	IL	60051	(815) 505-4299
OWEN, RICHARD T.	18746 W. WESTWOOD PLACE	LAKE VILLA	IL	60046	(847) 962-0079
PLATOU, BRIAN K.	5407 EUCLID DR.	MCHENRY	IL	60050	(262) 745-0392
PURPURA, CHRIS N.	7150 BLACKSTONE AVE	JUSTICE	IL	60458	(708) 612-7979
SMITH, LANE A.	1230 S. CHENEY ST	TAYLORVILLE	IL	62568	(217) 824-5212
SPECIALE, PHILLIP P.	9N915 APACHE RUN	ELGIN	IL	60124	(630) 903-9779
SPENCER, WAYNE G.	420 E. DEPOT ST.	ANTIOCH	IL	60002	(224) 588-6980

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
THEODOSSOPOULOS, JAMES J.	23718 S CENTER RD	FRANKFORT	IL	60423	(708) 800-6869
		IL COUNT	19		
CHERRY, RODGER W.	3775 COUNTRY LANE	BROWNSBURG	IN	46112	(317) 258-5166
CLAYWELL, ADAM P.	8094 DALTON ROAD	HAGERSTOWN	IN	47346	(765) 730-6972
DEAN, TODD A.	2151 E 850 N	ROME CITY	IN	46784	(260) 385-4089
DEVRIES, HARRISON (68Y9 2ND FRN)	51474 IRONWOOD	GRANGER	IN	46530	(574) 344-3243
DEVRIES, STEVEN	51474 IRONWOOD	GRANGER	IN	46530	(574) 339-6642
DOWNS, MARK W.	7265 PEPPLE PKWY.	MICHIGAN CITY	IN	46360	(219) 898-7510
EICKHOFF, NICHOLAS P.	4935 ORCHARD RD	EVANSVILLE	IN	47720	(812) 746-8783
ESTES, TY A.	13700 W COUNTY ROAD 700 N	GASTON	IN	47342	(765) 631-3433
HAMMOND, STEVEN D.	17936 LINCOLN HWY E	MONROEVILLE	IN	46773	(260) 452-5956
MARTIN, KYLE R.	27870 CR 36	GOSHEN	IN	46526	(574) 238-3305
MAYFIELD, JASON L.	4872 WILLKIE RD	TERRE HAUTE	IN	47802	(812) 230-5133
MICHAEL, DAWSON D.	6040 S. 400 WEST	ASHLEY	IN	46705	(260) 385-0595
MILLER, ERIC D.	1021 MIDDLE ST.	NEW HAVEN	IN	46774	(260) 402-5518
MILLER, LANCE W.	18254 US HWY 6	NEW PARIS	IN	46553	(574) 322-1656
PHILLIPS, TIMOTHY E.	1350 EAST MAPLE TURN RD	MARTINSVILLE	IN	46151	(317) 694-8230
RAYBURN, STEPHEN C.	5280 W CR 300 S	NEW CASTLE	IN	47362	(765) 465-0697
SCHMITT, ERIC J.	12122 WAYLAND COURT	EVANSVILLE	IN	47725	(812) 228-9287
STEWART, ANTHONY J.	405 N 1ST STREET	LEWISVILLE	IN	47352	(765) 524-7024
THEODOSSOPOULOS, TIM	427 OAK BREEZE DR	VALPARAISO	IN	46383	(708) 932-3942
		IN COUNT	19		
AMAYO IV., JOSEPH A.	2198 IDAHO RD.	WILLIAMSBURG	KS	66095	(785) 521-0555
BATEMON, BRADLY J.	15026 114TH STREET	OSKALOOSA	KS	66066	(913) 360-0249
BJERKE, BRIAN E.	1079 S. WICKFORD RD.	OLATHE	KS	66061	(913) 238-2108
COX, CASEY M.	6420 S LYNNRAE ST	DERBY	KS	67037	(316) 218-5408
DOONAN, WADE C.	2138 LEWIS AVE	SALINA	KS	67401	(620) 282-1132
ESAU, STEPHEN D.	1101 E. DENKER ST	WICHITA	KS	67216	(316) 712-8008
FALES, DAVID G.	12821 W. 78TH	SHAWNEE MISSION	KS	66216	(913) 850-9377
FULLERTON, LISA	1906 ARLINGTON ST.	EL DORADO	KS	67042	(316) 244-1539
HARRIS, JEFFREY S.	3024 GIRARD STREET	LEAVENWORTH	KS	66048	(913) 547-1884
HURT, MICHAEL L.	945 E. CHARLOTTE TOWN ROAD	OLATHE	KS	66061	(913) 530-7601
MILLER, MICHAEL T.	210 OAK STREET	WINCHESTER	KS	66097	(913) 370-3100
RUMPEL, AARON R.	301 S. 7TH ST.	WA KEENEY	KS	67672	(785) 726-1013
SCRIPP, BRAD A.	1655 S BOWER DR	WICHITA	KS	67230	(316) 644-9525
WILLARD JR., MICHAEL D.	2450 W. MESQUITE TERRACE	OLATHE	KS	66061	(913) 645-5127
		KS COUNT	14		
ABBOTT, LYLE S.	2217 FOX TRAIL COURT	LA GRANGE	KY	40031	(502) 639-7721
BOGUSZEWSKI, DAVID M.	24 WASHINGTON AVE.	BELLEVUE	KY	41073	(859) 628-5205
MASLINE, ERIC H.	44 KINGSVIEW LANE	SOMERSET	KY	42501	(606) 350-0066
MORRISON, ALEX J.	1653 TANNER RD.	HEBRON	KY	41048	(859) 321-6850
PINE, ROBERT A.	496 7TH AVE.	CLAY CITY	KY	40312	(303) 335-8003
VENNEMAN, JOHN D.	485 SOUTH GRAND AVE	FORT THOMAS	KY	41075	(859) 409-3664
		KY COUNT	6		
AYO, SHANE G.	971 HWY 20	THIBODAUX	LA	70301	(985) 637-7882
BOGDAN, DAVID M.	7329 BARKRIDGE DR	SHREVEPORT	LA	71119	(318) 426-2709
CLINE, ANGEL S.	1075 DOMINGUE ST.	BREAUX BRIDGE	LA	70517	(337) 453-7415
GILLESPIE, CHAD M.	38068 POST OFFICE RD	PRAIRIEVILLE	LA	70769	(504) 360-5625
GIOVINGO, NICHOLAS J.	1801 MANHATTAN BLVD. SUITE J	HARVEY	LA	70058	(504) 329-9924
NGUYEN, TAN V.	106 LIVE OAK LN.	LULING	LA	70070	(504) 319-9020

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
ROGERS, JEFFREY A.	41 SAYES RD	PINEVILLE	LA	71360	(318) 447-2657
ROMERO, AUDIE J.	6215 NORRIS BRANCH RD.	NEW IBERIA	LA	70560	(337) 278-5286
SEAUX JR., DENNIS J.	PO BOX 1328	YOUNGSVILLE	LA	70592	(337) 577-2927
STEIN, DONALD L.	78264 BOOTH RD.	FOLSOM	LA	70437	(228) 229-4463
WARREN, EDWIN B.	PO BOX 2211	DENHAM SPRINGS	LA	70727	(225) 938-6804
WATSON, JIMMY E.	313 JADE CT	MADISONVILLE	LA	70447	(985) 867-6773
		LA COUNT	12		
BERUBE, JOSEPH L.	121 SWANSOM ROAD	SWANSEA	MA	02777	(774) 930-2773
HAMDI, THAER R.	252 WINTER ST	NORTH ANDOVER	MA	01845	(978) 885-0622
HAWORTH, WILLIAM G.	16 PILGRIM RD.	LAKEVILLE	MA	02347	(774) 406-0544
INDECK, ALEXANDER	91 LAKESIDE AVE	LAKEVILLE	MA	02347	(774) 226-0028
JOHNSON, DAVID S.	4 STONE WALL LANE	BILLERICA	MA	01821	(781) 589-7189
LANG, COREY F.	69 TREBLE COVE ROAD	NORTH BILLERICA	MA	01862	(978) 758-1786
LEBLANC, LAWRENCE	1 JOHNATHAN LANE	TOWNSEND	MA	01474	(978) 729-5028
MALDONADO, JOSE R.	52 DEADY AVE.	STOUGHTON	MA	02072	(781) 552-6721
MAXFIELD, JACOB A.	179 LAUREL STREET	WINCHENDON	MA	01475	(978) 424-6504
PALUMBO, KENNETH J.	31 GOVERNOR FULLER RD.	BILLERICA	MA	01821	(617) 240-8644
RICCI, ANDREW J.	180 HIGHLAND ST.	HOLDEN	MA	01520	(508) 509-3525
SANTIAGO, DANIEL J.	348 OLD WEST WARREN RD.	WEST WARREN	MA	01092	(508) 579-1281
TRIMPER, JASON W.	9 HAWTHORNE RD	NEWBURYPORT	MA	01950	(781) 718-0107
WALKER, ANDREW M.	28 MINOT AVENUE	WAREHAM	MA	02571	(774) 260-0327
		MA COUNT	14		
CAMPBELL, DAVID A.	1235 COOL MINT COURT	WESTMINSTER	MD	21157	(443) 622-7244
COLLINS, CHARLES R.	1351 SUDLERSVILLE ROAD	SUDLERSVILLE	MD	21668	(410) 490-6190
DECKERT, LOUIS J.	1355 JORDAN DRIVE	SHADY SIDE	MD	20764	(410) 562-7284
FLYE, KYLE M.	219 MAIN AVE. SW	GLEN BURNIE	MD	21061	(410) 209-7135
GILBERT, KYLE C.	28934 AUTUMNWOOD DRIVE	MECHANICSVILLE	MD	20659	(443) 975-0194
HUETHER, RICHARD D.	5301 FORGE RD	WHITE MARSH	MD	21162	(443) 506-2581
MCINVALE, GREGORY E.	4 ROCKINGHAM DRIVE	KEEDYSVILLE	MD	21756	(443) 878-2775
MILLER, JUSTIN C.	115 N. HOUCKSVILLE ROAD	HAMPSTEAD	MD	21074	(410) 596-8589
PARKS, PATRICK M.	9320 BEL AIR DRIVE	MARDELA SPRINGS	MD	21837	(443) 440-2388
PATTERSON JR, JOHN E.	6136 ROLLING VIEW DRIVE	SYKESVILLE	MD	21784	(443) 254-3192
PEAY, WILLIAM D.	695 VERDA LANE	HUNTINGTOWN	MD	20639	(240) 876-9467
PHELPS, ANDREW R.	1555 SOUTH PLEASANT VALLEY DR	WESTMINSTER	MD	21158	(410) 596-2037
SMITH, BRIAN K.	6804 RUNNING SPRINGS CT.	FREDERICK	MD	21703	(301) 748-0492
VARNER, MICHEAL A.	18137 MAUGANS AVE.	HAGERSTOWN	MD	21740	(301) 616-7600
WALSH, JAMES T.	2370 EAGLE WOOD DRIVE	MOUNT AIRY	MD	21771	(443) 605-2810
		MD COUNT	15		
ALLAIRE, ALEX P.	377 N. BUCKFIELD RD	BUCKFIELD	ME	04220	(207) 754-1836
ARSENAULT, SEAN J.	306 BRIDGTON RD.	EAST BALDWIN	ME	04024	(207) 415-4197
DUCHART, MARK V.	PO BOX 37	NEWRY	ME	04261	(207) 239-0969
DUNHAM, KEVIN K.	8 MARCHO ROAD	CARMEL	ME	04419	(207) 944-3543
HORST, SHAWN E.	226 CORNER RD	BRIDGEWATER	ME	04735	(207) 551-9859
LAPOINTE, WAYNE G.	4 MADELYN AVE.	TOPSHAM	ME	04086	(207) 632-6803
MADRUGA, ALEXANDER J.	8 NORAH LANE	BERWICK	ME	03901	(207) 229-0016
MARRIOTT, ZACKERY M.	1119 LEWISTON RD	NEW GLOUCESTER	ME	04260	(717) 839-3192
RENDO, WILLIAM A.	37 GOLDENEYE DR	TOPSHAM	ME	04086	(603) 819-3360
		ME COUNT	9		
ANES, JOSHUA R.	151 ARTHUR ST.	MARNE	MI	49435	(616) 438-8727
BEYER, ANDREW J.	PO BOX 622	ALANSON	MI	49706	(231) 373-2351
BROWN, BRIAN T.	449 CANADA ROAD	CASNOVIA	MI	49318	(616) 634-2664

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
BURMEISTER, STEVEN C.	9827 SIL ST.	TAYLOR	MI	48180	(313) 729-2759
EDDS, MICHAEL S.	26211 PARKINGTON ST.	ROSEVILLE	MI	48066	(586) 649-8418
EPPARD, WESLEY K.A.	317 W. CLINTON ST.	OVID	MI	48866	(989) 307-9736
FARLEY, JAMES D.	21171 ARMADA RIDGE ROAD	ARMADA	MI	48005	(586) 746-9281
FINCH, ZACHARY T.	10215 PULASKI RD	HANOVER	MI	49241	(517) 425-0772
FISHER, AMELIA A.	6812 EAST V AVE.	VICKSBURG	MI	49097	(269) 762-3959
FISHER, ROBERT R.	6812 E V AVE.	VICKSBURG	MI	49097	(269) 762-2889
GIBSON, DUSTIN A.	258 N FISKE ROAD	COLDWATER	MI	49036	(517) 990-2886
GRAY, CHRISTOPHER L.	58004 46TH ST.	LAWRENCE	MI	49064	(269) 267-8998
GROSSHANS, GARRISON G.	10619 N. CLINTON TRAIL	SUNFIELD	MI	48890	(517) 256-2329
HACKERT JR., ARTHUR W.	2900 WILLIAMSTON RD	LESLIE	MI	49251	(517) 749-5365
HARRISON, BRETT M.	12611 14 MILE RD.	GREENVILLE	MI	48838	(616) 780-1293
JOHNSON, KEVIN R.	14374 136TH AVE.	GRAND HAVEN	MI	49417	(616) 540-6419
KELLY, NOLAN R.	1118 BARNESWOODS CRT	ROCHESTER HILLS	MI	48306	(313) 585-4010
LELLO, VINCENT W.	1583 FENNER RD	OWOSSO	MI	48867	(810) 623-9776
LEVANDOWSKI, JASON T.	1397 CARLETON ST.	WHITEHALL	MI	49461	(616) 773-4992
MANDERS, DAVID	21180 MARTINSVILLE RD	BELLEVILLE	MI	48111	(734) 624-4569
RAMSEY, DEREK W.	12740 PINE LAKE RD	PLAINWELL	MI	49080	(269) 806-0663
REIF, NATHAN M.	6116 MERRIMAN RD.	GARDEN CITY	MI	48135	(734) 231-8293
RUDOLFI, KEVIN E.	14765 15 MILE RD	STERLING HEIGHTS	MI	48312	(248) 667-6174
SCHUELKE, KARL J.	9099 RAMSDELL DR.	ROCKFORD	MI	49341	(616) 430-1758
SHERMAN, MALISSA (37Y9 2ND FRN)	12735 W. PINE LAKE RD.	PLAINWELL	MI	49080	(269) 303-3510
SHERMAN, MARK D.	12735 W. PINE LAKE ROAD	PLAINWELL	MI	49080	(269) 808-6491
STATTLER, BRANDON L.	94227 M51	DOWAGIAC	MI	49047	(269) 308-9831
WATSON, JAMES C.	2243 S PERKEY RD	CHARLOTTE	MI	48813	(517) 303-9400
WHITE, THEODORE B.	4900 KELSO RD	NORTH ADAMS	MI	49262	(517) 607-1035
WINN II., JOHN M.	1425 LILLIAN ST	WESTLAND	MI	48186	(734) 612-7832
WLUDYKA III, RICHARD T.	13212 WALNUT ST.	SOUTHGATE	MI	48195	(734) 250-1593
		MI COUNT	31		
ANDERSON, DAVID P.	18595 145TH ST. NW	ELK RIVER	MN	55330	(763) 290-5812
BOYLES, SAM P.	13573 NEVADA AVE	SAVAGE	MN	55378	(612) 306-8626
CREIGHTON, CODY J.	32902 8TH AVE WAY	DENNISON	MN	55018	(507) 403-3386
DZIENGEL, JOSHUA J.	2128 196TH ST E	CLEARWATER	MN	55320	(320) 282-8010
GARDNER, RICHARD M	13158 145TH ST	WATKINS	MN	55389	(320) 250-2554
HATTELL, MELVIN J.	19601 TYLER ST NW	ELK RIVER	MN	55330	(720) 205-9094
KLEKOTKA, MATTHEW A.	550 PARK ST. E	NEW GERMANY	MN	55367	(952) 426-2901
LARSON, JAY W.	4355 224TH AVENUE NE	EAST BETHEL	MN	55011	(763) 360-2780
SPARKS, MICHAEL L.	612 WALNUT ST.	FARMINGTON	MN	55024	(952) 237-2080
THEIS, MATTHEW D.	1515 WOOD DUCK TRAIL	SHAKOPEE	MN	55379	(612) 964-9227
WATSON, BRIAN M.	248 15TH STREET	FARMINGTON	MN	55024	(612) 247-0446
		MN COUNT	11		
BECKER, PHILLIP A.	17306 E. BUNDSCHU RD	INDEPENDENCE	MO	64056	(913) 626-9568
BETTIS, MICAH J.	30939 NIEMAN RD.	WRIGHT CITY	MO	63390	(314) 322-4922
BUNCH, JEREMIAH D.	54 PARKWAY DR.	TROY	MO	63379	(770) 363-3354
CRAIG, DANIEL C.	217 NORTH ST.	WINDSOR	MO	65360	(660) 525-4352
DAVIS JR, DONALD E.	# 9 MEADOW LAKE DR.	ST. LOUIS	MO	63146	(314) 954-5546
ELZ-BADE, RYAN J.	511 MCNAIR ST	NEW HAVEN	MO	63068	(405) 301-4660
HURT, RAYMOND C.	643 SUNSET INN RD	BRANSON	MO	65616	(913) 788-0173
ILLY, JOHN R.	10128 ROUTE Z	MEXICO	MO	65265	(636) 262-9020
KALLAS, CHRIS M.	974 SICKLEBAR DRIVE	PECULIAR	MO	64078	(816) 686-7079
KELLER, EDWIN O.	3696 WHITETAIL RD	DE SOTO	MO	63020	(314) 570-0818

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
MUMMERT, ROBERT K.	27868 HWY 52	COLE CAMP	MO	65325	(660) 221-3439
POUSH, RICKY D.	609 OAK ST	BUCKLIN	MO	64631	(660) 216-7768
RUSH, ERIC S.	11295 COUNTY ROAD 366	SAVANNAH	MO	64485	(606) 425-7781
SPAIN, BRANDON L.	11302 EAST FIR RD	CARTHAGE	MO	64836	(417) 438-2834
STEINMEYER, BRYCE D. A.	6 BELLA JOY CT	WINFIELD	MO	63389	(314) 732-3600
TATE, MATTHEW C.	611 OSAGE LAKE DR.	CEDAR HILL	MO	63016	(314) 780-1477
		MO COUNT	16		
ALFORD, DANNY D.	1012 DEAR COURT LN.	CRYSTAL SPRING	MS	39059	(601) 906-3010
BROOM, GORDON D.	1171 PEARL VALLEY RD.	WESSON	MS	39191	(601) 695-7284
DEAVER, KENNETH A.	PO BOX 835	CLINTON	MS	39060	(601) 942-3205
DUCOTE JR., ROBERT E.	49 BROADUS RD.	LUMBERTON	MS	39455	(601) 408-6953
IRWIN JR., LYNN D.	6930 POPLAR CORNER ROAD	WALLS	MS	38680	(901) 238-8250
KENDALL, THOMAS COLE	228 ROLLING HILLS BLVD.	FLORENCE	MS	39073	(601) 906-5243
KILLINGSWORTH, SHAWN R.	984 MULLICAN RD.	FLORENCE	MS	39073	(601) 955-6302
REDDING, CAREY L.	659 RED BANKS RD. SOUTH	BYHALIA	MS	38611	(901) 491-3910
		MS COUNT	8		
LIVESAY, AUSTIN W.	621 N 5TH ST	MILES CITY	MT	59301	(406) 839-4581
SUTTON, SCOTT C.	1555 RIVER EDGE RD. UNIT 2	BILLINGS	MT	59101	(701) 210-2866
TORCZON, CLINTON T.	819 WEST G RD.	HUNTLEY	MT	59037	(406) 591-3952
WOODBURY, BRADLEY J.	152 E TOBIANO TRAIL	BELGRADE	MT	59714	(406) 551-5634
		MT COUNT	4		
ATWELL, PATRICK H.	3831 PEARL AVE	SOPHIA	NC	27350	(336) 442-2196
BAGWELL, MARK E.	1824 DARIAN DRIVE	ELIZABETH CITY	NC	27909	(757) 777-8883
BAILEY JR., CLIFTON E.	213 S WEBER ST	TRENTON	NC	28585	(919) 330-2018
BARRON, CHRISTOPHER T.	40698 PAULS CROSSING RD	RICHFIELD	NC	28137	(704) 219-8743
BARROW JR, CHARLES	4804 EASON RD.	LA GRANGE	NC	28551	(252) 560-4142
BATCHELOR, ISAAC C.	201 WESTMINISTER DR	JACKSONVILLE	NC	28540	(910) 265-0144
BELL JR, ELDREDGE	1224 PEACH ORCHARD RD	LOUISBURG	NC	27549	(919) 215-8894
BRYAN, RICK L.	2923 CATHERINE LAKE ROAD	RICHLANDS	NC	28574	(910) 330-5150
BURCHETTE, AARON M.	886 BLEVINS HOLLOW RD	PINEY CREEK	NC	28663	(336) 877-0016
CHERRY, ZACHARY A.	994 ELLIOT FARM RD.	FAYETTEVILLE	NC	28311	(910) 578-3077
COCHRAN, JOSHUA A.	628 ANGEL COVE RD.	FRANKLIN	NC	28734	(828) 371-2275
COX, ANTHONY A.	1662 STEED RD.	RANDLEMAN	NC	27317	(336) 991-6707
CRADDOCK, CARL A.	2313 POND RIDGE CT.	KANNAPOLIS	NC	28083	(980) 621-4695
DANIEL, RONNIE G.	19 CROFOOT TRAIL	ASHEVILLE	NC	28804	(828) 273-1500
DEAL, DON	560 OAKLAND AVE EXT	MORGANTON	NC	28655	(828) 443-7273
DOBSON, GARY W.	404 VIRGINIA DR.	SPRING LAKE	NC	28390	(910) 489-8117
FARRELL, JEFFREY T.	5508 DEER HUNTER CT	GARNER	NC	27529	(919) 524-1812
FINCK, DYLAN S.	219 NEWBERN DR.	KNOTTS ISLAND	NC	27950	(757) 335-1322
GERBER, CHRISTOPHER M.	100 GRAY FOX ROAD	FRANKLIN	NC	28734	(828) 421-2469
GRAGG, RICHARD B.	691 ALONZO MCNEIL DR.	MILLERS CREEK	NC	28651	(336) 984-8421
HAYNES, JUSTIN M.	289 MILLER FARM RIDGE	FLEETWOOD	NC	28626	(828) 964-8664
JAMES, MATTHEW E.	628 MONGER LANE	SANFORD	NC	27330	(919) 908-4374
JOHNSON, JEREMY N.	7192 DAVIS COUNTRY RD	RANDLEMAN	NC	27317	(336) 870-6015
LEWIS, ALLEN R.	2101 W. BUFFALO ROAD	WEST JEFFERSON	NC	28694	(336) 977-6151
LITTLE, DANIEL S.	5834 MONARCH PASS	CLAREMONT	NC	28610	(828) 310-8496
LUCAS, BRANDON M.	2001 MOON BEAM LANE	STANLEY	NC	28164	(704) 675-3003
MCLAREN, ALEXANDER J.	7714 KREFELD GLEN DR.	CHARLOTTE	NC	28227	(985) 302-4955
MEDINA JR., RENATO	1605 CRESTGATE DR.	WAXHAW	NC	28173	(972) 765-0116
NEAL, COLTON D.	297 SAINT LAWRENCE WAY	CLAYTON	NC	27520	(919) 800-8454
O'NEILL, JASON M.	780 HARRIS BRIDGE RD	STONY POINT	NC	28678	(704) 402-0498

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
PATTON, COLLIN D.	5890 OXFORD SCHOOL RD	CLAREMONT	NC	28610	(573) 300-0341
PRICE, PATRICK R.	2421 GENES LOOP	MORGANTON	NC	28655	(828) 430-1162
RHEW, VICTOR K.	60 OLDE OAKS LANE	PITTSBORO	NC	27312	(919) 796-4456
RUSSELL, TRAVIS E.	122 ST. LAWRENCE WAY	CLAYTON	NC	27520	(919) 455-7887
SMITH, BRANDON K.	181 DIANNA AVE.	THOMASVILLE	NC	27360	(336) 442-2215
STUMP, DAVID L.	198 SKYVIEW LAKE RD.	HARMONY	NC	28634	(704) 904-3062
STUTTS, JEFFREY LEE	5425 ZOO PARKWAY	ASHEBORO	NC	27205	(336) 953-7787
SUGGS, GARTHA	1925 OLD GREENFIELD RD	RALEIGH	NC	27604	(919) 818-4831
THOMAS, DAVID B.	5509 NC HWY 16	CLAREMONT	NC	28610	(980) 318-2121
TYNDALL JR., DONALD R.	7101 THORNE FARM RD	ELM CITY	NC	27822	(252) 245-2481
		NC COUNT	40		
BADER, TIMOTHY A.	8400 29TH AVE NW	BURLINGTON	ND	58722	(701) 500-5824
BEETER, BRANDON R.	140 4TH ST SE	GARRISON	ND	58540	(701) 833-2462
KRAFT, COREY A.	6717 SELLAND LOOP	BISMARCK	ND	58503	(701) 400-5992
SCHON, CODY R.	452 LANGER AVE.	CASSELTON	ND	58012	(701) 371-3130
SHIPLEY JR, KIRK D.	6669 55TH AVE SOUTH	FARGO	ND	58104	(701) 730-3982
		ND COUNT	5		
BENTON, BRIAN B.	2313 WESTRIDGE DR	OGALLALA	NE	69153	(303) 204-8552
BRAUN, MARK O.	14024 PATRICK AVE	OMAHA	NE	68164	(402) 305-5623
COLE, GAGE M.	240066 HWY 92	GERING	NE	69341	(308) 765-8688
DETHLEFS, DWAYNE D.	9610 DUNBAR ROAD	ELM CREEK	NE	68836	(308) 280-1219
FREUDENBURG, BRIAN C.	82861 547TH AVENUE	MADISON	NE	68748	(402) 920-3282
GUGAT, MATTHEW C. E.	814 ELDON DR	LINCOLN	NE	68510	(402) 560-7773
HALSEY, BARRY A.	4070 DACK AVE	GRAND ISLAND	NE	68803	(308) 750-2120
HEIM, JEFF S.	4250 CO ROAD F	TEKAMAH	NE	68061	(402) 659-6426
JEWETT, BRIAN R.	721 7TH ST	GOTHENBURG	NE	69138	(308) 440-5578
JURANEK, TANNER S.	652 3RD ST	SYRACUSE	NE	68446	(402) 209-1666
ST. ANDRE, RYAN L.	137 CEDAR STREET	CHADRON	NE	69337	(308) 430-1386
WALTER, MARK	745 N. GRANT	FREMONT	NE	68025	(402) 680-1490
WILSON, BRENT B.	55316 JOANN DRIVE	NORFOLK	NE	68701	(402) 750-9095
WOLVERTON, BRAD A.	11702 S 201ST STREET	GRETNA	NE	68028	(402) 689-4965
		NE COUNT	14		
ALVES, CHARLES R	32 COBURN AVE	NASHUA	NH	03063	(603) 809-9921
CHASE, BRANDIN	662 MAPLE ST.	HOPKINTON	NH	03229	(603) 496-1235
COLUMBUS, DANIEL C.	39 HANSOM DR	MERRIMACK	NH	03054	(603) 566-6257
CREAN, GREGG W.	153 RAYMOND ROAD	DEERFIELD	NH	03037	(978) 337-3320
ERIKSON-GISETTO, KYLE P.	3 EDDY AVE.	BROOKLINE	NH	03033	(603) 401-5463
FORTIER, JEREMIE JC	10 ROBIN HOOD DR.	LONDONDERRY	NH	03053	(978) 337-4956
FROST, ADAM R.	49 BUSH HILL RD	HUDSON	NH	03051	(617) 653-4885
GRENIER, JUSTIN M.	69 STEARNS RD	AMHERST	NH	03031	(603) 657-8601
HOPPER, AMANDA M.	129 OSSIPEE LAKE RD.	TAMWORTH	NH	03886	(603) 418-5615
LABBE, DAVID J.	225 ASH ST.	MANCHESTER	NH	03104	(603) 674-7409
LIBBY, GABRIELLE N.	286 AMORY ST.	MANCHESTER	NH	03102	(603) 315-2779
MORTON, BRIAN F.	46 CRESTWOOD CIRCLE	SALEM	NH	03079	(603) 401-1332
OSTLER, SEAN M.	98 DUGGIN RD	WILTON	NH	03086	(603) 321-2384
STEPHENSON, KEVIN M.	7 JULIA DRIVE	HOOKSETT	NH	03106	(857) 492-4335
THANE, KEITH M.	152 HUNT HILL ROAD	RINDGE	NH	03461	(508) 527-0975
		NH COUNT	15		
BUGDON, ALYSIA D.	6209 PINE ST.	MAYS LANDING	NJ	08330	(609) 816-3113
CHRISTIAN, DAVID M.	15 ADAMS ST	LOGAN	NJ	08085	(856) 510-6006
ERRICHETTI, STEVEN C.	12 AVON DRIVE	MADISON	NJ	07940	(201) 715-2946

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
FROITZHEIM, STEPHEN J.	10 MARTIN AVE	LAKE HOPATCONG	NJ	07849	(973) 219-0201
ISRAEL, RICHARD J.	29 CREEK LANE	MOUNT ROYAL	NJ	08061	(856) 478-8400
KNAPP, RICHARD E.	5 DEER LANE	SUCCASUNNA	NJ	07876	(201) 317-4708
MEJIAS, GABRIEL	83 WESTVILLE AVE.	CALDWELL	NJ	07006	(973) 614-4991
ROSICA, ADAM L.	160 QUAKER NECK ROAD	SALEM	NJ	08079	(856) 981-9736
ROSSOW, RICHARD R.	2 JOCELYN PL.	POMPTON PLAINS	NJ	07444	(862) 226-0905
SANDELLI, MARCUS R.	29 CONTINENTAL AVE.	MORRISTOWN	NJ	07960	(973) 936-3456
SCHIEDLO, CHRISTOPHER J.	12 BENEDICT DR	LAKE HOPATCONG	NJ	07849	(973) 945-0123
		NJ COUNT	11		
ADDIS, MARK C.	1676 ANGEL RD	CORRALES	NM	87048	(505) 573-5758
CALKINS, MICHAEL A.	1604 A. FAIRVIEW RD.	TULAROSA	NM	88352	(575) 443-3400
GURULE, NORMAN V.	1043 ORTEGA RD. NW	ALBUQUERQUE	NM	87114	(505) 239-4640
KEARNS, PHILIP A.	1406 W. BONITA DR.	ROSWELL	NM	88203	(480) 371-4520
ORPHEY, FRANK W.	2418 E HWY 66 #480	GALLUP	NM	87301	(575) 546-1902
ROGNSVOOG, JASON M.	54 ARROWHEAD TRAIL	TIJERAS	NM	87059	(505) 908-7173
SCHNAKENBERG, LOUIE M.	2704 LERMA ROAD NE	RIO RANCHO	NM	87144	(505) 385-2520
SIMPKINS, RAYMOND G.	714 ANGEL RD	CORRALES	NM	87048	(505) 238-7110
		NM COUNT	8		
BARTHOLOMEW, MARK D.	152 CECILIA COURT	SPANISH SPRINGS	NV	89441	(775) 223-4054
CASTANEDA JR., JIM A.	180 E CYPRESS DRIVE	HENDERSON	NV	89015	(702) 528-9986
CASTANEDA, JENNA B.	180 E. CYPRESS DR	HENDERSON	NV	89015	(702) 580-7941
CASTANEDA, TAMOURA L.	180 E CYPRESS DR.	HENDERSON	NV	89015	(702) 528-9985
ENRIQUEZ, JERRY S.	111 ALAMOSA ST	DAYTON	NV	89403	(775) 291-8442
ESTRADA, ANGEL DEJESUS	7619 QUAIL DUST ST.	NORTH LAS VEGAS	NV	89084	(702) 885-3721
FLORES, EDGAR	10617 MOUNTAIN STREAM CT.	LAS VEGAS	NV	89129	(702) 472-1973
MARTINS, OLEGARIO C.	3221 SOLUTARE CT.	NORTH LAS VEGAS	NV	89031	(702) 217-6638
MORTEZAIEI, DANIEL	2621 S. RED ROCK DR.	PAHRUMP	NV	89048	(702) 927-1332
MYERS, GREGORY K.	2901 S. FIRESTONE CT.	PAHRUMP	NV	89048	(702) 283-3924
SCHOCH, MICHAEL L	1838 LEONOR CT.	NORTH LAS VEGAS	NV	89031	(702) 343-3217
SIROTEK, GARRETT J.	1010 DOTTA DR.	ELKO	NV	89801	(775) 340-8253
TAN, VINCENT P.	9264 ROMANCE DIAMOND ST.	LAS VEGAS	NV	89178	(702) 767-5195
VANDEPUT, ROGIER T.	6935 ALIENTE PARKWAY SUITE 104-134	N. LAS VEGAS	NV	89084	(702) 832-9942
		NV COUNT	14		
GRUBE, ROBERT E.	13 REEVES AVE.	RIVERHEAD	NY	11901	(631) 877-7350
KNAGGS, JERRY A.	112 DERBY CT.	VOORHEESVILLE	NY	12186	(518) 258-6320
SIGADEL, WILLIAM C.	40 WATERVLIET AVE.	ALBANY	NY	12206	(518) 331-0268
		NY COUNT	3		
ALLEN, SETH T.E.	668 STATE ROUTE 183	ATWATER	OH	44201	(330) 614-0332
ALSOBROOK, DANIEL J.	46160 CRABAPPLE RD.	SAINT CLAIRSVILLE	OH	43950	(740) 312-4038
BRICKER, DONALD D.	249 TOWNSHIP RD 2150	JEROMESVILLE	OH	44840	(419) 564-1055
CLEMENS, STEVEN M.	11071 CAROLINA TRACE RD	HARRISON	OH	45030	(513) 200-6824
DONALDSON, PHILLIP B.	1868 STANHOPE DRIVE UNIT 1	NEWARK	OH	43055	(740) 334-1134
DUNLAP, THOMAS A.	4245 TWP RD. 115	MCCOMB	OH	45858	(419) 722-6345
GEORGE, ADAM G.	1061 HARTVILLE RD NORTH	HARTVILLE	OH	44632	(330) 704-1215
GIOVANNONI, BRIAN C.	5654 ENRIGHT AVE	RIVERSIDE	OH	45431	(262) 287-8560
GREER JR, WILLIAM J.	4792 WALLINGTON DRIVE	HILLIARD	OH	43026	(614) 205-1158
HERSHBERGER, EVAN L.	6825 TOWNSHIP RD 522	MILLERSBURG	OH	44654	(330) 243-1525
HUTSON, CLYDE R.	4900 ORCHARD RD.	MENTOR	OH	44060	(440) 376-7870
LAMBERT, JEFFREY E.	PO BOX 537	UTICA	OH	43080	(419) 565-8350
LEWIS, SHAWN M.	2966 KEW DRIVE	AKRON	OH	44319	(330) 352-1675
LUDWIG, LAWRENCE C.	1944 COMPTON ROAD	CINCINNATI	OH	45231	(513) 939-5453

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
LUTZ, JEFFREY A.	700 MEDILL AVE.	LANCASTER	OH	43130	(740) 863-9666
MILLER, MATTHEW J.	8860 WILLOWGATE LANE	HUBER HEIGHTS	OH	45424	(937) 784-5993
NAGY, WILLIAM A.	1877 FLINT AVE	AKRON	OH	44305	(330) 515-0934
NEWBURY, CHRISTOPHER M.	43106 DELLEFIELD RD	ELYRIA	OH	44035	(414) 617-8503
NIGN, CHAD EW	687 KERR AVE.	CADIZ	OH	43907	(740) 381-9934
REDFERN, CALEB L.	315 RIVERS END RD	GAHANNA	OH	43230	(614) 209-3181
ROLIFF, JACK W.	6442 WALL STREET	RAVENNA	OH	44266	(330) 554-8376
RUSSO, SAMUEL J.	47841 HUGHES RD.	WELLINGTON	OH	44090	(216) 647-6993
RYAN, CHRISTIAN R.	284 STATE ROUTE 250	JEROMESVILLE	OH	44840	(567) 215-3582
SCOTT, JOHN B.	1160 STANWICK DR.	BEAVERCREEK	OH	45430	(937) 475-5601
SENAY, TROY M.	4206 BAYBERRY CT.	HAMILTON	OH	45011	(513) 630-7210
SIATRAS, DEMETRIUS J.	214 GRANDVIEW AVE.	WADSWORTH	OH	44281	(330) 703-7055
SNYDER, TROY D.	3962 OAKMONT LANE NE	LANCASTER	OH	43130	(740) 689-5601
SPOHR, FRITZ R.	7990 GLENBROOK CT	CINCINNATI	OH	45224	(513) 505-6279
STEVENSON, WILLIAM R.	539 29TH ST NW	MASSILLON	OH	44647	(330) 737-8168
STRAIGHT, JOSHUA M.	13211 SUGAR BUSH AVE	MOGADORE	OH	44260	(330) 907-5230
STROCK, THOMAS B.	4902 EMALENE RD.	WOOSTER	OH	44691	(330) 464-2123
WIESMANN, DANIEL R.	171 CIRCLE DR.	HARRISON	OH	45030	(513) 317-9762
YERKEY, TIMOTHY D.	185 LINVALE DRIVE	NORWICH	OH	43767	(419) 889-2551
		OH COUNT	33		
BRADLEY, ERIC L.	21495 N.S 411 RD	NOWATA	OK	74048	(970) 531-6450
CHRONISTER, JEREMY B.	3451 N. PINE HOLLOW RD.	MCALESTER	OK	74501	(918) 916-6931
COOK, JARED M.	112391 SOUTH 4179 RD	CHECOTAH	OK	74426	(918) 707-0518
EVANS, DALE M.	1437 SOUTH 117TH EAST AVE	TULSA	OK	74128	(918) 639-7909
FERGUSON, JASON R.	12850 SE 158TH ST.	OKLAHOMA CITY	OK	73165	(405) 476-4865
FERNANDEZ JR., LOUIS X.	9239 S 86TH EAST AVE	TULSA	OK	74133	(918) 829-6609
FRANK, KALLEN J.	1220 WASHITA AVE.	MOUNTAIN VIEW	OK	73062	(580) 450-0137
HARE, JONATHAN D.	14606 NE CACHE RD	LAWTON	OK	73507	(920) 212-0438
HASLEY, CHRISTOPHER L.	8420 N 121ST E AVENUE	OWASSO	OK	74055	(918) 810-5327
HASTEY, CHRISTOPHER D.	7966 N MID WEST BLVD	GUTHRIE	OK	73044	(405) 973-5361
HUFF, KELLEN J.	21105 SE 37TH ST.	HARRAH	OK	73045	(405) 638-5973
JOHNSON, DAVID D.	125 N. MARKET AVE	SHAWNEE	OK	74801	(405) 517-1031
NEUGEBAUER, EDDIE (A522 2ND FRN)	20 SW 50TH STREET	LAWTON	OK	73505	(580) 284-9122
NEUGEBAUER, JON M.	2848 NW 115TH PLACE	OKLAHOMA CITY	OK	73120	(405) 209-2976
PILCHER, ANGEL (B128 2ND FRN)	23404 E 136TH ST S	COWETA	OK	74429	(918) 951-7582
PILCHER, JOSHUA R.	23404 E 136TH ST. S	COWETA	OK	74429	(918) 951-7381
SELEMENT, ALAN D.	4700 SE 41ST ST	OKLAHOMA CITY	OK	73165	(405) 496-0378
SINGLETON, WARREN F.	209 S. 79TH STREET	BROKEN ARROW	OK	74014	(918) 289-7499
SUTTON, SHANE C.	16101 MONTEVISTA COURT	NORMAN	OK	73026	(405) 401-2059
WEST JR., MICHAEL G.	597 ETCHISON ROAD	QUINTON	OK	74561	(918) 839-5146
		OK COUNT	20		
CLELAND, TYLER B.	3403 LAVINA DR.	FOREST GROVE	OR	97116	(971) 435-0872
COZART, CHRISTOPHER M.	5835 HUSKEY LN SE	AUMSVILLE	OR	97325	(503) 509-3519
GREGG, RICHARD E.	20267 HWY 213	OREGON CITY	OR	97045	(503) 550-4095
HUNTER, JERAMY W.	880 CLEVELAND ST	AUMSVILLE	OR	97325	(541) 604-5430
KUTZ, MICHAEL J.	375 SE HAWTHORNE AVE	DALLAS	OR	97338	(503) 508-6343
LIVINGSTON III, JOHN W.	2085 BAYVIEW AVE. W	TILLAMOOK	OR	97141	(541) 678-4963
NIX, PAUL T.	128 W. NICHOLAS WAY	NEWBERG	OR	97132	(503) 502-8945
REEDER, BENJAMIN A.	1348 OSTRANDER LANE	COTTAGE GROVE	OR	97424	(503) 812-7357
REIF, RYAN C.	P.O. BOX 3872	SUNRIVER	OR	97707	(541) 280-4649

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
VALDOVINOS TORRES, ELIAS F.	848 SE TUMBLEWEED LANE	MADRAS	OR	97741	(541) 279-5172
WELLE, DANIEL P.	56580 NW STRASSEL RD	FOREST GROVE	OR	97116	(503) 812-2237
WETZEL, KYLE V.	83576 NORTH HARVEY RD	CRESWELL	OR	97426	(503) 812-7673
		OR COUNT	12		
BAKER, KEVIN D.	235 E. POPLAR ALLEY	BLAIRSVILLE	PA	15717	(724) 467-0422
BAUER, ROBERT J.	242 NORTH BOUNDARY ST	BUTLER	PA	16001	(724) 355-9135
BUTZ, DANIEL R.	1060 MEADOW LANE	MIDDLETOWN	PA	17057	(717) 537-8756
CALL, JEFFREY T.	29 MICHELLE CIRCLE	GILBERTSVILLE	PA	19525	(267) 261-2898
CRIST, JOHN M.	6007 SOMMERTON DRIVE	MECHANICSBURG	PA	17050	(717) 364-0967
DOUTS, JEFFREY S.	126 STREET RD.	HOLTWOOD	PA	17532	(717) 799-6772
FRANKS, JEREMY E.	291 HILLTOP VIEW WAY	ELIZABETHTOWN	PA	17022	(717) 344-0843
GILL, BRIAN E.	108 HIGHLAND AVE	NEW KENSINGTON	PA	15068	(724) 575-2705
HARTMAN, LEVI N.	2478 CROLL SCHOOL RD	YORK	PA	17403	(717) 968-9476
HOGAN, TIMOTHY M.	238 CHESTNUT STREET	BLAIRSVILLE	PA	15717	(724) 712-6955
HOUPT, BRIAN C.	688 BOWMAN RD	CHAMBERSBURG	PA	17202	(717) 440-3713
HOWSARE, IAN R.	227 DUTCH GLORY RD	AMITY	PA	15311	(724) 809-3040
JONES JR., THOMAS M.	105 WOODS EDGE DR.	DOUGLASSVILLE	PA	19518	(610) 396-7158
JONES, RICHARD C.	2927 PA-31	ACME	PA	15610	(724) 757-9974
KIRBY, LARRY J.	1159 MAINSVILLE RD	SHIPPENSBURG	PA	17257	(717) 554-0296
LUCAS, SCOTT M.	918 SUNRISE LANE	WRIGHTSVILLE	PA	17368	(717) 817-3897
LYTLE II, DENNIS B.	180 DODD DRIVE	WASHINGTON	PA	15301	(724) 986-4910
MANNING, BRANDON D.	56 LAUREL AVE	BIRDSBORO	PA	19508	(610) 715-6602
MCCONNELL, PATRICK T.	301 ROARING RUN RD.	HUGHESVILLE	PA	17737	(570) 979-6868
MCMAHAN, MICHAEL W.	1101 BUTTERNUT LANE	JEANNETTE	PA	15644	(724) 217-4604
MUMMERT, TIMOTHY S.	4219 BALTIMORE PIKE	LITTLESTOWN	PA	17340	(717) 377-7636
MUMMERT, TIMOTHY S. (A940 2ND FRN)	4219 BALTIMORE PIKE	LITTLESTOWN	PA	17340	(717) 377-7636
PARK, CODY W.	132 NICHOLAS RD	LANCASTER	PA	17603	(717) 917-9594
POKROY, CHRISTOPHER L.	14 SOMERSET DR.	NOTTINGHAM	PA	19362	(610) 761-3291
REED, BRIAN E.	1050 SUSQUE ROAD	TROUT RUN	PA	17771	(570) 220-9172
RISBON, SCOTT W.	479 POPLAR LN	CRYSTAL SPRING	PA	15536	(717) 330-7891
ROSSI, RICHARD M.	218 NEW PHILADELPHIA ROAD	KASKA	PA	17959	(570) 573-9605
SAMARCO, ROBERT S.	129 OLANCHA AVE.	PITTSBURGH	PA	15227	(412) 339-7743
SHAFFER, ROBERT	44 SOUTH ALLWOOD DR.	HANOVER	PA	17331	(443) 277-5170
SNYDER, MASON A.	6 SNYDER LANE	LEWISTOWN	PA	17044	(717) 437-0916
SOUDER, GRANT R.	15217 SHIMPSTOWN RD.	MERCERSBURG	PA	17236	(717) 446-6977
STRUBINGER, WILLIAM A.	475 NORTH 8TH STREET	LEHIGHTON	PA	18235	(610) 577-5231
TORCHIA, DANIEL C.	8 BULGER ARCH RD.	BULGER	PA	15019	(724) 961-2829
TORCHIA, ROBERT L.	76 LO BELL DRIVE	WASHINGTON	PA	15301	(412) 352-9390
VAN SCHAICK, MARK C.	3379 EDISON FURLONG RD	FURLONG	PA	18925	(215) 519-5516
VESCHIO, WILLIAM	1101 FAYETTE AVE.	BELLE VERNON	PA	15012	(724) 989-3862
WARD SR., MICHAEL C.	8661 LIBERTY AVE.	WESTMORELAND CITY	PA	15692	(724) 759-5119
WENTLING, BRETT M.	17270 HWY 86	SAEGERTOWN	PA	16433	(803) 917-2101
WILKES, CORY (57Y9 2ND FRN)	600 PENNDALE LN.	DUNCANSVILLE	PA	16635	(814) 889-1899
WILKES, JEFF S.	600 PENNDALE LANE	DUNCANSVILLE	PA	16635	(814) 414-2118
WOESSNER, JOHN	526 WILSON AVE.	AMBRIDGE	PA	15003	(412) 759-1463
ZANOL, BRANDON A.	94 HIGHLAND RIDGE RD	WASHINGTON	PA	15301	(724) 579-8032
		PA COUNT	42		
ANDY, TIMOTHY A.	412 RIBIERO DR	SUMMERVILLE	SC	29486	(843) 739-8964
BAUGH, BRIAN L.	137 LISA ANN LANE	MONCKS CORNER	SC	29461	(843) 810-0410

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
GOODWIN, STEVEN B.	5007 ROBERTS ROAD	HOPKINS	SC	29061	(803) 269-3997
HARTIN, JASON R.	717 ABNER CREEK RD	GREER	SC	29651	(832) 797-3346
JAYNES, JONATHAN C.	232 CRESTWOOD DR.	LIBERTY	SC	29657	(864) 313-0705
KENT, DENNIS E.	2683 SCARBROUGH DR	LORIS	SC	29569	(804) 696-1499
LEWIS, TYRONE	162 RIVENDALE DR.	COLUMBIA	SC	29229	(803) 318-8638
RASNAK, STEVE M.	309 MCCLAIN ST.	CHARLESTON	SC	29407	(843) 412-9542
RHODES, JEFFREY E.	922 DOVEFIELD LANE	LEXINGTON	SC	29073	(843) 592-2415
SEDIO, STEPHEN L.	100 LOCHWEED DR.	COLUMBIA	SC	29212	(803) 966-7572
TAYLOR, TODD	43 BERMUDA POINTE CR.	HILTON HEAD ISLAND	SC	29926	(843) 301-1893
		SC COUNT	11		
HABERMAN, BROCH J.	605 MIAH ST	HARRISBURG	SD	57032	(605) 660-7143
SCHUT, BRADLEY D.	1913 E SYLVAN CIRCLE	BRANDON	SD	57005	(605) 270-3157
WILLIAMS, DUSTIN R.	15024 MADDALIN DR.	BOX ELDER	SD	57719	(605) 939-1529
		SD COUNT	3		
ANDERSON, KEVIN R.	121 TWIN COVE DRIVE	LEBANON	TN	37087	(615) 337-9671
DA COSTA, DAMIEN	3153 STEWARTS CREEK ROAD	MURFREESBORO	TN	37129	(615) 337-8893
ELLIS, BRUCE L.	P.O. BOX 154	ETHRIDGE	TN	38456	(931) 619-4736
FILLINGHAM, RICHARD F.	1548 CHERRYBROOK DR	KNOXVILLE	TN	37912	(865) 599-9133
HARDISON, GARY W.	75 E. VETERANS DR. APT. A102	COOKEVILLE	TN	38501	(615) 975-9086
HARSHMAN, STACEY C.	PO BOX 1294	TRACY CITY	TN	37387	(931) 273-0376
HOLLAND, RUSSEL Z.	270 CAMBRIDGE PASS	OAKLAND	TN	38060	(901) 355-5221
HOLLOMON, ALEXANDER F.	315 COOK HOLLOW RD	BRISTOL	TN	37620	(276) 698-4754
JONES, TAYLOR J.	6229 PLEASANT TOP DR	ARLINGTON	TN	38002	(901) 459-8612
KERANEN, DANIEL J.	112 HERMITAGE DR.	SMYRNA	TN	37167	(804) 761-4727
NEIGHBORS JR., KENNETH D.	9200 ROYAL VIEW LANE	SODDY DAISY	TN	37379	(423) 653-7977
PERKINS, BAILEY N.	4533 MUNFORD GILTEDGE RD	BRIGHTON	TN	38011	(901) 215-7350
PERKINS, DONIVIN B.	6550 WALSH RD	MILLINGTON	TN	38053	(901) 721-8661
PERKINS, JASON L.	2364 CUBA MILLINGTON RD	MILLINGTON	TN	38053	(901) 413-0600
PORTER, RANDY D.	125 MARAUDER CT	MURFREESBORO	TN	37127	(615) 496-1704
PYRDOM, JARED K.	705 UNION RIDGE ROAD	WARTRACE	TN	37183	(931) 588-9520
ROCHELLE, TIMOTHY N.	8220 GREENVALE COURT	NASHVILLE	TN	37221	(615) 418-3368
STALLINGS, JOHN S.	4331 BANKS ST	MURFREESBORO	TN	37129	(615) 585-7666
TAYLOR, KENNETH A.	5527 MAPLE LANDING DR.	ARLINGTON	TN	38002	(731) 697-3211
TERRY, MICHAEL A.	7103 RALEIGH MILLINGTON RD	MILLINGTON	TN	38053	(901) 613-8944
TIDWELL, CHRISTOPHER E.	1758 NORTH SOULES CHAPEL RD	CUMBERLAND FURNACE	TN	37051	(615) 504-5021
WALTON, JOHN H.	9264 CONCORD RD.	ROCKVALE	TN	37153	(615) 533-1006
WILLIAMS JR., CHRISTOPHER A.	453 CLOVER CIRCLE	JACKSBORO	TN	37757	(423) 377-5544
WOODARD, ANTHONY A.	1571 HWY 360	VONORE	TN	37885	(207) 252-4268
		TN COUNT	24		
ANDERSON, ROBERT W.	3502 W LAMBERT	WEATHERFORD	TX	76088	(817) 304-1053
ARREOLA, MARIO R.	4902 COOPERS HILL TRAIL	ROSENBERG	TX	77471	(281) 726-0604
BAKER, JOHN F.	P.O. BOX 207	KINGSBURY	TX	78638	(830) 305-0079
BAYS, ADIN	507 WAKEFIELD DRIVE	LEAGUE CITY	TX	77573	(832) 710-6040
BAYS, ADIN (A963 2ND FRN)	507 WAKEFIELD DR	LEAGUE CITY	TX	77573	(832) 710-6040
BECERRIL, MAYRA	1514 VICKERY DR.	SUGAR LAND	TX	77498	(832) 600-4421
BELTRAMINI, BRUCE	P.O. BOX 820664	FT. WORTH	TX	76182	(817) 925-7923
BERNAL, ROBERT J.	4011 SHADYCREST	PEARLAND	TX	77581	(281) 793-9433
BOGDAN, PHILLIP W.	891 CHEYENNE TRAIL	TRENTON	TX	75490	(214) 784-4667
BORTH, JONATHAN R.	PO BOX 743	BOERNE	TX	78006	(210) 724-8009

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
BRADBURN, MICHAEL C.	8960 WINDING WAY	GODLEY	TX	76044	(281) 389-4526
CAIN, RUSSELL W.	367 COUNTY ROAD 240	HALLETTSVILLE	TX	77964	(830) 305-3346
CALLENDER, BOBBY A.	302 WROUGHT IRON DRIVE	HARKER HEIGHTS	TX	76548	(512) 541-8152
CAREY, RYAN M.	18100 FM 981	LEONARD	TX	75452	(214) 549-1788
CARRICK, TERRY L.	97 SILVER ROCK DRIVE	TROPHY CLUB	TX	76262	(214) 500-9375
CHAVEZ, GASPER E.	970 GRANDEVOLE	EL PASO	TX	79932	(915) 471-1175
CHENEY, DENNIS W.	19300 FM 317	CHANDLER	TX	75758	(619) 322-2852
CHISUM, DENNIS C.	6060 CROW WRIGHT RD	SANGER	TX	76266	(509) 750-6641
CHRISTOPHER, MASON E.	16051 BROADLEAF RD	TEXARKANA	TX	75503	(229) 630-8060
CLOUD, CALEB M.	4515 CALMONT AVE.	FORT WORTH	TX	76107	(682) 559-1281
COLDWELL, RICHARD L.	448 SCENIC WOOD DR.	AZLE	TX	76020	(817) 304-8402
COLE, HOWARD K.	1104 HWY 2214	EASTLAND	TX	76448	(682) 228-1042
CONTRERAS JR., RICHARD A.	10426 LATELEAF OAK	SAN ANTONIO	TX	78223	(210) 901-0879
CORTEZ, JONATHAN	112 BENT TREE COVE	CEDAR CREEK	TX	78612	(512) 705-0088
CROWE JR., HOMER D.	2452 COUNTY ROAD 602	DAYTON	TX	77535	(832) 995-8665
CUELLAR, HENRY	1015 N TEXAS BLVD STE 20B #198	WESLACO	TX	78596	(956) 680-3749
D'AMBRA, JAMES M.	3512 SHADYCREST	PEARLAND	TX	77581	(409) 256-3464
DAVILA, ALEX F.	1413 BRYAN DR.	BEDFORD	TX	76022	(817) 913-1391
DE LA GARZA, ELADIO	11814 DERWENT LANE	HOUSTON	TX	77064	(832) 275-6346
DELAHOYA, JESUS H.	308 CHAMBERS DR	ITALY	TX	76651	(469) 285-2538
DUFFEE, CLAYTON S.	239 CR 1915	TALCO	TX	75487	(305) 923-5201
EASTER, MATTHEW S.	535 RAMSEY DR	PONDER	TX	76259	(580) 484-1466
ERWIN, WILLIAM C.	3910 FILMORE LANE	DEER PARK	TX	77536	(832) 835-7085
ESPINOZA, BLANCA G.	13113 WESLEYAN AVE.	EL PASO	TX	79928	(915) 256-3464
EVANS, BARRI O.	2305 SEABOARD AVE.	MIDLAND	TX	79705	(432) 559-1259
EVANS, BRYANT E.	650 COUNTY ROAD 221	KILLEEN	TX	76549	(512) 293-6663
FLYNT, JOSHUA A.	3431 RAYFORD RD. BOX #574	SPRING	TX	77386	(832) 948-5789
FORD, BRYON K.	6211 KINCER RD.	DAMON	TX	77430	(281) 455-4043
GARNER, ALEX L.	1318 KALLIE HILLS LN.	SPRING	TX	77386	(832) 933-6133
GARNER, SCOTTIE C.	387 N LINNWOOD DR	NEW CANEY	TX	77357	(281) 761-4573
GARZA, ALONSO	33126 FM 1421	SAN BENITO	TX	78586	(956) 589-4740
GIBSON, PHILLIP R.	P.O. BOX 747	ABERNATHY	TX	79311	(972) 768-1602
GIVENS, DAVID	6518 WESLEY WAY	CORPUS CHRISTI	TX	78415	(361) 877-5024
GONZALEZ JR., MANUEL R.	402 GROVE BEND	SAN ANTONIO	TX	78253	(254) 338-7731
GRANADOS, GARY J.	1337 AMISTAD DR.	ROUND ROCK	TX	78664	(512) 783-7768
GRANADOS, JONATAN	300 COMANCHE CIR	HUTTO	TX	78634	(951) 219-7834
GRANT, PATRICK W.	2203 LOC LOMA LANE	LA PORTE	TX	77571	(832) 803-3373
GUZMAN, RICHARD A.	100 TATE CIRCLE	SHERMAN	TX	75090	(214) 551-2947
HAUN, CHASE A.	28654 LOCHLEVAN CT.	HUFFMAN	TX	77336	(281) 964-7108
HAURY JR., THOMAS L.	108 KOLOIKI LANE	BASTROP	TX	78602	(432) 556-1357
HEMBREE, JONATHAN D.	2823 E. UNIVERSITY BLVD.	ODESSA	TX	79762	(432) 310-6465
HEREDIA, JOSE M.	3011 ANNAROSE LANE	SAN ANTONIO	TX	78211	(726) 777-5602
HERNANDEZ, ROGELIO	148 OXFORD RANCH RD.	WAXAHACHIE	TX	75167	(214) 693-0692
HIDALGO, LUIS I.	20211 EDWORTHY RD.	CYPRESS	TX	77433	(281) 300-7251
HIGGINS, GREGORY P.	5973 FM 23 W	RUSK	TX	75785	(936) 240-5688
HOSTLER, SERINA M.	19171 ALFORD RD.	MAGNOLIA	TX	77355	(832) 557-7522
HUDSON, CHRISTOPHER E.	6518 WESLEY WAY	CORPUS CHRISTI	TX	78415	(361) 850-0834
HULL, JARED A.	8085 JOHN HENRY DR.	BURLESON	TX	76028	(319) 290-6326
INGRAM, JIM B.	P. O. BOX 455	SIMONTON	TX	77476	(281) 797-5233
JACOBS, JUSTIN W.	263 SHORELINE DR N	AZLE	TX	76020	(817) 304-6532
JIMENEZ, EDGAR O.	15501 CHARDON RD	EL PASO	TX	79938	(915) 549-6585

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
JONES, JOHN C.	14265 BURNT HILLS	WILLIS	TX	77318	(903) 576-4242
KLEIN, CHRISTOPHER H.	165 CANYON OAKS DRIVE	ARGYLE	TX	76226	(469) 442-7379
LAWRENCE, DAVID M.	2122 CIAS TRAIL LN	SPRING	TX	77386	(832) 722-5624
LEBRON, MATTHEW B.	111 NINOLE CT.	BASTROP	TX	78602	(512) 627-5109
LEUNG, ERIC W.	27651 CONCHO DR.	SPLENDORA	TX	77372	(281) 253-3107
LOBUE, CLAYTON P.	90 WHITE OAK DR NORTH	NEW CANEY	TX	77357	(281) 686-8541
LOWE, DENNIS W.	1934 7TH STREET	PORT NECHES	TX	77651	(409) 767-5354
LYONS, HEATH W.	630 SOLON RD. APT 4104	WAXAHACHIE	TX	75165	(945) 542-0197
MANN, ERIC A.	4822 MORNING DR.	AMARILLO	TX	79108	(580) 530-1428
MCCOY, JUSTIN K.	19580 MCCOY LANE	PORTER	TX	77365	(281) 639-3925
MEDELEZ, KIMBERLY	2013 WEST 30TH ST	MISSION	TX	78574	(541) 720-6757
MENA JR., BENEDICTO	1205 ALYSSA ST	PROGRESO	TX	78596	(956) 258-6955
MOORE, DARRELL T.	3815 SE CR 2360	STREETMAN	TX	75859	(281) 433-2370
MOORE, JOSEPH W.	12022 HASTINGS GREEN DR.	HOUSTON	TX	77065	(281) 691-5724
MORAGA III, JOE A.	172 ALPHA	KYLE	TX	78640	(512) 693-1523
NEELEY, JERRY R.	1207 CEDER PINE LANE	OAK POINT	TX	75068	(972) 741-8308
ORNELAS, DANIEL	6001 BROOK FOREST DR.	ARLINGTON	TX	76018	(817) 999-9398
ORSAG, JERRY W.	12753 FRANCES ANN CT.	HASLET	TX	76052	(817) 992-3726
OSBORNE II, CLIFF	911 ELM POINTE	LEAGUE CITY	TX	77573	(832) 287-2533
PARKER JR., RICHARD N.	61 KATHRYN DRIVE	HUNTSVILLE	TX	77320	(936) 577-1341
PATRON, BRENDA E.	214 LLANO RIVER TRAIL	HUTTO	TX	78634	(512) 269-9443
PAUL, BRAXTON L.	1461 TALL TIMBER DR.	TYLER	TX	75703	(903) 571-0404
PEACOR III, DARROL F.	2718 SOUTH SURREY DR.	CARROLLTON	TX	75006	(214) 693-6973
PETTETT, GLENN A.	21895 SILVER OAK COURT	PORTER	TX	77365	(713) 384-1127
PIERCE, DOUGLAS W.	264 CR 2415	ALTO	TX	75925	(936) 675-0290
PITTMAN, BRIAN S.	14436 DOVE LN.	NEEDVILLE	TX	77461	(281) 450-9822
PRESLEY III, WILLIAM E.	1108 KIRBY AVE	LUBBOCK	TX	79416	(813) 590-9594
RAMIREZ, RUBEN A.	10004 WOODTRAIL	SAN ANTONIO	TX	78250	(210) 632-0657
RANKIN JR., PERCY P.	799 TREYS CREEK RD.	FLORESVILLE	TX	78114	(830) 391-5637
REYES JR., ERNEST	1946 CLAMP AVE.	SAN ANTONIO	TX	78211	(210) 378-1262
RICE JR., RANDY E.	1103 BAYOU DRIVE	ALVIN	TX	77511	(832) 385-3405
RIVERA, RYAN (A444 2ND FRN)	25311 GLEN LOCH DR.	SPRING	TX	77380	(832) 418-7346
RIVERA, RYAN (A444 3RD FRN)	25311 GLEN LOCH DR.	SPRING	TX	77380	(832) 418-7346
RIVERA, RYAN K.	25311 GLEN LOCH DR.	SPRING	TX	77380	(832) 418-7346
SALDANA, ROGELIO	12014 DERMOTT DR	HOUSTON	TX	77065	(281) 635-8907
SANCHEZ, TEDDY H.	5101 BRADLEY RD	EL PASO	TX	79938	(915) 472-9883
SAUCEDA, FRANCISCO	608 ESTERINE RD.	DALLAS	TX	75217	(469) 238-6349
SHANNON, MICHAEL P.	21514 RIO VALLEY COURT	PORTER	TX	77365	(832) 401-4940
SHARPE, CONNIE S.	3066 GREENWOOD CIRCLE	KAUFMAN	TX	75142	(469) 595-1235
SPICELAND, MICHAEL R.	808 LIPAN DR.	GRANBURY	TX	76048	(817) 219-0596
STECKER, TRAVIS L.	14103 PARKHURST ST	SAN ANTONIO	TX	78232	(425) 314-8122
STUART, MICHAEL L.	2816 HEDGEWAY DR.	ARLINGTON	TX	76016	(682) 438-0338
TAMEZ, ALAN I.	1621 JACKSON ST.	GRAND PRAIRIE	TX	75051	(817) 936-9361
THOMPSON, TRAVIS H.	518 CAESARS CIRCLE	NEW CANEY	TX	77357	(512) 496-0111
UNDERWOOD, SCOTT A.	26447 LEWIS RANCH RD.	NEW BRAUNFELS	TX	78132	(940) 704-6486
URIAS, JOSEPH R.	19334 DIVERSION DR.	TOMBALL	TX	77375	(832) 230-7544
VANDERGRAAF, COLBY L.	615 NW CR 0011	CORSICANA	TX	75110	(903) 879-1279
VARGAS, JOSE F.	12129 ALEX GUERRERO CIRCLE	EL PASO	TX	79936	(915) 929-6804
WALD, STEVEN F.	4203 ANGELICO LANE	ROUND ROCK	TX	78681	(512) 663-8798
WALKER, GARY D.	2551 SOUTHLINE ROAD	CONROE	TX	77384	(281) 224-6570
WEST, CHARLES H.	10724 FORSTHOFF RD	BRYAN	TX	77808	(713) 376-3316

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
WESTBROOK, ROBERT G.	109 DEARING CREEK	GLADEWATER	TX	75647	(903) 720-7025
WILLIAMS, DONDI L.	220 MCKINLEY CIRCLE	WAXAHACHIE	TX	75167	(713) 247-9466
YBARRA, DANIEL	29515 FAIRWAY BLUFF DR.	BOERNE	TX	78015	(210) 859-9432
YOUNGBLOOD, CLAYTON T.	10934 CR 4090	SCURRY	TX	75158	(469) 595-4048
YOUNGBLOOD, MITCHELL S.	505 OAK RIDGE	BOERNE	TX	78006	(832) 541-9929
		TX COUNT	117		
ANDERSON, PRESTON S.	2351 W 2650 N	CLINTON	UT	84015	(385) 279-1937
BERTELSEN, WILLIAM G.	324 W 1850 S	CLEARFIELD	UT	84015	(801) 870-8400
BOTT, JUSTIN D.	15515 NORTH 400 WEST	BEAVERDAM	UT	84306	(435) 720-0676
BUTLER, PAUL E.	521 W 1720 S	PROVO	UT	84601	(801) 708-2741
CARSON, JOSHUA L.	4039 W. 5540 S	KEARNS	UT	84118	(801) 520-5902
CHRISTENSEN, NICHOLAS K.	1553 E. 1240 S.	SPANISH FORK	UT	84660	(801) 358-0510
CROOKSTON, SPENCER F.	5362 SOUTH 4700 WEST	HOOPER	UT	84315	(801) 663-3778
FELIX, GABRIEL	2792 S MAGNOLIA LN	SAINT GEORGE	UT	84790	(909) 816-2832
HALL, TODD	70 N HWY 22	ANTIMONY	UT	84712	(435) 669-2612
ISON, DANIEL F.	P.O. BOX 781	MORONI	UT	84646	(435) 469-1196
KIRCHOFF, GARRITT J.	218 N 700 W	SPRINGVILLE	UT	84663	(801) 687-2650
KOFOED, TYLER J.	4296 W. 5850 S.	ROY	UT	84067	(801) 837-6030
MARKHAM, TIM L.	4985 WEST 7770 SOUTH	WEST JORDAN	UT	84081	(801) 349-6934
MILLARD, MARK O.	2392 W 1125 S	SYRACUSE	UT	84075	(801) 529-7701
RASMUSSEN, KELLY J.	298 NORTH 1400 WEST	SPRINGVILLE	UT	84663	(435) 313-3440
SHORT, MITCHEL W.	3330 SOUTH 2600 WEST	WEST HAVEN	UT	84401	(801) 814-0160
SMITH, MITCHELL S.	1495 N 2720 W	PROVO	UT	84601	(801) 376-6912
STEPHENSON, DAVID JOSHUA	1008 S 550 E	CLEARFIELD	UT	84015	(801) 540-9434
SWEET, SCOTT A.	572 LITTLE ROCK DR	SANTAQUIN	UT	84655	(541) 310-0732
WALLENBERG, MICHAEL V.	4227 W 5850 S	ROY	UT	84067	(801) 837-8075
WHITE, TYSON M.	345 N. MAIN	MONA	UT	84645	(435) 660-0762
WIGREN, CHAD J.	1296 N 1580 W	FARMINGTON	UT	84025	(801) 455-0271
		UT COUNT	22		
CAPISTRAN, ADAM W.	905 BAYDON LANE	CHESAPEAKE	VA	23322	(757) 769-9104
CASH, CORY L.	262 N CHARLOTTE AVE	WAYNESBORO	VA	22980	(540) 490-1894
COOK JR., GARY A.	18 TWIN SPRINGS DR.	FREDERICKSBURG	VA	22407	(571) 259-4938
CRICHTON, CHRISTOPHER J.	4231 CHARITY NECK RD.	VIRGINIA BEACH	VA	23457	(757) 735-1612
DAVITT, RONALD G.	2100 PRINCESS ANNE CT.	VIRGINIA BEACH	VA	23457	(757) 477-2131
HERSKOVITS, THEODORE M.	3942 HATCHERS CHAPEL ROAD	CLAUDVILLE	VA	24076	(480) 747-5249
IORIO, JOHN J.	13414 FOX SPRING ROAD	SOMERSET	VA	22972	(434) 996-9973
ISBELL, JAMES C.	1095 SOUTH FOREST DR.	ARLINGTON	VA	22204	(757) 358-5578
JONES, CHRISTOPHER D.	1828 CHESTWOOD DR.	VIRGINIA BEACH	VA	23453	(571) 278-2618
KERN, STEPHEN V.	1200 RED MAPLE AVE	GROTTOES	VA	24441	(540) 476-0321
MURRISKY, STEPHEN E.	9050 PUMPKIN NECK RD	KING GEORGE	VA	22485	(410) 610-6330
MUSSER, JUSTIN A.	561 ORCHARD DALE DR.	CLEAR BROOK	VA	22624	(540) 409-1729
PLATT, WILLIAM E.	114 OAK VIEW DR SE	LEESBURG	VA	20175	(703) 727-3372
PRITCHETT, DANNY L.	905 ROUGEMONT AVE	CHARLOTTESVILLE	VA	22902	(434) 760-3832
PRUNEDA, ALEJANDRO A.	10605 PINEVIEW RD.	MANASSAS	VA	20111	(571) 882-3564
SUITS, NICHOLAS R.	431 MAYFIELD PLACE	NEWPORT NEWS	VA	23608	(804) 894-2680
WALSH, PAUL T.	11904 ZIYAD DRIVE	FREDERICKSBURG	VA	22407	(540) 538-5926
WARD, JASON W.	88 YARMOUTH ROAD	STUARTS DRAFT	VA	24477	(540) 421-4806
WOODS, MICHAEL D.	9515 MILITARY ROAD	AMELIA COURT HOUSE	VA	23002	(804) 363-1564
		VA COUNT	19		
COMEAU, JONATHAN M.	742 BROWN FARM RD	HARDWICK	VT	05843	(802) 371-8785
PARKER, THOMAS R.	755 VINCENT FLATS RD.	EAST MONTPELIER	VT	05651	(802) 522-8634

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
		VT COUNT	2		
BAKER, RYAN J.	4454 MOSQUITO LAKE RD.	DEMING	WA	98244	(360) 441-9600
CALONDER, JOSHUA THOMAS LEE	461 W. SALAL PL	SEQUIM	WA	98382	(360) 460-6879
CAMPOS, URIEL JOSE	3205 LUNA DRIVE	PASCO	WA	99301	(509) 361-0959
CHRISTENSEN, ROBERT F.	722 WILLIAMS ST NW	ORTING	WA	98360	(760) 995-0263
COAN, BRADY M.	320 WALBRUN RD.	SULTAN	WA	98294	(425) 330-5144
COWDEN, MATTHEW J.	206 NE 88TH AVE.	VANCOUVER	WA	98664	(360) 904-1684
ESTES, WAYNE K.	4601 NE 112TH CIRCLE	VANCOUVER	WA	98686	(971) 563-3595
FENTON, SEAN A.	P. O. BOX 731564	PUYALLUP	WA	98373	(253) 221-7137
GUARDADO GOMEZ, PEDRO	9913 237TH ST CT E	GRAHAM	WA	98338	(253) 320-9340
HASHAGEN, CAMERON J.	509 CHERRY RD	MONTESANO	WA	98563	(360) 304-3085
HASHAGEN, JAY G.	130 GLEASON RD	CENTRALIA	WA	98531	(360) 304-0050
KETTELLS, JONATHAN W.	17813 77TH ST EAST	BONNEY LAKE	WA	98391	(206) 452-9417
KOLBET, JESSE W.	100 ANDOVER PARK WEST SUITE 150-340	TUKWILA	WA	98188	(206) 753-8425
MARTINEZ JR., ADOLFO	2206 S 69TH AVE.	YAKIMA	WA	98903	(509) 731-6177
MCLAUGHLIN II., WILLIAM S.	471 PALOMINO RD.	YAKIMA	WA	98908	(509) 961-1717
MORGAN, JIM	5508 47TH AVENUE E.	TACOMA	WA	98443	(253) 310-2121
NEIL, JASON S.	2519 96TH AVE. CT E	EDGEWOOD	WA	98371	(253) 455-4336
REASON, CASEY R.	3285 N. WENAS RD.	SELAH	WA	98942	(509) 823-0413
SEGURA, MIGUEL A.	485 NELSON ST.	BUCKLEY	WA	98321	(206) 818-6363
SMITH, TODD L.R.	13620 107TH ST. E.	PUYALLUP	WA	98374	(253) 973-9119
STONE, AARON T.	14199 CARNEY LAKE RD. SW	PORT ORCHARD	WA	98367	(360) 621-9169
SWEENEY, BRADLEY G.	7206 281ST PLACE NW	STANWOOD	WA	98292	(425) 449-9227
TRONSON, KENNETH G.	14200 NE 102ND STREET	VANCOUVER	WA	98682	(360) 566-7089
TURNER, JOHN W.	122-8 HEIGHTS LANE	ONALASKA	WA	98570	(360) 520-6688
VAUDRIN, AL	21125 BUCODA HWY SE	CENTRALIA	WA	98531	(360) 970-7312
WOODS, KEVIN D.	1207 RANCHO ROAD	CENTRALIA	WA	98531	(206) 409-6899
		WA COUNT	26		
ALBRIGHT, JAKE L.	3621 VAN BUREN RD.	KENOSHA	WI	53142	(262) 960-1745
DRAEGER, ADAM R.	24 TALCOTT COURT	FORT ATKINSON	WI	53538	(920) 723-1261
EDWARDS, DAVID M.	30522 76TH STREET	SALEM	WI	53168	(815) 355-2379
EPPING, PAUL T.	629 SOUTH ST.	PLYMOUTH	WI	53073	(920) 797-4484
HERBISON, BRIAN S.	3993 MAYER RD	FALL CREEK	WI	54742	(715) 829-2732
HOLLEY, KEITH	313 HARSHMAN DR	HUDSON	WI	54016	(651) 587-3057
KNULL, CHRISTOPHER E.	W340 N6621 BREEZY POINT RD.	OCONOMOWOC	WI	53066	(414) 507-1529
KOSTUCH, SCOTT F.	5010 W WABASH AVE	BROWN DEER	WI	53223	(414) 651-7319
LARACUENTE, DAVID E.	8207 OLD SPRING ROAD	MOUNT PLEASANT	WI	53406	(847) 445-5917
LAUSTEN, JOHN A.	1615 ORIOLE DR.	HARTFORD	WI	53027	(414) 254-6136
LIND, ERIC D.	11330 N. GLENWOOD DR.	MEQUON	WI	53097	(414) 391-0340
LUI, JEFF A.	5012 CYNTHIA LANE	RACINE	WI	53406	(262) 770-2242
PARENT, DANIEL G.	7510 EAGLE VIEW DR	ALLENTON	WI	53002	(262) 349-2284
ROSKOPF, CHAD D.	982 PLEASANT VALLEY DR	WEST BEND	WI	53095	(414) 745-8519
WEBER, TERRY A.	W529 HIGHLAND AVE.	GENOA CITY	WI	53128	(815) 482-9000
		WI COUNT	15		
KEENEY II, DONALD L.	16 ROCKLICK SCHOOL ROAD	MINDEN	WV	25879	(681) 301-7147
MCCOURT, DORN A.	808 INDIANA AVE	NUTTER FORT	WV	26301	(304) 476-0502
WEISER, SAMUEL G.	305 AZTEC DRIVE	MARTINSBURG	WV	25405	(240) 432-9589
		WV COUNT	3		
BLACKETT, MARK S.	3900 TEN MILE RD.	CASPER	WY	82604	(307) 262-4525
BOOTHE, DENNIS D.	1031 MONROE AVENUE	CHEYENNE	WY	82001	(970) 381-8513

EXISTING FRANCHISEES					
NAME	ADDRESS	CITY	STATE	ZIP	MOBILE
COOK, ANTHONY J.	321 HUNTERS WAY	CHEYENNE	WY	82007	(307) 286-9478
ROBERTS, JASON A.	424 HANSEN AVE	EVANSTON	WY	82930	(307) 679-9371
		WY COUNT	4		
		GRAND COUNT	811		

NOTE 1 As of December 31, ~~2024~~2025, Cornwell has entered into ~~793~~ 811 Dealer Franchise Agreements described in this Disclosure Document for dealerships that are operational or that will become operational within one year from January 1, ~~2025~~2026. Cornwell estimates that ~~130~~ 120 new Dealer Franchise Agreements will be entered into on a nationwide basis during the one-year period following January 1, ~~2025~~2026. As of December 31, ~~2024~~2025, Cornwell did not have any company-owned dealerships in operation, and does not expect to establish any company-owned dealerships in the one-year period following December 31, ~~2024~~2025.

7. FORMER FRANCHISEES.

The following table lists the name, last known address and telephone number of every Cornwell franchisee who had an outlet terminated, cancelled, 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 Cornwell within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. No franchisees signed confidentiality clauses during the last three years.

~~FORMER FRANCHISEES~~					
~~NAME~~	~~ADDRESS~~	~~CITY~~	~~ST~~	~~ZIP~~	~~MOBILE~~
~~ANDERSON, DAVID L.~~	~~20901 S. CLARE RD.~~	~~SPRING HILL~~	~~KS~~	~~66083~~	~~(913) 271-6109~~
~~ANNELLA, TERRY L.~~	~~27585 RIO BLANCO DR.~~	~~SPLENDORA~~	~~TX~~	~~77372~~	~~(281) 806-8778~~
~~AULT, JUSTIN L.~~	~~778 LAKEVIEW DR.~~	~~MUNCY VALLEY~~	~~PA~~	~~17758~~	~~(570) 916-2269~~
~~BACHAND, JON W.~~	~~4 COLONIAL DRIVE~~	~~EPSOM~~	~~NH~~	~~03234~~	~~(603) 856-5873~~
~~BACHAND, JONATHAN M.~~	~~291 PROVINCE RD~~	~~GILMANTON~~	~~NH~~	~~03237~~	~~(603) 856-5308~~
~~BAGWELL, MARK W.~~	~~3622 HOWELL WOOD TRL~~	~~DULUTH~~	~~GA~~	~~30096~~	~~(404) 557-3894~~
~~BALMAIN, CAMERON J.~~	~~45 WORCESTER ST.~~	~~TAUNTON~~	~~MA~~	~~02780~~	~~(774) 223-4946~~
~~BALOGH, MONTE~~	~~1125 FOURWHEEL DRIVE~~	~~WAKEFOREST~~	~~NC~~	~~27587~~	~~(919) 880-3439~~
~~BELLINI, AMAURI B.~~	~~438 S 2920 W~~	~~LEHI~~	~~UT~~	~~84043~~	~~(801) 859-5307~~
~~BENITEZ, RICHARD~~	~~1241 SHENANDOAH DR.~~	~~NEW BRAUNFELS~~	~~TX~~	~~78130~~	~~(830) 660-6641~~
~~BOHANNON, GLENN A.~~	~~35110 FOREST LN~~	~~YUCAIPA~~	~~CA~~	~~92374~~	~~(909) 809-6156~~
~~BOITO, NICHOLAS M.~~	~~3647 BROOKESIDE DR.~~	~~CHESAPEAKE BEACH~~	~~MD~~	~~20732~~	~~(301) 938-6729~~
~~BOLL, JONATHAN A.~~	~~6661 E PANORAMA DR~~	~~IDAHO FALLS~~	~~ID~~	~~83401~~	~~(208) 520-1649~~
~~BRITZ, JASON R.~~	~~2439 E LAGRANGE DR.~~	~~MERIDIAN~~	~~ID~~	~~83642~~	~~(208) 850-0808~~
~~BROCIOUS, CHAD E.~~	~~202 OAK HILL RD.~~	~~MAYPORT~~	~~PA~~	~~16240~~	~~(814) 221-1932~~
~~BROWN JR., RAYMOND L.~~	~~408 INDEPENDENCE DR~~	~~FRIENDSWOOD~~	~~TX~~	~~77546~~	~~(713) 539-8232~~
~~BROWN, MAXCEY M.~~	~~6085 DEXTER- ANN ARBOR RD.~~	~~DEXTER~~	~~MI~~	~~48130~~	~~(734) 216-1072~~
~~BURRIS, JOSEPH C.~~	~~3426 WEST DARIEN WAY~~	~~PHOENIX~~	~~AZ~~	~~85086~~	~~(623) 680-7355~~

FORMER FRANCHISEES					
NAME	ADDRESS	CITY	ST	ZIP	MOBILE
CALVERT, BRADLEY F.	100 WALNUT ST	SMYRNA	TN	37167	(615) 714-9394
CASTRO, CRISTIAN A.	514 N CUMMINGS AVE	MISSION	TX	78572	(956) 342-6908
CHARGIN, MARK K.	901 BRUTSCHER ST STE D #351	NEWBERG	OR	97132	(971) 246-0435
CHAVEZ, STEVEN R.	8407 BANDERA STE #103-464	SAN ANTONIO	TX	78250	(210) 316-3952
CHRISTY, CHRISTOPHER J.	2707 ORTEGA ROAD	RAMONA	CA	92065	(619) 370-0422
CLARK, CHANCE J.	224 CHESTNUT STREET	CRYSTAL CITY	MO	63019	(636) 535-7874
COBB, AARON L.	4926 BRIDLE TREE DR. NW	BREMERTON	WA	98312	(928) 707-4314
CONLEY, JASON R.	716 FIRESIDE ROAD	YORK	PA	17404	(717) 650-7757
COSME, ELVIN	13748 CR 282	ALVIN	TX	77511	(281) 755-1323
CULVER, DAVID R.	4826 HADLEY ST	OVERLAND PARK	KS	66203	(913) 710-5795
CUTLER, KEVIN J.	N5073 TANK RD.	NEW LONDON	WI	54961	(920) 878-0303
DAVIS, BLAINE L.	3573 E. FM 1550	LADONIA	TX	75449	(214) 883-2658
DAVIS, MICHAEL	328 HAMILTON AVE	MORRISVILLE	PA	19067	(267) 688-1706
DINUNNO, VINCENZO C.	278 SHAFFER RD	CORAOPOLIS	PA	15108	(724) 777-7009
DIXON, ALAN P.	6723 NORTH 175TH AVE	WADDELL	AZ	85355	(520) 483-9911
DUNCAN, ALEX E.	115 PHILLIPS LANE	OLIVER SPRINGS	TN	37840	(865) 360-0221
ECKMAN, CHRISTOPHER M.	142 CHARLESTOWN DR.	NOTTINGHAM	PA	19362	(717) 823-8828
EDGAR, WESLEY N.	993 BUNNY LANE	HARPERS FERRY	WV	25425	(843) 534-6870
ESPARZA, ALEJANDRO	3353 ROMFORD WAY	SACRAMENTO	CA	95827	(916) 470-9440
FLYNN, ROBERT C.	237 OSPREY CIRCLE	VONORE	TN	37885	(513) 544-8500
FUENTES, KYLE C.	2602 COLUMBIA AVE	NORFOLK	VA	23509	(757) 895-6747
GARCIA, JUAN D.	313 ROSLYN DR.	HORIZON CITY	TX	79928	(915) 319-3419
GARCIA, SHANE A.	3446 STARRY NIGHT LOOP	CASTLE ROCK	CO	80109	(720) 884-6499
GARIBAY, ALEJANDRO R.	5755 EL PARQUE AVE	LAS VEGAS	NV	89146	(702) 882-7487
GASSMAN, GEORGE R.	5414 LESLIE CANYON DR.	WIMAUMA	FL	33598	(813) 893-4876
GIBSON, STEPHEN L.	119 PINE LAKE RD	CAPE CARTERET	NC	28584	(252) 503-7306
GONZALEZ, ELVIS C.	1018 NW 27TH ST.	MIAMI	FL	33127	(305) 726-3329
GUERRA, MARK A.	1918 ESTONIA GREY	SAN ANTONIO	TX	78251	(361) 227-4386
GURLEY, STEVEN R.	3613 W. GOLDEN ROD ST.	SKIATOOK	OK	74070	(918) 397-2429
GYDESEN, KYLE H.	2419 WEST 11TH ST	HASTINGS	NE	68901	(308) 850-0892
HALWIX, BRIAN A.	35350 N NIELSON DR	ROUND LAKE	IL	60073	(224) 430-7923
HARDIN, AUSTIN J.	102 E. SUGAR ST.	CRIDERSVILLE	OH	45806	(419) 302-7272
HARGES, JAMES W.	6535 W. CAMERON STREET	TULSA	OK	74127	(539) 525-8403
HEDGES, MICHAEL J.	3156 SERVICE RD.	CLINTON	MI	49236	(734) 301-0819
HEEB, SLADE K.	35555 KENAI SPUR HWY #114	SOLDOTNA	AK	99669	(907) 741-9290
HEINER, RICHARD S.	1076 RANCHITO VISTA	ALPINE	CA	91901	(619) 933-8699
HINES, SCOTT L.	2128 BENTON LN.	GREENVILLE	TX	75401	(469) 756-7087
HINKLE III, CLIFFORD J.	516 CLAYTON DR.	NORCO	LA	70079	(504) 343-2258
HUFF, THOMAS J.	W10575 ROLOFF RD	NEW LONDON	WI	54961	(815) 790-5495
HYNES, WILLIAM J.	412 OLD WOLFRUM RD	WELDON SPRINGS	MO	63304	(314) 915-8089
JACKSON, KEVIN M.	10721 VISTA CAMINO	LAKESIDE	CA	92040	(619) 672-9726
JOHNSON, CHRISTOPHER E.	611 IRIS STREET	REDLANDS	CA	92373	(909) 735-1021
JOHNSON, JAMES H.	210 RYE ST.	BLUE EYE	MO	65611	(303) 990-3770
JOLICOEUR, CORY M.	14885 191ST AVE. NW	ELK RIVER	MN	55330	(763) 333-6168
KEITH, ANTHONY J.	20 TIKI DRIVE	SEADRIFT	TX	77983	(361) 480-3833
KENNEDY, MARDY C.	4284 HALL AND BOREE RD.	MIDDLEBURG	FL	32068	(678) 858-4563
KERN, ORAN E.	80 STATE ROUTE 235	LIVERPOOL	PA	17045	(717) 636-0580
KEYES, CHRISTOPHER H.M.	153 HELEN AVE.	COUNCIL BLUFFS	IA	51503	(712) 242-8019
KONDRACKI, ALAN E.	6421 KLONDIKE RD	HILLSBORO	MO	63050	(636) 795-3476
KYLE, AARON J.	6625 DONCASTER DR	GLADSTONE	OR	97027	(503) 997-7605
LEE, CODY HALL M.	6317 S. LEBANON LOOP RD.	SAFFORD	AZ	85546	(928) 651-8897

FORMER FRANCHISEES					
NAME	ADDRESS	CITY	ST	ZIP	MOBILE
LOERTS, DOUGLAS A.	1777 260TH STREET	MILFORD	IA	51351	(712) 330-3459
LONG, WILLIAM T.	7770 W. FLOWER ST.	PHOENIX	AZ	85033	(602) 750-2203
LOZANO, PHILLIP M.	7455 BROOK VALLEY DR	SAN ANTONIO	TX	78242	(210) 322-4451
LURKER, II., JOHN G.	201 STRYKER RD. SUITE 19 #329	PHILLIPSBURG	NJ	08865	(201) 317-3630
MASSEY III, CLAUDE W.	124 FRENNIE STREET	FOUNTAIN INN	SC	29644	(864) 704-3812
MAST, DAVID R.	475 BOOHER DR.	BRISTOL	TN	37620	(423) 416-5853
MCCANN, PETER	1296 FENCE POST LANE	CAROLINA SHORES	NC	28467	(919) 333-2394
MCCLENDON, JACOB	20002 E. BELLEWOOD DRIVE	CENTENNIAL	CO	80015	(720) 301-1903
MCGILVRAY, JEFFREY G.	13978 RIDGE TOP RD.	ROANOKE	TX	76262	(817) 637-5857
MEDINA, RICARDO A.	25511 FLATCREEK ST.	LANCASTER	CA	93536	(661) 478-9615
MENTINK, KYLE J.	661 NORTH STATE ST.	OSCEOLA	NE	68651	(402) 366-1053
MILLER, DAVID R.	800 JANE LANE	WEATHERFORD	TX	76085	(916) 715-6792
MINTZ, RAYMOND A.	410 HARMON RD.	HOPKINS	SC	29061	(803) 638-0247
MISZKLEVITZ, ANTHONY T.	28110 BRAEBURN DR.	TEHACHAPI	CA	93561	(661) 916-1238
MORGAN, DAVE	415 FONSO CIRCLE	BOWLING GREEN	KY	42104	(270) 201-4404
MUELLER, JARED R.	9525 RED SUNSET CT.	WEST DES MOINES	IA	50266	(612) 876-1592
MUFFLEY, DONALD W.	31914 SCHNEIDER ROAD	HANOVERTON	OH	44423	(330) 853-6449
NEWLON, TIMOTHY P.	727 MAHAN RD	ABERDEEN	MD	21001	(410) 206-5322
NEWTON JR., RICHARD E.	P.O. BOX 112	WHITEWATER	CO	81527	(970) 210-1530
ORTIZ, ANDREW D.	1200 E. JOHNSTON AVENUE	HEMET	CA	92543	(951) 902-4657
OSUNA GOMEZ, ELIAS ENGELS	1104 W. 9TH PLACE	MESA	AZ	85201	(480) 203-5143
PAETH, RAY D.	501 NORTH 104TH STREET	MESA	AZ	85207	(480) 521-6633
PALERMO, TIMOTHY W.	13222 OAKWOOD RD.	ZIMMERMAN	MN	55398	(409) 540-2141
PAYNE, MONTY W.	1271 LOVING RD.	GORDONSVILLE	VA	22942	(434) 531-4636
PHILLIPS, RICKY D.	1295 VIEWRIDGE RD	BENNETT	CO	80102	(720) 281-0485
POWELL, ANDREW M.	4457 W 200 S	ANDERSON	IN	46011	(765) 623-5226
PRICE, SEAN C.	2319 GRAYSON PKWY	MONROE	NC	28110	(980) 328-1822
REFFETT, MARK A.	7117 COUNTY ROAD 59 LOT 137	MANSFIELD	OH	44904	(419) 312-4804
REYNA, RICARDO	12103 SWAN CREEK DRIVE	HOUSTON	TX	77065	(832) 641-4518
RICHARDT, KEVIN L.	6803 56TH COURT	KENOSHA	WI	53142	(262) 351-9720
RIEFF, RYAN G.	8509 E. MADISON ST.	BROKEN ARROW	OK	74014	(918) 810-2088
RODRIGUEZ, FRANCISCO L.	4648 LOMA DE PLATA	EL PASO	TX	79934	(915) 247-1061
ROSS, BILLY J.	1333 HACKAMORE STREET	MESQUITE	TX	75149	(214) 641-9344
RUSSELL II, JAMES B.	10101 W 72ND AVE	ARVADA	CO	80005	(303) 548-5531
RUSSELL, BOBBY J.	8440 ROCK GLEN RD	BILOXI	MS	39532	(601) 941-1891
SANSO, JR., RICHARD L.	3209 BUFFALO SPRINGS TRAIL	GEORGETOWN	TX	78628	(512) 663-4814
SCHLEY, KENNETH W.	1127 FM 2718	CUERO	TX	77954	(361) 564-4470
SCHRITTER, JARROD R.	8500 SOUTH EAST 26TH AVE	RUNNELLS	IA	50237	(720) 548-7687
SERRANO, PRES JOHN	6420 SINCHO AVE NW	ALBUQUERQUE	NM	87114	(469) 325-0231
SHAVER, JAMES E.	157 SHORE HEIGHTS DR	INMAN	SC	29349	(864) 504-9922
SHERMAN, JAMES P.	404 3RD AVE SW	WEST BEND	IA	50597	(603) 998-3253
SHUFELT, JOHN J.	304 E. 3RD ST	DAWSON	IA	50066	(515) 528-4892
SISSON, JAYSON A.	5068 E. RED RIVER DRIVE	EAGLE MOUNTAIN	UT	84005	(801) 368-5949
SMALLEY, NICKOLAS W.	3613 376TH AVE	BURLINGTON	WI	53105	(262) 325-2142
SNOW, CHIP D.	2007 W. SANDHURST DR	FLORENCE	SC	29505	(253) 961-5767
SOMMER, WILLIAM W.	556 MORRVUE DR.	CINCINNATI	OH	45238	(513) 372-2483
STINSON, DAVE	4370 HAMILTON EATON ROAD	HAMILTON	OH	45011	(513) 200-0934
STUMP, JEFFREY L.	283 GRANT ST	FREDERICKTOWN	OH	43019	(740) 694-7947
TELLEZ VILLEDA, JUAN	1787 HERRINGTON AVE.	SAN BERNARDINO	CA	92411	(951) 497-1215
THOMAS JR., MARION H.	2208 NE 91ST ST	VANCOUVER	WA	98665	(360) 270-6441
TRENTHAM JR., RALPH H.	2790 US ROUTE 52	FELICITY	OH	45120	(513) 910-9263

FORMER FRANCHISEES					
NAME	ADDRESS	CITY	ST	ZIP	MOBILE
TRUAX, BERT J.	3921 ELLISTOWN RD.	KNOXVILLE	TN	37924	(607) 242-2514
TURCOTTE, KENNETH R.	315 E SPRINGFIELD ST	AURORA	MO	65605	(417) 437-6125
VANESSEN, MICHAEL N.	3335 FILLMORE STREET	JENISON	MI	49428	(616) 218-3403
VANG, TOU N.	2119 HUDSON AVE	MERCED	CA	95348	(209) 756-5861
VIGIL, KENNETH A.	17420 ANASTASIA AVE	FONTANA	CA	92335	(951) 675-0075
WADE, JEHU S.	68 SUNDANCE CIRCLE	WEST HAVEN	CT	06516	(203) 376-7398
WENGER, ROBERT B.	6820 DINA LEIGH CT.	SPRINGFIELD	VA	22152	(703) 401-0593
WILSON, JOE G.	560 EXECUTIVE DR. NW APT. 140	HUNTSVILLE	AL	35816	(504) 335-8828
YOUNG, MICHAEL R.	123 DOUGLAS ROAD	BYHALIA	MS	38611	(901) 832-5794

FORMER FRANCHISEES					
NAME	ADDRESS	CITY	ST	ZIP	MOBILE
ARSENAULT, ANDRE D.	28 PEARSON DR.	BYFIELD	MA	01922	(978) 866-3450
BAKER, JARED M.	4671 W 5215 S	KEARNS	UT	84118	(801) 870-8239
BEGONIA, MATTHEW L.	3029 SCOTTDALE SMITHTON RD.	SCOTTDALE	PA	15683	(724) 610-8083
BENITEZ, RICHARD	1241 SHENANDOAH DR.	NEW BRAUNFELS	TX	78130	(830) 708-1188
BREAM, STEVEN M.	7154 N. UNIVERSITY DR. #135	TAMARAC	FL	33321	(954) 850-3311
BRIBIESCAS JR., RAYMOND	8102 N. 106TH AVE.	PEORIA	AZ	85345	(602) 680-8671
CARDWELL, KEITH D.	961 PILGRIM BAPTIST CHURCH RD.	WILKESBORO	NC	28697	(336) 452-9192
CARROLL, VANCE A.	280 WILCOX DR.	MOUNTAIN VIEW	AR	72560	(870) 214-2634
CASTANEDA, HUNTER N.	180 E. CYPRESS DR.	HENDERSON	NV	89015	(702) 292-0377
CHECHUCK, LINUS J.	15 CROSS ST APT #4	BURGETTSTOWN	PA	15021	(304) 670-5821
CLEARY, JUSTIN H.	7610 PROTON SUMMIT	SAN ANTONIO	TX	78252	(210) 636-9812
COLON, CHRISTOPHER A.	4289 W. 181ST	CLEVELAND	OH	44135	(216) 313-5732
COTA, NICHOLAS P.	1934 GREENFIELD RD.	GREENFIELD	ME	04418	(207) 735-4896
CRUM JR., WILLIAM W	238 CROSS VALLEY DR.	COLUMBIA	TN	38401	(330) 717-2797
CRUZ, ARMANDO	9302 E. PLATA AVE.	MESA	AZ	85212	(310) 988-5670
DANIEL, JACK W.	102 SPRING VALLEY DRIVE	COTTONTOWN	TN	37048	(615) 519-3093
DEKUBBER, AARON C.	4390 22 MILE RD NW	GRANT	MI	49327	(616) 291-8006
DILLEY, NATHAN L.	1031 5TH ST	ALBANY	MN	56307	(320) 428-4495
ELTOUKHY, HATEM	3005 ASPEN WAY	MELISSA	TX	75454	(817) 454-8493
FIELDS, JOSHUA G.	104 VENETIAN WAY	BARDSTOWN	KY	40004	(717) 881-5572
FITZSIMMONS, FRANK D.	2064 TRAILWOOD DR. W.	BURLESON	TX	76028	(817) 992-9687
FLAUGH, TIMOTHY A.	10612 NORTH TURKEY CREEK RD	SYRACUSE	IN	46567	(574) 518-1028
FLEMING, JACOB C.	6245 BURBANK RD.	WOOSTER	OH	44691	(330) 601-6419
FLOREA, GEORGE G.	5998 PINE AVE.	ANGELUS OAKS	CA	92305	(909) 648-8063
GILSTRAP, JAMES A.	1323 SKYLINE AVE.	SIERRA VISTA	AZ	85635	(425) 361-6016
GREEN, TIMOTHY C.	126 VICTORY CIRCLE	ASHLAND CITY	TN	37015	(615) 430-7529
GRIBBLE, KEVIN A.	34 FROCK DR	HANOVER	PA	17331	(717) 688-2828
GUTIERREZ-ZARAGOZA, HECTOR A.	5928 ARMIDE ST	N LAS VEGAS	NV	89081	(702) 752-0515
HANSEN, NORMAN S.	46280 CONCRETE SAUK VALLEY RD	CONCRETE	WA	98237	(360) 420-8547
HARVEY, DALE RYAN	2597 CEDAR LN.	OXFORD	NC	27565	(919) 339-0750
HARVEY, JACK S.	4044 NORTH 100 EAST	DECATUR	IN	46733	(260) 433-0418
HEINEMAN, ALBERT E.	3105 GOSHAWK WAY	PERRIS	CA	92571	(951) 208-8668
HENRIE, DAVID E.	14890 KENSINGTON LANE	CHUBBUCK	ID	83202	(208) 240-2337
HOLLEY JR., DAVID T.	1665 E. SOUTH DR	MOHAVE VALLEY	AZ	86440	(760) 983-1137
HOLMAN, DAVID B.	150 SPRING HILL LANE	LITTLESTOWN	PA	17340	(410) 977-2791
INGRAM, ROBERT L.	503 SASSMAN RD.	MARION	TX	78124	(210) 569-9940
IREY, WILLIAM J.	743 HILLSIDE LANE	LENOIR CITY	TN	37771	(865) 310-3078

FORMER FRANCHISEES					
NAME	ADDRESS	CITY	ST	ZIP	MOBILE
JENNINGS, MICHAEL P.	516 GERRY ST.	WOODSTOCK	IL	60098	(815) 575-0025
JOBE, MICAH S.	3693 STATE ROUTE 3306	ARGILLITE	KY	41121	(606) 254-7768
JOHNSON, BRADLEY L.	7931 KEYSTONE DR	OMAHA	NE	68134	(402) 660-3862
JOHNSON, BRIAN E.	341 WESTFIELD WAY	WHITEWRIGHT	TX	75491	(903) 819-7043
KINNEALEY, THOMAS A.	1310 VERNON ST.	BRIDGEWATER	MA	02324	(774) 222-0934
KISHEL, KEVIN A.	106 PERRY AVE.	BELLE VERNON	PA	15012	(724) 986-0113
KRUMPFER, DENNIS M.	3839 COUNTY RD 335	NEW CASTLE	CO	81647	(970) 989-3385
LAVER, DAVID L.	P.O BOX 668	PLYMOUTH	CA	95669	(209) 256-0118
LEARNER, MARTY	11174 SQUANAN RIVER COURT	RANCHO CORDOVA	CA	95670	(916) 203-7353
LIEBELT, TODD R.	2255 HITCHING POST DRIVE	GREEN RIVER	WY	82935	(970) 217-5069
LINCOLN, LUCAS S.	165 W. MAPLE DRIVE	MILLERS CREEK	NC	28651	(828) 964-3931
LINDSAY, DANIEL C.	818 BALTIC LANE	HOUSTON	TX	77090	(281) 703-6862
LINDSEY, KENNETH J.	4378 FAIRGROUNDS RD	ATWATER	OH	44201	(330) 608-7245
LUDWIG, JUSTIN S.	6900 30TH ST W	ELKO	MN	55020	(651) 500-6603
MANGHAM, JACK D.	150 S. BEAR CREEK RD.	LIBERTY HILL	TX	78642	(737) 777-0626
MARCIAL, ANTHONY M.	528 BARNHART DR.	SOCORRO	TX	79927	(915) 244-0565
MCCONNELL, CARL E.	739 NORTHVIEW DR.	KODAK	TN	37764	(865) 253-3735
MCELYEA, MICHAEL E.	1215 RIVER HILLS RD.	STEPHENVILLE	TX	76401	(817) 739-1261
MCGILL, BRANDON J.	604 E. 4TH ST	ONTARIO	CA	91764	(909) 724-9235
MESERVE, DUSTIN R.	18 MESERVE LANE	CORNISH	ME	04020	(207) 432-5379
MICALLEF JR., ALFRED A.	4800 E. ALLEN RD.	HOWELL	MI	48855	(734) 718-7338
MILLS, ZACHARY T.	702 HAZEL AVE	KANNAPOLIS	NC	28083	(704) 213-6865
NEIL, JAMESON D.	2602 96TH AVE CT E	EDGEWOOD	WA	98371	(425) 240-4995
ORELLANA III, BENITO	1540 TESIS DR	LAREDO	TX	78046	(956) 531-1002
OSBORN, JASON A.	216 E. HAWTHORNE ST.	FLORENCE	AL	35630	(662) 419-7002
OSBORNE, ADAM M.	20196 207TH ST.	TONGANOXIE	KS	66086	(913) 702-2639
PAMPLONA, JOSHUA C.	1798 GLENDALE AVENUE	TWIN FALLS	ID	83301	(208) 358-1636
PENA, RICARDO	11908 MESQUITE CIRCLE	WESLACO	TX	78599	(956) 533-2812
PICARDI, MATTHEW T.	135 FOX AVENUE	DRACUT	MA	01826	(617) 543-2302
PRIOR, TRAVIS W.	625 26TH AVE. N	TEXAS CITY	TX	77590	(903) 576-1881
REAVIS, JAMES A.	5934 REST HOME RD.	CLAREMONT	NC	28610	(828) 615-5070
RICHARDS, TIMOTHY B.	4590 BARILOCHE LANE	HEMET	CA	92544	(951) 438-0084
RICHER, DOUG	11500 S. NATCHEZ AVE.	WORTH	IL	60482	(708) 567-7441
SABIN, MATHEW T.	352 34 1/2 ROAD	PALISADE	CO	81526	(970) 261-8272
SHEFFIELD, DALE C.	111 NINOLE COURT	BASTROP	TX	78602	(512) 294-7708
SHORTT, KENDALL R.	19057 FM 1565	TERRELL	TX	75160	(864) 651-6650
SKEEM, MARK A.	550 W PLUMB LANE, STE B, BOX 193	RENO	NV	89509	(775) 800-3957
STEPHENS, JEFF K.	1801 JENKS CARPENTER RD	CARY	NC	27519	(858) 967-7773
STEWART, CLINTON P.	2216 CAPE CORAL CT	ELVERTA	CA	95626	(916) 759-1142
STOECKER, KEVIN J.	905 DIETZ	YORK	PA	17402	(717) 968-7589
STROUD, MICHAEL W.	27127 ERIN DRIVE	MECHANICSVILLE	MD	20659	(301) 481-8517
TAYLOR, ANTHONY R.	137 VINTAGE CIRCLE	HENDERSONVILLE	TN	37075	(615) 568-8225
TAYLOR, EDWIN E.	1082 EAST RAILROAD ST	WESSON	MS	39191	(601) 502-6189
TODARO, CAMILLO J.	1405 HIGHTOWER DR	UNIONTOWN	OH	44685	(330) 603-1838
VALENZUELA, OMAR E.	16377 HARVEY DR.	FONTANA	CA	92336	(909) 277-0147
WARD, CALEB A.	906 CRESCENT CT	STEELEVILLE	IL	62288	(618) 615-3187
WENTLING, KATELYN M.	17 SHAVER ST.	RIPLEY	NY	14775	(814) 504-3430
WHALEY, JAMES R.	14714 OLD SPIKES RD.	SOUTHPORT	FL	32409	(850) 614-4441
WICKHAM, NICHOLAS C.	1603 BEARCLAW TERRACE	HENDERSON	NV	89014	(702) 575-5989
WILLIAMS, SCOT J.	7421 DOUGLAS ST.	HOLLYWOOD	FL	33024	(954) 483-3767
WILSON, CRAIG E.	31533 PROVIDENCE RD.	SMITHTON	MO	65350	(660) 596-9854

FORMER FRANCHISEES					
NAME	ADDRESS	CITY	ST	ZIP	MOBILE
WILSON, DEVIN D.	8310 W. 101ST AVE.	SAINT JOHN	IN	46373	(941) 243-6256
WILSON, TERRY DON	20232 BAT CAVE RD	GARDEN RIDGE	TX	78266	(210) 848-3454
WING, BRIAN M.	380 ABREGO LAKE DR	FLORESVILLE	TX	78114	(520) 909-4907
WOJNAROWSKI, DREW (B202 2ND FRN)	5165 N. GEORGE ST EXT	MANCHESTER	PA	17345	(717) 873-7202
WOJNAROWSKI, DREW S.	5165 N GEORGE ST EXT	MANCHESTER	PA	17345	(717) 873-7202

8. DEALER ORGANIZATIONS. To the best of Cornwell's knowledge, there are no organizations of current or former Cornwell franchised dealers, nor have there ever been any such organizations. At least two Facebook sites exist where Cornwell franchised dealers have online discussions. The "Cornwell Idea Exchange" is not hosted by Cornwell. The "Cornwell Corporate Communications" Facebook page is hosted by Cornwell and is open to Cornwell employees and any Cornwell dealer who wishes to participate.

In 2022, Cornwell created a Cornwell Dealer Advisory Council ("CDAC"), which consists of at least 5 franchisees appointed by Cornwell. It meets periodically throughout the year to discuss issues of importance to franchisees and to bring them to management's attention, including at least one live meeting in Ohio (if circumstances permit).

ITEM 21. FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit A, are the following financial statements of Cornwell, that show at least the franchisor's balance sheet for the previous three fiscal year-ends before the Disclosure Document issuance date and statements of operations, stockholders equity and cash-flows for each of the franchisor's previous three fiscal years:

The audited financial statements of Cornwell Quality Tools Company an Ohio corporation, for the fiscal years ended December 31, ~~2022~~2023, ~~2023~~ 2024 and ~~2024~~2025.

ITEM 22. CONTRACTS

The following contracts are offered in this state:

Exhibit B. Dealer Franchise Agreement

Exhibit B-1. Addendum to Dealer Franchise Agreement (Second Franchise, if applicable)

Exhibit B-2. Franchise Developer Dealer Franchise Agreement (if applicable)

Exhibit B-3. Special Representative Dealer Franchise Agreement (if applicable)

Exhibit C. Dealer Purchase Order, Note and Security Agreement

Exhibit C-1. Dealer Purchase Order, Note and Security Agreement – Veterans/First Responders Incentive Program (if applicable)

Exhibit C-2. Dealer Purchase Order, Note and Security Agreement – Franchise Developer (if applicable)

Exhibit C-3. Dealer Purchase Order, Note and Security Agreement – Special Representative (if applicable)

Exhibit D. Appendix with State Specific Information

Exhibit E. Tech-Credit Dealer Credit Assignment Agreement

Exhibit F. ACH Agreement – Authorization Agreement for Automatic Payment

Exhibit G. DCA Authorization- Dealer Credit Account Program Authorization

Exhibit H. Ironman Business Network (IBN)-End User License Agreement

These are the only contracts, which Cornwell will enter into with prospective dealers in this state, or by which your rights and obligations under the Dealer Franchise Agreement may be affected.

ITEM 23. RECEIPT

THE LAST PAGE OF THIS OFFERING CIRCULAR IS A DETACHABLE DOCUMENT ACKNOWLEDGING RECEIPT OF THE OFFERING CIRCULAR BY THE PROSPECTIVE FRANCHISEE. FRANCHISEE MUST SIGN AND RETURN THE RECEIPT LOCATED AT EXHIBIT I OF THIS FRANCHISE DISCLOSURE DOCUMENT.

EXHIBIT A



Cornwell Quality Tools Company and Subsidiary

Consolidated Financial Statements
December 31, 2023 and 2022

Cohen & Co

cohencpa.com

CORNWELL QUALITY TOOLS COMPANY AND SUBSIDIARY

DECEMBER 31, 2023 AND 2022

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Cohen & Co®

Independent Auditor's Report

Board of Directors of
Cornwell Quality Tools Company and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of Cornwell Quality Tools Company and Subsidiary (an Ohio corporation), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, and the related consolidated statements of operations, shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cornwell Quality Tools Company and Subsidiary as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Cornwell Quality Tools Company and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cornwell Quality Tools Company and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Cohen & Company Ltd.

Cleveland, Ohio
March 26, 2024

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 33,687,571	$ 19,594,784
Accounts receivable, trade - Net of allowance for credit losses of $82,720 and $98,107, respectively	8,753,533	10,017,373
Notes receivable, current portion - Net of allowance for credit losses of $250,000 in 2023 and 2022, respectively	2,736,323	2,920,164
Finance receivables, current portion - Net of allowance for credit losses of $10,449,079 and $9,046,877, respectively	24,562,440	21,249,210
Inventories - Net	34,066,979	41,061,681
Prepaid expenses and other assets	1,890,179	1,949,173
Refundable income taxes	501,000	205,000
Total current assets	106,198,025	96,997,385
NONCURRENT ASSETS		
Notes receivable, net of current portion	11,503,165	11,429,113
Finance receivables, net of current portion	75,799,926	65,818,519
Property, plant, and equipment - Net	16,619,670	17,536,620
Operating lease right-of-use assets	6,631,893	6,308,869
Goodwill - Net	2,333,032	3,181,407
Deferred income tax asset - Net	4,735,000	4,010,000
Total noncurrent assets	117,622,686	108,284,528
TOTAL ASSETS	$ 223,820,711	$ 205,281,913
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 17,398,366	$ 14,661,121
Current portion of operating lease liabilities	786,053	562,857
Accrued expenses	3,043,811	3,462,293
Deferred compensation	134,056	125,226
Accrued taxes	247,387	233,605
Total current liabilities	21,609,673	19,045,102
LONG-TERM LIABILITIES		
Long-term portion of operating lease liabilities	5,890,693	5,755,118
Deferred compensation, less current portion	1,038,542	1,202,553
Total long-term liabilities	6,929,235	6,957,671
TOTAL LIABILITIES	28,538,908	26,002,773
CONTINGENCIES		
SHAREHOLDERS' EQUITY	195,281,803	179,279,140
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 223,820,711	$ 205,281,913

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF OPERATIONS

DECEMBER 31, 2023 AND 2022

	2023	2022
SALES	$ 271,831,700	$ 261,700,918
Less: Dealer weekly volume incentives	5,366,536	4,853,504
Sales - Net	266,465,164	256,847,414
COST OF GOODS SOLD	197,335,492	189,302,096
Gross profit	69,129,672	67,545,318
EXPENSES		
Shipping and warehousing	7,110,886	6,303,177
Selling	23,260,558	22,437,835
General and administrative	15,627,547	14,328,545
Employee stock ownership plan contribution	5,700,000	5,000,000
Goodwill amortization expense	848,375	848,375
Total expenses	52,547,366	48,917,932
Income before financing operations	16,582,306	18,627,386
FINANCING OPERATIONS		
Revenues	23,244,507	19,598,514
Other financing income	1,331,492	1,069,676
Total financing income	24,575,999	20,668,190
Expenses	10,477,911	7,213,203
Income from financing operations	14,098,088	13,454,987
Income from operations	30,680,394	32,082,373
OTHER INCOME (EXPENSE)		
Interest expense	(116,118)	(247,651)
Interest income	854,468	325,161
Other expense - Net	(5,203,419)	(65,870)
Other expense - Net	(4,465,069)	11,640
Income before taxes	26,215,325	32,094,013
PROVISION FOR INCOME TAXES	6,537,204	8,204,498
NET INCOME	$ 19,678,121	$ 23,889,515

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

YEARS ENDED DECEMBER 31, 2023 AND 2022

	* Voting Common Stock		Additional		Total
	Shares Issued	Amount	Paid-In Capital	Retained Earnings	Shareholders' Equity
BALANCE - JANUARY 1, 2022	10,635	$ 106,350	$ 1,644,189	$ 156,980,721	$ 158,731,260
Net income	-	-	-	23,889,515	23,889,515
Dividends paid	-	-	-	(3,341,635)	(3,341,635)
BALANCE - DECEMBER 31, 2022	10,635	106,350	1,644,189	177,528,601	179,279,140
Net income	-	-	-	19,678,121	19,678,121
Dividends paid	-	-	-	(3,675,458)	(3,675,458)
BALANCE - DECEMBER 31, 2023	10,635	$ 106,350	$ 1,644,189	$ 193,531,264	$ 195,281,803

** Common stock, voting, $10 par value, 25,000 shares authorized with 10,635 shares issued and outstanding at December 31, 2023 and 2022.*

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOW

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 286,736,240	$ 274,163,137
Cash paid to suppliers and employees	(239,321,652)	(246,024,091)
Cash paid to related party	(481,535)	(454,894)
Interest received - Net	740,398	79,558
Income taxes paid	(7,522,457)	(8,052,391)
Net cash from operating activities	40,150,994	19,711,319
CASH FLOWS USED IN INVESTING ACTIVITIES		
Finance receivables originated	(62,804,034)	(53,470,840)
Finance receivables repaid	41,371,952	39,955,427
Capital expenditures	(950,667)	(4,920,361)
Net cash used in investing activities	(22,382,749)	(18,435,774)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Repayments of capital lease obligation	-	(1,476)
Repayments of long-term debt	-	(2,968,667)
Cash dividends paid	(3,675,458)	(3,341,635)
Net cash used in financing activities	(3,675,458)	(6,311,778)
NET CHANGE IN CASH AND CASH EQUIVALENTS	14,092,787	(5,036,233)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	19,594,784	24,631,017
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 33,687,571	$ 19,594,784

	2023	2022
RECONCILIATION OF NET INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Net income	$ 19,678,121	$ 23,889,515
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Provision for finance credit losses	8,137,445	5,148,624
Provision for expected credit losses on uncollectible accounts and notes receivables	475,133	369,435
Change in LIFO reserve	2,002,062	2,537,306
Change in inventory obsolescence reserve	220,796	112,256
Depreciation	1,867,617	1,621,038
Goodwill amortization	848,375	848,376
Operating lease expense	784,638	577,476
Change in deferred income tax asset	(725,000)	54,000
(Increase) decrease in operating assets:		
Accounts receivable, trade	788,707	(1,265,102)
Notes receivable	109,789	(2,021,495)
Inventories	4,771,844	(10,553,068)
Prepaid expenses and other assets	58,994	(604,467)
Refundable income taxes	(296,000)	89,000
Increase (decrease) in operating liabilities:		
Accounts payable	2,737,245	(1,071,791)
Accrued expenses	(418,482)	557,545
Deferred compensation	(155,181)	(44,337)
Accrued taxes	13,782	35,378
Operating lease liabilities	(748,891)	(568,370)
Total adjustments	20,472,873	(4,178,196)
NET CASH FROM OPERATING ACTIVITIES	$ 40,150,994	$ 19,711,319
SUPPLEMENTAL FINANCIAL INFORMATION		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	$ 671,338	$ 671,338
NONCASH INVESTING AND FINANCING ACTIVITY		
Right-of-use assets obtained in exchange for operating lease liabilities	$ 1,107,662	$ 6,886,345

See accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Cornwell Quality Tools Company and Subsidiary (the Company) is a manufacturer and distributor of hand-held tools, toolboxes, diagnostic equipment, and other related products for mechanics, primarily in the automotive business. The Company sells its products to independent dealers and other industrial users throughout the United States of America and parts of Europe. During 2023 and 2022, purchased parts accounted for approximately 94% and 93%, respectively, of sales. The Company maintains manufacturing facilities in Ohio and Pennsylvania and distribution centers in Ohio and Utah.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements of Cornwell Quality Tools Company and Subsidiary include the accounts of Cornwell Quality Tools Company and its wholly owned subsidiary, CQT Kennedy, LLC, collectively referred to as the Company. All significant intercompany transactions have been eliminated in consolidation.

Estimates

Management uses estimates and assumptions in preparing the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenue and expenses. Actual results could vary from the estimates that were used and such differences may be material.

Variable Interest Entity

The Company is the primary beneficiary of an affiliated leasing entity that was formed for the purpose of holding real estate which is leased to the Company. The affiliated leasing entity generates substantially all of its revenue from the Company. The Company accounts for the variable interest entity (VIE) under the alternative accounting guidance issued by the Financial Accounting Standards Board (FASB). This alternative accounting treatment permits privately held companies meeting certain criteria from having to apply existing VIE consolidation guidance to common control leasing arrangements while maintaining compliance with GAAP. This alternative accounting guidance still requires certain disclosures pertaining to its relationship with the VIE entity, which have been disclosed in Note 9.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash held in banks, and all highly liquid investments purchased with original maturities of three months or less. The Company's cash balances at banks may, at times, exceed the limits of related federal deposit insurance. The Company has not experienced any losses, material or otherwise, due to this concentration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of New Accounting Standard - Allowance for Credit Losses

In June 2016, the Financial Accounting Standards Board (FASB) issued guidance (FASB Accounting Standards Codification [ASC] 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Company that are subject to guidance in FASB ASC 326 were trade accounts receivable, notes receivable, and finance receivables.

The Company adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses

The Company operates in the tool manufacturing and distribution sector primarily for the automotive industry. Its accounts receivable - trade and notes receivable are primarily derived from dealers and are largely similar, therefore the Company evaluates its allowance for credit losses as one portfolio segment based upon the type of receivable.

Accounts receivable are unsecured customer obligations due under normal trade terms. The Company mitigates the risk associated with accounts receivable by performing ongoing credit evaluations and actively pursuing past due amounts. Accounts receivable are stated at the amount billed to the customer. Customer account balances with invoices dated over the payment terms are considered delinquent. The Company does not charge interest on delinquent customer balances. The opening balance of accounts receivable - net as of January 1, 2022, was $9,121,706.

Notes receivables are derived during the ordinary course of business from the Company entering into dealer franchise agreements with new franchisees. These agreements require new dealers to place orders for initial inventories of $55,000 and a $20,000 reserve deposit. Dealers may pay for their initial inventory and reserve with cash, by entering into a note with the Company, or a combination of both. These loan terms are typically six years in duration requiring payments weekly ranging between $218 and $417, including interest at a range of 10% to 17%. Interest is charged and recognized on the loans on an accrual basis. At December 31, 2023 and 2022, the portion of the notes receivable on nonaccrual status and recorded as an allowance for notes receivable loss was $250,000, which is presented as a reduction of the notes' amortized cost basis. The opening balance of notes receivable – net as of January 1, 2022, was $12,327,782.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses (continued)

On December 31, 2023, contractual maturities of gross notes receivables were as follows:

2024	$ 2,986,323
2025	4,298,678
2026	3,371,650
2027	2,037,768
2028	1,178,162
Thereafter	616,908
	$ 14,489,489

At each balance sheet date, the Company evaluates if an expected allowance for credit losses is necessary. In addition, also at each reporting date, this evaluation is updated to reflect any changes in credit risk since the trade account receivable or note receivable was initially recorded. This evaluation is determined on a pooled basis where similar risk characteristics exist.

The allowance evaluation is derived from a review of the Company's historical losses based on the aging of accounts receivable and notes receivable. This evaluation is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. The Company believes historical loss information is a reasonable starting point in which to evaluate the expected allowance for credit losses as the Company's portfolio segment have remained consistent since the Company's inception.

The Company writes off accounts receivable and notes receivable against the respective allowances when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If recoveries are made from any amounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. See Note 3 for current year write-offs.

Tech Credit finance receivables are derived from the Company offering financing options to individual customers of dealers in order to facilitate purchases. The customers receiving this type of financing are largely similar, therefore the Company evaluates its allowance for credit losses as one portfolio segment. The amounts that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are reported at their amortized costs, net of any deferred financing fees or costs on originated loans. Deferred financing fees are amortized on a straight-line basis over a 36-month period which approximates the life of the Tech Credit finance receivables. The opening balance of Tech Credit finance receivables – net as of January 1, 2022, was $78,700,940.

Tech Credit finance receivables are placed on nonaccrual status when management believes, after considering economic conditions, business conditions, and collection efforts, that the notes are impaired, or collection of interest is doubtful. When the accrual of interest is discontinued, all unpaid accrued interest is reversed. Loans are returned to accrual status and interest income is subsequently recognized when all principal and interest amounts contractually due are brought current.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses (continued)

The allowance for Tech Credit finance receivable losses is derived from both internal and external sources, management's periodic evaluation of the portfolio using relevant available information from both internal and external sources, relating to past events, current conditions and reasonable supportable forecasts, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, the estimated value of any underlying collateral, and current economic conditions. Commercial loans are charged off when they are 120 days contractually past due. The allowance for credit losses represents management's estimate of lifetime credit losses inherent in the finance receivables as of the consolidated balance sheet date. Tech Credit finance receivables that do not share risk characteristics are evaluated on an individual basis.

The Company writes off Tech Credit finance receivables when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any amounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. See Note 4 for current year write-offs.

Prior to the adoption of ASC 326, the carrying amounts of accounts receivable, notes receivable, and Tech Credit finance receivables were reduced by a valuation allowance that reflected management's best estimate of the amounts that would not be collected. Management individually reviewed all accounts receivable balances regularly and based on an assessment of current creditworthiness, estimated the portion, if any, of the balance that would not be collected. Additionally, management estimated an allowance for the aggregate remaining accounts receivable, notes receivable, and Tech Credit finance receivables based on historical collectability. Balances that were still outstanding after management had used reasonable efforts to collect were written off through a charge to the valuation allowance.

Inventories

Inventories are valued at the lower of cost or market with cost determined by the last-in, first-out (LIFO) method. If the first-in, first-out (FIFO) method was used to value inventories, reported inventories would have increased by $10,470,934 and $8,468,872 at December 31, 2023 and 2022, respectively, and net income after taxes would have increased by $1,461,062 in 2023 and by $1,852,306 in 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

The Company recognized $8,483,752 of goodwill related to Cornwell Quality Tools Company's acquisition of CQT Kennedy, LLC. The Company accounts for goodwill in accordance with alternative accounting guidance issued by the FASB. This alternative accounting treatment permits privately held companies to amortize goodwill on a straight-line basis over a period not to exceed 10 years while maintaining compliance with GAAP. Goodwill is reviewed for possible impairment at least annually or more frequently upon the occurrence of an event or when circumstances indicate that the carrying amount is greater than its fair value. Management has determined that there is no impairment of goodwill for the years ended December 31, 2023 and 2022. Amortization expense totaled $848,375 in 2023 and 2022, respectively, and accumulated amortization totaled $6,150,720 at December 31, 2023 and $5,302,345 at December 31, 2022. Goodwill will amortize at the annual amount of $848,376 in 2024 and 2025, with the remaining amount of $636,280 being amortized in 2026.

Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost. Major additions and improvements are charged to the property accounts while replacements, maintenance, and repairs which do not improve or extend the lives of the respective assets, are expensed currently. When property is retired or otherwise disposed of, the cost of the property is removed from the asset account, accumulated depreciation is charged with an amount equivalent to the depreciation provided, and any resulting gain or loss is charged or credited to operations.

Depreciation has been provided using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	4 to 35 years
Machinery and equipment	5 to 20 years
Office furniture and fixtures	3 to 10 years
Transportation equipment	3 to 5 years

Depreciation expense totaled $1,867,617 in 2023, and $1,621,038 in 2022.

Advertising

Advertising primarily consists of the Company's catalog, bulletins, flyers, sponsorships, and advertising in national publications for the Company's products, which are amortized over one year or less. Advertising expense was $4,410,428 in 2023 and $2,911,439 in 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company is taxed as a C-Corporation and, accordingly, a provision for federal and state taxes has been recorded in the consolidated financial statements.

The Company recognizes deferred tax assets and liabilities for future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which the temporary differences are expected to be recovered or settled. The effect of deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when management determines a portion or all of the deferred tax assets will more likely than not be recognized.

Revenue Recognition

The Company generates revenue from various financing programs that include: (i) installment sales contracts arising from tool dealers wishing to provide financing to their customers on an extended-term payment plan and (ii) business loans to tool dealers for inventory. Interest income from finance receivables is recognized using the interest method. Accrual of interest income on finance receivables is suspended when a loan is contractually delinquent for 120 days or more. The accrual is resumed when the loan becomes contractually current, and past due interest income is recognized at that time.

The decision to finance through the Company or another financing source is solely at the election of the customer. When assessing customers for potential financing, the Company considers various factors regarding ability to pay, including the customers' financial condition, debt-servicing ability, past payment experience, and credit bureau and proprietary credit model information, as well as the value of the underlying collateral. See Note 5 for information on credit quality indicators and monitoring.

The Company enters into contracts with customers related to the selling of products. At contract inception, an assessment of the products promised in the contracts with customers is performed and a performance obligation is identified for each distinct promise to transfer to the customer a product (or bundle of products). To identify the performance obligations, the Company considers all of the products promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. Contracts with customers are comprised of customer purchase orders, invoices, and written contracts.

Revenue from the sale of products is recognized at a point in time when the Company's performance obligations are satisfied, which generally occurs at a point in time when title and control of the product is transferred to the customer at shipping point. Once a product has shipped, the customer is able to direct the use of, and obtain substantially all of the remaining benefits from the asset. Customer payments are typically due within 30 days of billing or over the terms set out in the financing program, depending on the contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

In some cases, the nature of the Company's contracts give rise to variable consideration, including weekly dealer volume discounts, rebates, credits, allowances for returns, or other similar items that generally decrease the transaction price. These variable amounts generally are credited to the customer, based on achieving certain levels of sales activity or product returns.

In the normal course of business, the Company allows dealers to return products per the provisions in the franchise agreement that allow for the return of product in a saleable condition. For other customers, product returns are generally not accepted unless the item is defective as manufactured. Estimated product returns are recorded as a reduction in reported revenues at the time of sale based upon historical product return experience and is adjusted for known trends to arrive at the amount of consideration to which the Company expects to receive.

Variable consideration is estimated at the most likely amount that is expected to be earned. Estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current, and forecasted) that is reasonably available.

Disaggregation of Revenue

All sales revenue results from product sales and is recognized at a point in time. Products are sold primarily to independent tool dealers and other industrial users throughout the United States of America and parts of Europe. Qualitative factors that affect revenue recognition and cash flows include, uninterrupted supply chain for components used to manufacture products, purchased products, availability of labor, and prompt payment by customers.

Performance Obligation

The Company's contracts for the sale of products contain a single performance obligation. The performance obligation is satisfied when the product is shipped to the customer.

Significant Judgments and Estimates

Other than variable consideration previously noted, there are no significant judgments involved in the recognition of revenue from the sale of products.

Shipping and Handling Costs

The Company has elected to treat shipping and handling costs as contract fulfillment activities. Shipping and handling revenue is included in sales and the related costs are included in cost of goods sold in the accompanying consolidated statements of operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Returned Goods

The Company sells both manufactured tools and products purchased from other manufacturers. For purchased products, it is the Company's policy to extend the full manufacturer's guarantee to the Company's customers. For manufactured items, the Company will, at its sole discretion, replace or repair an item if it is determined that the item has not given the user a fair value in terms of length of useful life. This policy is considered a promotional expense that generates goodwill with the customer and, as consistent with standard practices in this industry, these amounts are expensed as incurred. The Company's policy is also considered an assurance warranty and, therefore, does not constitute variable consideration.

Concentrations of Credit Risk

The Company performs ongoing credit evaluations of its customers and generally requires collateral only on financing and notes receivables with extended credit terms. The Company maintains reserves for potential credit losses and such losses have been within management's expectations.

Leases

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

Right-of-use (ROU) assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the commencement date based primarily on the present value of lease payments over the lease term. In determining the discount rate used to measure the ROU assets and lease liabilities, the Company uses rates implicit in the lease, when available. If the rate implicit in the lease is not readily available, the Company has elected to use a risk-free rate for all classes of assets. The risk-free rate used is the U.S. Treasury Bill Rate in effect at the commencement of the lease for a similar term. The operating lease ROU assets also include any lease payments made at commencement and exclude lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

The Company elected to apply the short-term lease exemption. Under this exemption, ROU assets and lease liabilities are not recognized for leases with an initial term of 12 months or less. The Company does not currently have any short-term lease arrangements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (continued)

The Company has lease agreements with both lease and non-lease components, which are generally accounted for separately. In allocating consideration in the contract to the separate lease components and the non-lease components, the Company uses the standalone prices of the lease and non-lease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

The Company has certain leases which are triple net leases, whereby the lessee pays all utilities, insurance, real estate taxes and maintenance associated with the property. These costs are considered to be lessee costs recognized in the consolidated statement of operations in the period in which the related obligation is incurred.

Subsequent Events

Management of the Company has evaluated subsequent events through March 26, 2024, which was the date that these consolidated financial statements were available for issuance and determined there are no significant non-recognized subsequent events through that date.

3. CHANGES IN THE EXPECTED CREDIT LOSS VALUATION FOR TRADE ACCOUNTS RECEIVABLE AND NOTES RECEIVABLE

Changes in the valuation allowance for trade accounts receivable and notes receivable were as follows at December 31:

	2023	2022
Balance - Beginning of year	$ 348,000	$ 333,000
Provision for bad debts	475,133	369,435
Write-offs	(558,673)	(413,994)
Recoveries	68,540	59,559
Balance - End of year	$ 333,000	$ 348,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. FINANCE RECEIVABLES AND CHANGES IN THE EXPECTED CREDIT LOSS VALUATION

The Company engages in providing commercial financing services to tool dealers wishing to provide financing to their customers. The Company's finance receivables, which are comprised primarily of contracts with a maximum of 60 monthly installments, are as follows at December 31:

	2023	2022
Finance receivables	$ 119,572,140	$ 103,852,157
Deductions:		
Reserve for finance credit losses	(10,449,079)	(9,046,877)
Deferred financing fees	(8,760,695)	(7,737,551)
	100,362,366	87,067,729
Less current maturities	24,562,440	21,249,210
Long-term finance receivables	$ 75,799,926	$ 65,818,519

On December 31, 2023, contractual maturities of finance receivables were as follows:

2024	$ 39,797,619
2025	36,173,907
2026	28,598,561
2027	13,267,873
2028	1,733,780
	$ 119,572,140

At December 31, 2023, current maturities of finance receivables as reported on the consolidated balance sheet consist of gross receivables of $39,797,619 less the reserve for finance credit losses of $10,449,079 less the current portion of deferred financing fees of $4,786,100.

At December 31, 2022, current maturities of finance receivables as reported on the consolidated balance sheet consist of gross receivables of $34,584,448 less the reserve for finance credit losses of $9,046,877 less the current portion of deferred financing fees of $4,288,361.

It is the Company's experience that a substantial portion of the commercial loan portfolio generally is renewed or repaid before the contractual maturity dates. The above tabulation, therefore, is not regarded as a forecast of future cash collections. Cash collections of principal amounts of commercial loans totaled $41,371,952 in 2023, and $39,955,427 in 2022, and the ratios of these cash collections to average principal balances were approximately 42% in 2023 and 40% in 2022. Approximate changes in the allowance for credit losses for finance receivables were as follows:

	2023	2022
Balance - Beginning of year	$ 9,047,000	$ 8,212,000
Provision for credit losses	8,137,000	5,149,000
Loans charged off	(6,735,000)	(4,515,000)
Recoveries	-	201,000
Balance - End of year	$ 10,449,000	$ 9,047,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. CREDIT QUALITY OF FINANCE AND NOTES RECEIVABLES

The Company actively monitors the credit quality of finance and notes receivables by performing a creditworthiness analysis at the borrowing date, and at predetermined intervals throughout the time finance and notes receivables are outstanding. Credit for purchases under notes receivable is granted based on a review of the customer's Beacon credit score. Credit for purchases under finance receivables is granted based on an internally developed scoring method termed a Scorecard. The Scorecard was initially developed in June 2004, and has been revalidated in September 2008, 2012, 2016, February 2018, and September 2021. The Scorecard takes into account various credit quality indicators such as job history, public record information, collections, and prior delinquent accounts and then assigns a weighted score which is used in determining the customer's credit. In the February 2018 revalidation, the introduction of FICO scores as an additional qualifier was added. Before June 2004, the Company granted credit based on a customer's Beacon score or internally determined Blue Ribbon rating.

The finance receivables and notes receivable balances are based on the following credit quality indicators at December 31:

	2023	2022
Notes receivable:		
Beacon score > 650	$ 14,489,488	$ 14,599,277
Finance receivables:		
Blue Ribbon rating	$ 211,148	$ 231,539
Scorecard:		
415 - 419 - High risk	1,686,200	204,513
420 - 429	2,555,784	9,071,202
430 - 439	4,962,580	9,055,009
440 - 449	13,765,690	20,169,565
450 - 459	23,255,093	20,169,565
>= 460 - Low risk	73,135,645	31,061,874
Subtotal Scorecard	119,360,992	103,620,618
Total finance receivables	$ 119,572,140	$ 103,852,157

An aging analysis of the finance and notes receivables portfolio, based on customer repayment status is as follows at December 31:

	2023	2022
Current (not past due) notes receivable	$ 14,489,488	$ 14,599,277
Finance receivables:		
Current (not past due)	$ 110,206,459	$ 97,915,338
30-59 days past due	3,202,010	2,170,262
60-89 days past due	3,968,584	2,270,020
Greater than 90 days past due	2,195,087	1,496,537
Total finance receivables	$ 119,572,140	$ 103,852,157

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. INVENTORIES

Inventories – net consist of the following at December 31:

	2023	2022
Raw materials	$ 5,749,223	$ 5,882,360
Work in process	3,037,244	3,503,205
Finished goods	36,364,498	40,537,244
	45,150,965	49,922,809
Less: Obsolescence reserve	613,052	392,256
Less: LIFO reserve	10,470,934	8,468,872
Total inventories - net	$ 34,066,979	$ 41,061,681

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment - net consist of the following at December 31:

	2023	2022
Land	$ 815,005	$ 815,005
Buildings and improvements	11,544,031	11,522,447
Machinery and equipment	15,344,719	14,900,272
Office furniture and fixtures	5,922,047	5,564,520
Transportation equipment	182,305	182,305
Construction in progress	62,100	75,023
	33,870,207	33,059,572
Less: Accumulated depreciation	17,250,537	15,522,952
Property, plant and equipment - net	$ 16,619,670	$ 17,536,620

Leasehold improvements are amortized over 4 - 35 years, which is the shorter of the useful life of the leasehold improvement or the lease term including renewal periods that are reasonably assured. The Company leases its office from a related party under a 10 year operating lease, ending November 2025. If the lease is not extended to equal the life of the leasehold improvements, the landlord has represented to the Company that it will be reimbursed for the remaining unamortized cost of the leasehold improvements.

8. FINANCING

The Company has a line of credit agreement with a bank. Under the terms of the agreement, the Company can borrow up to $8,000,000, collateralized by substantially all owned assets of the Company. The agreement, which expires July 31, 2024, requires monthly interest payments at the daily Secured Overnight Financing Rate (SOFR) 5.38% at December 31, 2023 plus 1.35%. There were no outstanding borrowings on the line of credit as of December 31, 2023 or 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. FINANCING (Continued)

The line of credit agreement contains various covenants, the most restrictive of which required the Company to maintain a minimum level of fixed charge coverage. The Company was in compliance with those covenants at December 31, 2023 and 2022.

9. LEASES

The Company had operating leases for equipment and facilities from unrelated parties with terms varying through December 2027. Lease expense under these leases totaled $438,536 in 2023. The following is a schedule of future minimum lease payments with remaining terms of one year or more:

2024	$ 469,248
2025	488,018
2026	507,359
2027	528,020
Total undiscounted cash flows	1,992,645
Less: present value discount	125,997
Total lease liabilities	$ 1,866,648

The Company leases its warehouse and office facilities in Wadsworth, Ohio from a related party, with terms to expire in 2035. The leases include two five-year options to extend the leases for up to 10 years. The Company pays all insurance and operating costs associated with the real estate. Lease expense under these facilities totaled $455,788 in 2023. The following is a schedule of future minimum lease payments for these leases:

2024	$ 445,788
2025	445,788
2026	445,788
2027	445,788
2028	445,788
Thereafter	3,057,069
Total undiscounted cash flows	5,286,009
Less: present value discount	475,911
Total lease liabilities	$ 4,810,098

For the year ended December 31, 2023, other information related to the Company's leases consisted of the following:

Weighted average remaining lease term:	9.66 years
Weighted average discount rate:	2.09%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. INCOME TAXES

The net income tax provision is comprised of approximately the following:

	2023	2022
Current tax provision, federal	$ 5,827,000	$ 6,286,000
Current tax provision, state	1,435,000	1,864,000
Deferred tax (benefit) expense, federal and state	(725,000)	54,000
	$ 6,537,000	$ 8,204,000

The difference between the effective tax rate for financial reporting of 27% in 2023 and 2022, and the federal and state statutory tax rates is due to applying actual state statutory tax rates and nondeductible items not included for financial reporting purposes.

Deferred income taxes are provided for the temporary differences between the tax basis and the financial reporting basis of the Company's assets and liabilities. The tax effects of temporary differences that give rise to significant portions of deferred income tax assets (liabilities) consist of the following:

	2023	2022
Accounts and finance receivable allowance	$ 2,987,000	$ 2,599,000
Inventories	500,000	490,000
Accumulated depreciation on property	(2,336,000)	(2,463,000)
Accumulated amortization on goodwill	554,000	477,000
Liabilities and reserves	1,957,000	2,548,000
Deferred compensation	1,073,000	359,000
Total deferred income tax asset - net	$ 4,735,000	$ 4,010,000

11. RETIREMENT PLANS

The Company maintains a profit-sharing plan (the Plan) covering substantially all salaried and hourly employees, having at least one year of service with the Company and attaining a certain age requirement. The amount of the contribution each year is at the sole discretion of the Board of Directors of the Company limited by Internal Revenue Service restrictions. There were no profit-sharing contributions made to the Plan in 2023 and 2022. The Plan includes 401(k) provisions. Under these provisions, employees may elect to contribute a portion of their compensation on a tax-deferred basis within the guidelines prescribed by the Internal Revenue Code. The Company may also make discretionary contributions to the Plan each year. There were no discretionary contributions made to the plan in 2023 and 2022.

The Company also has a deferred compensation plan with officers that provides for the annual accrual of a portion of their salary until retirement. The agreements are contingent upon their continued employment with the Company and payable upon retirement. The deferred compensation agreements are unfunded. The plan also provides for payments to beneficiaries in the event of death.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. EMPLOYEE STOCK OWNERSHIP PLAN

The Company has an employee stock ownership plan (ESOP) that covers substantially all salaried and hourly employees, who have obtained at least 1,000 hours of service. The contributions are determined at the sole discretion of the Board of Directors of the Company limited by Internal Revenue Service restrictions. Under the provisions of the ESOP, terminated participants may require the Company to repurchase their vested shares at fair market value.

As of December 31, 2023 and 2022, the ESOP held 2,075 shares of stock, which have been fully allocated to participants. The shares have an estimated value of $26,820 per share, or $55,713,750 in the aggregate, based upon the December 31, 2022, valuation from the Appraiser. The fair value as of December 31, 2023, is subject to change upon the final valuation from the Appraiser.

ESOP contribution expense was $5,700,000 in 2023 and $5,000,000 in 2022.

13. LITIGATION

The Company is the defendant in a class action lawsuit, in the state of California, related to employment labor laws. During 2023, a settlement agreement was reached, and the Company agreed to pay $5,500,000. The settlement agreement is still awaiting final approval from the California court system. The Company has accrued the settlement amount which is included in other income (expense) within the consolidated statement of operations at December 31, 2023. In addition, the Company is involved in other legal proceedings which arise in the ordinary course of business. Management, after consultation with the Company's legal counsel, believes that these matters will not have a material impact on the financial condition, results of operations, or cash flows of the Company.

14. CONTINGENCIES

The Company's past and present daily operations include activities which are subject to federal and state environmental regulations. Compliance with these regulations has not had, nor does the Company expect such compliance to have, a material effect upon net income, financial condition, or competitive position of the Company.

15. MAJOR SUPPLIERS

Purchases from the Company's two largest suppliers accounted for approximately 30% and 31% of purchases during 2023 and 2022, respectively. Any disruptions in the supply chain from these suppliers could be substituted with purchases of similar products from other suppliers.

Cohen & Co®

Independent Auditor's Report on Supplemental Information

The Board of Directors of
Cornwell Quality Tools Company and Subsidiary

We have audited the consolidated financial statements of Cornwell Quality Tools Company and Subsidiary as of and for the years ended December 31, 2023 and 2022, and our report thereon dated March 26, 2024, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 2 - 3. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements on pages 23 - 26 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The consolidated statements and accompanying note on pages 27 - 30 using the first-in, first-out (FIFO) method to value inventories are also presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Cohen & Company Ltd.

Cleveland, Ohio
March 26, 2024

CONSOLIDATING BALANCE SHEET

DECEMBER 31, 2023

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Eliminations	Consolidated
	ASSETS			
CURRENT ASSETS				
Cash and cash equivalents	$ 32,798,231	$ 889,340	$ -	$ 33,687,571
Accounts receivable, trade - Net of allowance for credit losses of $82,720	7,983,926	769,607	-	8,753,533
Accounts receivable - Subsidiary	28,648,126	13,624,185	(42,272,311)	-
Notes receivable - Net of allowance for credit losses of $250,000	2,736,323	-	-	2,736,323
Finance receivables - Net of allowance for credit losses of $10,449,079	24,562,440	-	-	24,562,440
Inventories - Net	31,195,440	2,871,539	-	34,066,979
Prepaid expenses and other assets	1,870,032	20,147	-	1,890,179
Refundable income taxes	501,000	-	-	501,000
Total current assets	130,295,518	18,174,818	(42,272,311)	106,198,025
NONCURRENT ASSETS				
Notes receivable, net of current portion	11,503,165	-	-	11,503,165
Finance receivables, net of current portion	75,799,926	-	-	75,799,926
Note receivable - Subsidiary	11,435,791	-	(11,435,791)	-
Investment - Subsidiary	1,000,000	-	(1,000,000)	-
Property, plant, and equipment - Net	11,068,629	5,551,041	-	16,619,670
Operating lease right-of-use assets	6,631,893	-	-	6,631,893
Goodwill - Net	-	2,333,032	-	2,333,032
Deferred income tax asset - Net	4,735,000	-	-	4,735,000
Total noncurrent assets	122,174,404	7,884,073	(12,435,791)	117,622,686
TOTAL ASSETS	$ 252,469,922	$ 26,058,891	$ (54,708,102)	$ 223,820,711
	LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES				
Accounts payable	$ 17,083,650	$ 314,716	$ -	$ 17,398,366
Accounts payable - Parent	13,624,185	28,648,126	(42,272,311)	-
Current portion of operating lease liabilities	786,053	-	-	786,053
Accrued expenses	2,726,180	317,631	-	3,043,811
Deferred compensation	134,056	-	-	134,056
Accrued taxes	190,436	56,951	-	247,387
Total current liabilities	34,544,560	29,337,424	(42,272,311)	21,609,673
LONG-TERM LIABILITIES				
Long-term portion of operating lease liabilities	5,890,693	-	-	5,890,693
Note payable - Parent	-	11,435,791	(11,435,791)	-
Deferred compensation, less current portion	1,038,542	-	-	1,038,542
Total long-term liabilities	6,929,235	11,435,791	(11,435,791)	6,929,235
TOTAL LIABILITIES	41,473,795	40,773,215	(53,708,102)	28,538,908
CONTINGENCIES				
SHAREHOLDERS' EQUITY (DEFICIT)	210,996,127	(14,714,324)	(1,000,000)	195,281,803
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 252,469,922	$ 26,058,891	$ (54,708,102)	$ 223,820,711

CONSOLIDATING BALANCE SHEET

DECEMBER 31, 2022

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Eliminations	Consolidated
	ASSETS			
CURRENT ASSETS				
Cash and cash equivalents	$ 19,314,757	$ 280,027	$ -	$ 19,594,784
Accounts receivable, trade - Net of allowance for credit losses of $98,107	9,258,048	759,325	-	10,017,373
Accounts receivable - Subsidiary	26,726,542	12,115,657	(38,842,199)	-
Notes receivable - Net of allowance for credit losses of $250,000	2,920,164	-	-	2,920,164
Finance receivables - Net of allowance for credit losses of $9,046,877	21,249,210	-	-	21,249,210
Inventories - Net	37,523,059	3,538,622	-	41,061,681
Prepaid expenses and other assets	1,939,980	9,193	-	1,949,173
Refundable income taxes	205,000	-	-	205,000
Total current assets	119,136,760	16,702,824	(38,842,199)	96,997,385
NONCURRENT ASSETS				
Notes receivable, net of current portion	11,429,113	-	-	11,429,113
Finance receivables, net of current portion	65,818,519	-	-	65,818,519
Note receivable - Subsidiary	12,435,791	-	(12,435,791)	-
Investment - Subsidiary	1,000,000	-	(1,000,000)	-
Property, plant, and equipment - Net	11,284,780	6,251,840	-	17,536,620
Operating lease right-of-use assets	6,308,869	-	-	6,308,869
Goodwill - Net	-	3,181,407	-	3,181,407
Deferred income tax asset - Net	4,010,000	-	-	4,010,000
Total noncurrent assets	112,287,072	9,433,247	(13,435,791)	108,284,528
TOTAL ASSETS	$ 231,423,832	$ 26,136,071	$ (52,277,990)	$ 205,281,913
	LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES				
Accounts payable	$ 14,233,425	$ 427,696	$ -	$ 14,661,121
Accounts payable - Parent	12,115,657	26,726,542	(38,842,199)	-
Current portion of operating lease liabilities	562,857	-	-	562,857
Accrued expenses	3,034,056	428,237	-	3,462,293
Deferred compensation	125,226	-	-	125,226
Accrued taxes	174,736	58,869	-	233,605
Total current liabilities	30,245,957	27,641,344	(38,842,199)	19,045,102
LONG-TERM LIABILITIES				
Long-term portion of operating lease liabilities	5,755,118	-	-	5,755,118
Note payable - Parent	-	12,435,791	(12,435,791)	-
Deferred compensation, less current portion	1,202,553	-	-	1,202,553
Total long-term liabilities	6,957,671	12,435,791	(12,435,791)	6,957,671
TOTAL LIABILITIES	37,203,628	40,077,135	(51,277,990)	26,002,773
CONTINGENCIES				
SHAREHOLDERS' EQUITY (DEFICIT)	194,220,204	(13,941,064)	(1,000,000)	179,279,140
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 231,423,832	$ 26,136,071	$ (52,277,990)	$ 205,281,913

CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2023

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Elimnations	Consolidated
SALES	$ 263,809,059	$ 20,649,053	$ (12,626,412)	$ 271,831,700
Less: Dealer weekly volume incentives	5,366,536	-	-	5,366,536
Sales - Net	258,442,523	20,649,053	(12,626,412)	266,465,164
COST OF GOODS SOLD	191,198,768	18,763,136	(12,626,412)	197,335,492
Gross profit	67,243,755	1,885,917	-	69,129,672
EXPENSES				
Shipping and warehousing	7,106,988	3,898	-	7,110,886
Selling	22,632,961	627,597	-	23,260,558
General and administrative	14,485,569	1,141,978	-	15,627,547
Employee stock ownership plan contribution	5,700,000	-	-	5,700,000
Goodwill amortization expense	-	848,375	-	848,375
Total expenses	49,925,518	2,621,848	-	52,547,366
Income (loss) before financing operations	17,318,237	(735,931)	-	16,582,306
FINANCING OPERATIONS				
Revenues	23,244,507	-	-	23,244,507
Other financing income	1,331,492	-	-	1,331,492
Total financing income	24,575,999	-	-	24,575,999
Expenses	10,477,911	-	-	10,477,911
Income from financing operations	14,098,088	-	-	14,098,088
Income (loss) from operations	31,416,325	(735,931)	-	30,680,394
OTHER INCOME (EXPENSE)				
Interest expense	(116,056)	(62)	-	(116,118)
Interest income	854,468	-	-	854,468
Other expense - Net	(5,203,419)	-	-	(5,203,419)
Other expense - Net	(4,465,007)	(62)	-	(4,465,069)
Income (loss) before taxes	26,951,318	(735,993)		26,215,325
PROVISION FOR INCOME TAXES	6,499,937	37,267	-	6,537,204
NET INCOME (LOSS)	$ 20,451,381	$ (773,260)	$ -	$ 19,678,121

CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2022

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Eliminations	Consolidated
SALES	$ 251,915,684	$ 22,648,171	$ (12,862,937)	$ 261,700,918
Less: Dealer weekly volume incentives	4,853,504	-	-	4,853,504
Sales - Net	247,062,180	22,648,171	(12,862,937)	256,847,414
COST OF GOODS SOLD	178,516,201	23,648,832	(12,862,937)	189,302,096
Gross profit	68,545,979	(1,000,661)	-	67,545,318
EXPENSES				
Shipping and warehousing	6,300,877	2,300	-	6,303,177
Selling	21,791,074	646,761	-	22,437,835
General and administrative	13,068,550	1,259,995	-	14,328,545
Employee stock ownership plan contribution	5,000,000	-	-	5,000,000
Goodwill amortization expense	-	848,375	-	848,375
Total expenses	46,160,501	2,757,431	-	48,917,932
Income (loss) before financing operations	22,385,478	(3,758,092)	-	18,627,386
FINANCING OPERATIONS				
Revenues	19,598,514	-	-	19,598,514
Other financing income	1,069,676	-	-	1,069,676
Total financing income	20,668,190	-	-	20,668,190
Expenses	7,213,203	-	-	7,213,203
Income from financing operations	13,454,987	-	-	13,454,987
Income (loss) from operations	35,840,465	(3,758,092)	-	32,082,373
OTHER INCOME (EXPENSE)				
Interest expense	(239,390)	(8,261)	-	(247,651)
Interest income	325,161	-	-	325,161
Other expense - Net	(65,670)	(200)	-	(65,870)
Other income (expense) - Net	20,101	(8,461)	-	11,640
Income (loss) before taxes	35,860,566	(3,766,553)		32,094,013
PROVISION FOR INCOME TAXES	8,172,529	31,969	-	8,204,498
NET INCOME (LOSS)	$ 27,688,037	$ (3,798,522)	$ -	$ 23,889,515

CONSOLIDATED BALANCE SHEET - FIFO BASIS

DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 33,687,571	$ 19,594,784
Accounts receivable, trade - Net	8,753,533	10,017,373
Notes receivable - Net	2,736,323	2,920,164
Finance receivables - Net	24,562,440	21,249,210
Inventories - Net	44,537,913	49,530,553
Prepaid expenses and other assets	1,890,179	1,949,173
Refundable income taxes	501,000	205,000
Total current assets	116,668,959	105,305,148
NONCURRENT ASSETS		
Notes receivable, net of current portion	11,503,165	11,429,113
Finance receivables, net of current portion	75,799,926	65,818,519
Property, plant, and equipment - Net	16,619,670	17,536,620
Operating lease right-of-use assets	6,631,893	6,308,869
Goodwill - Net	2,333,032	3,181,407
Deferred income tax asset - Net	1,735,502	1,551,000
Total noncurrent assets	114,623,188	105,986,637
TOTAL ASSETS	$ 231,292,147	$ 211,291,785
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 17,398,366	$ 14,661,121
Current portion of operating lease liabilities	786,053	562,857
Accrued expenses	3,043,811	3,462,293
Deferred compensation	134,056	125,226
Accrued taxes	247,387	233,605
Total current liabilities	21,609,673	19,045,102
LONG-TERM LIABILITIES		
Long-term portion of operating lease liabilities	5,890,693	5,755,118
Deferred compensation, less current portion	1,038,542	1,202,553
Total long-term liabilities	6,929,235	6,957,671
TOTAL LIABILITIES	28,538,908	26,002,773
SHAREHOLDERS' EQUITY	202,753,239	185,289,012
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 231,292,147	$ 211,291,785

CONSOLIDATED STATEMENT OF OPERATIONS - FIFO BASIS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
SALES	$ 271,831,700	$ 261,700,918
Less: Dealer weekly volume incentives	5,366,536	4,853,504
Sales - Net	266,465,164	256,847,414
COST OF GOODS SOLD	195,333,430	186,764,790
Gross profit	71,131,734	70,082,624
EXPENSES		
Shipping and warehousing	7,110,886	6,303,177
Selling	23,260,558	22,437,835
General and administrative	15,627,547	14,328,545
Employee stock ownership plan contribution	5,700,000	5,000,000
Goodwill amortization expense	848,375	848,375
Total expenses	52,547,366	48,917,932
Income before financing operations	18,584,368	21,164,692
FINANCING OPERATIONS		
Revenues	23,244,507	19,598,514
Other financing income	1,331,492	1,069,676
Total financing income	24,575,999	20,668,190
Expenses	10,477,911	7,213,203
Income from financing operations	14,098,088	13,454,987
Income from operations	32,682,456	34,619,679
OTHER INCOME (EXPENSE)		
Interest expense	(116,118)	(247,651)
Interest income	854,468	325,161
Other expense - Net	(5,203,419)	(65,870)
Other income (expense)	(4,465,069)	11,640
Income before taxes	28,217,387	34,631,319
PROVISION FOR INCOME TAXES	7,077,704	8,889,498
NET INCOME	$ 21,139,683	$ 25,741,821

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY - FIFO BASIS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	* Voting Common Stock		Additional		Total
	Shares Issued	Amount	Paid-In Capital	Retained Earnings	Shareholders' Equity
BALANCE - JANUARY 1, 2022	10,635	$ 106,350	$ 1,644,189	$ 161,138,287	$ 162,888,826
Net income	-	-	-	25,741,821	25,741,821
Dividends paid	-	-	-	(3,341,635)	(3,341,635)
BALANCE - DECEMBER 31, 2022	10,635	106,350	1,644,189	183,538,473	185,289,012
Net income	-	-	-	21,139,683	21,139,683
Dividends paid	-	-	-	(3,675,456)	(3,675,456)
BALANCE - DECEMBER 31, 2023	10,635	$ 106,350	$ 1,644,189	$ 201,002,700	$ 202,753,239

** Common stock, voting, $10 par value, 25,000 shares authorized with 10,635 shared issued and outstanding at December 31, 2023 and 2022.*

NOTE TO THE SUPPLEMENTAL CONSOLIDATED FINANCIAL STATEMENTS - FIFO BASIS

1. BASIS OF PRESENTATION

The accompanying supplemental consolidated balance sheets and statements of operations and changes in shareholders' equity as of December 31, 2023 and 2022, and for the years then ended have been prepared in accordance with accounting principles generally accepted in the United States of America as applied by the Company in its historical consolidated financial statements, adjusted for the following:

Inventories

Inventories are valued at the lower of cost or net realizable value with costs determined by the first-in, first-out (FIFO) method.

Inventories stated on the basis referred to in the preceding paragraph are as follows:

	2023	2022
Raw materials	$ 5,749,223	$ 5,882,360
Work in process	3,037,244	3,503,205
Finished goods	36,364,498	40,537,244
	45,150,965	49,922,809
Less: Obsolescence reserve	613,052	392,256
	$ 44,537,913	$ 49,530,553

The income tax effect has been provided on the increase/decrease in inventory value at the statutory federal and state tax rates. The tax effect increased the provision for income taxes by $540,500 in 2023 and $685,000 in 2022.

The Company uses the LIFO (last-in, first-out) method for its historical consolidated financial statements because it better matches costs and revenues.

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CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We consent to the inclusion in the Minnesota Franchise Disclosure Document with issuance date of April 1, 2024, of our report, dated March 26, 2024, on our audit of the consolidated financial statements of Cornwell Quality Tools Company and Subsidiary.

Cohen & Company Ltd.

Cleveland, Ohio
April 1, 2024



Cornwell Quality Tools Company and Subsidiary

Consolidated Financial Statements
December 31, 2024 and 2023

Cohen & Co

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CORNWELL QUALITY TOOLS COMPANY AND SUBSIDIARY

DECEMBER 31, 2024 AND 2023

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Independent Auditor's Report

Board of Directors of
Cornwell Quality Tools Company and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of Cornwell Quality Tools Company and Subsidiary (an Ohio corporation), which comprise the consolidated balance sheet as of December 31, 2024 and 2023, and the related consolidated statements of operations, shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cornwell Quality Tools Company and Subsidiary as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Cornwell Quality Tools Company and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cornwell Quality Tools Company and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Cohen & Company Ltd.

Cleveland, Ohio
March 20, 2025

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 37,855,143	$ 33,687,571
Accounts receivable, trade - Net of allowance for credit losses of $82,051 and $82,720, respectively	11,144,866	8,753,533
Notes receivable, current portion - Net of allowance for credit losses of $250,000 in 2024 and 2023	2,265,308	2,736,323
Finance receivables, current portion - Net of allowance for credit losses of $11,481,647 and $10,449,079, respectively	28,001,077	24,562,440
Inventories - Net	36,959,605	34,066,979
Prepaid expenses and other assets	1,411,757	1,890,179
Refundable and prepaid income taxes	722,348	501,000
Total current assets	118,360,104	106,198,025
NONCURRENT ASSETS		
Notes receivable, net of current portion	12,657,625	11,503,165
Finance receivables, net of current portion	82,189,246	75,799,926
Property, plant, and equipment - Net	16,345,775	16,619,670
Operating lease right-of-use assets	5,828,139	6,631,893
Goodwill - Net	1,484,657	2,333,032
Deferred income tax asset - Net	5,504,000	4,735,000
Total noncurrent assets	124,009,442	117,622,686
TOTAL ASSETS	$ 242,369,546	$ 223,820,711
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 16,454,693	$ 17,398,366
Current portion of operating lease liabilities	825,108	786,053
Accrued expenses	3,416,030	3,043,811
Deferred compensation	143,477	134,056
Accrued taxes	59,769	247,387
Total current liabilities	20,899,077	21,609,673
LONG-TERM LIABILITIES		
Long-term portion of operating lease liabilities	5,065,584	5,890,693
Deferred compensation, less current portion	906,321	1,038,542
Total long-term liabilities	5,971,905	6,929,235
TOTAL LIABILITIES	26,870,982	28,538,908
CONTINGENCIES		
SHAREHOLDERS' EQUITY	215,498,564	195,281,803
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 242,369,546	$ 223,820,711

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF OPERATIONS

DECEMBER 31, 2024 AND 2023

	2024	2023
SALES	$ 283,483,113	$ 271,831,700
Less: Dealer weekly volume incentives	5,126,151	5,366,536
Sales - Net	278,356,962	266,465,164
COST OF GOODS SOLD	208,655,372	197,335,492
Gross profit	69,701,590	69,129,672
EXPENSES		
Shipping and warehousing	7,473,058	7,110,886
Selling	24,840,069	23,260,558
General and administrative	16,414,039	15,627,547
Employee stock ownership plan contribution	5,000,000	5,700,000
Goodwill amortization expense	848,375	848,375
Total expenses	54,575,541	52,547,366
Income before financing operations	15,126,049	16,582,306
FINANCING OPERATIONS		
Revenues	25,865,411	23,244,507
Other financing income	1,544,284	1,331,492
Total financing income	27,409,695	24,575,999
Expenses	11,076,187	10,477,911
Income from financing operations	16,333,508	14,098,088
Income from operations	31,459,557	30,680,394
OTHER INCOME (EXPENSE)		
Interest expense	(96,281)	(116,118)
Interest income	1,317,267	854,468
Other income (expense) - Net	13,738	(5,203,419)
Other income (expense) - Net	1,234,724	(4,465,069)
Income before taxes	32,694,281	26,215,325
PROVISION FOR INCOME TAXES	8,068,244	6,537,204
NET INCOME	$ 24,626,037	$ 19,678,121

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

YEARS ENDED DECEMBER 31, 2024 AND 2023

	* Voting Common Stock		Additional		Total
	Shares Issued	Amount	Paid-In Capital	Retained Earnings	Shareholders' Equity
BALANCE - JANUARY 1, 2023	10,635	$ 106,350	$ 1,644,189	$ 177,258,601	$ 179,279,140
Net income	-	-	-	19,678,121	19,678,121
Dividends paid	-	-	-	(3,675,458)	(3,675,458)
BALANCE - DECEMBER 31, 2023	10,635	106,350	1,644,189	193,261,264	195,281,803
Net income	-	-	-	24,626,037	24,626,037
Dividends paid	-	-	-	(4,409,276)	(4,409,276)
BALANCE - DECEMBER 31, 2024	10,635	$ 106,350	$ 1,644,189	$ 213,478,025	$ 215,498,564

** Common stock, voting, $10 par value, 25,000 shares authorized with 10,635 shares issued and outstanding at December 31, 2024 and 2023.*

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOW

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 301,893,833	$ 286,736,240
Cash paid to suppliers and employees	(264,677,686)	(239,321,652)
Cash paid to related party	(463,488)	(481,535)
Interest received - Net	1,223,034	740,398
Income taxes paid	(9,332,592)	(7,522,457)
Net cash from operating activities	28,643,101	40,150,994
CASH FLOWS USED IN INVESTING ACTIVITIES		
Finance receivables originated	(62,075,055)	(62,804,034)
Finance receivables repaid	43,638,413	41,371,952
Capital expenditures	(1,634,040)	(950,667)
Proceeds from disposal of property and equipment	4,429	-
Net cash used in investing activities	(20,066,253)	(22,382,749)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Cash dividends paid	(4,409,276)	(3,675,458)
Net cash used in financing activities	(4,409,276)	(3,675,458)
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,167,572	14,092,787
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	33,687,571	19,594,784
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 37,855,143	$ 33,687,571

	2024	2023
RECONCILIATION OF NET INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Net income	$ 24,626,037	$ 19,678,121
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Provision for finance credit losses	8,608,685	8,137,445
Provision for expected credit losses on uncollectible accounts and notes receivables	811,784	475,133
Change in LIFO reserve	1,618,491	2,002,062
Change in inventory obsolescence reserve	300,000	220,796
Depreciation	1,899,356	1,867,617
Goodwill amortization	848,375	848,375
Operating lease expense	803,754	784,638
Change in deferred income tax asset	(769,000)	(725,000)
Loss on disposal of property and equipment	4,150	-
(Increase) decrease in operating assets:		
Accounts receivable, trade - Net	(3,203,117)	788,707
Notes receivable	(683,445)	109,789
Inventories - Net	(4,811,117)	4,771,844
Prepaid expenses and other assets	478,422	58,994
Refundable income taxes	(221,348)	(296,000)
Increase (decrease) in operating liabilities:		
Accounts payable	(943,673)	2,737,245
Accrued expenses	372,219	(418,482)
Deferred compensation	(122,800)	(155,181)
Accrued taxes	(187,618)	13,782
Operating lease liabilities	(786,054)	(748,891)
Total adjustments	4,017,064	20,472,873
NET CASH FROM OPERATING ACTIVITIES	$ 28,643,101	$ 40,150,994
SUPPLEMENTAL FINANCIAL INFORMATION		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	$ 878,188	$ 671,338
NONCASH INVESTING AND FINANCING ACTIVITY		
Right-of-use assets obtained in exchange for operating lease liabilities	$ -	$ 1,107,662

See accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Cornwell Quality Tools Company and Subsidiary (the Company) is a manufacturer and distributor of hand-held tools, toolboxes, diagnostic equipment, and other related products for mechanics, primarily in the automotive business. The Company sells its products to independent dealers and other industrial users throughout the United States of America and parts of Europe. During 2024 and 2023, purchased parts accounted for approximately 94% of sales. The Company maintains manufacturing facilities in Ohio and Pennsylvania and distribution centers in Ohio and Utah.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements of Cornwell Quality Tools Company and Subsidiary include the accounts of Cornwell Quality Tools Company and its wholly owned subsidiary, CQT Kennedy, LLC, collectively referred to as the Company. All significant intercompany transactions have been eliminated in consolidation.

Estimates

Management uses estimates and assumptions in preparing the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenue and expenses. Actual results could vary from the estimates that were used and such differences may be material.

Variable Interest Entity

The Company is the primary beneficiary of an affiliated leasing entity that was formed for the purpose of holding real estate which is leased to the Company. The affiliated leasing entity generates substantially all of its revenue from the Company. The Company accounts for the variable interest entity (VIE) under the alternative accounting guidance issued by the Financial Accounting Standards Board (FASB). This alternative accounting treatment permits privately held companies meeting certain criteria from having to apply existing VIE consolidation guidance to common control leasing arrangements while maintaining compliance with GAAP. This alternative accounting guidance still requires certain disclosures pertaining to its relationship with the VIE entity, which have been disclosed in Note 9.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash held in banks, and all highly liquid investments purchased with original maturities of three months or less. The Company's cash balances at banks may, at times, exceed the limits of related federal deposit insurance. The Company has not experienced any losses, material or otherwise, due to this concentration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses

The Company operates in the tool manufacturing and distribution sector primarily for the automotive industry. Its accounts receivable - trade and notes receivable are primarily derived from dealers and are largely similar, therefore the Company evaluates its allowance for credit losses as one portfolio segment based upon the type of receivable.

Accounts receivable are unsecured customer obligations due under normal trade terms. The Company mitigates the risk associated with accounts receivable by performing ongoing credit evaluations and actively pursuing past due amounts. Accounts receivable are stated at the amount billed to the customer. Customer account balances with invoices dated over the payment terms are considered delinquent. The Company does not charge interest on delinquent customer balances. The opening balance of accounts receivable - net as of January 1, 2023, was $10,017,373

Notes receivables are derived during the ordinary course of business from the Company entering into dealer franchise agreements with new franchisees. These agreements require new dealers to place orders for initial inventories of $55,000 and a $20,000 reserve deposit. Dealers may pay for their initial inventory and reserve with cash, by entering into a note with the Company, or a combination of both. These loan terms are typically six years in duration requiring payments weekly ranging between $218 and $417, including interest at a range of 10% to 17%. Interest is charged and recognized on the loans on an accrual basis. At December 31, 2024 and 2023, the portion of the notes receivable on nonaccrual status and recorded as an allowance for notes receivable loss was $250,000, which is presented as a reduction of the notes' amortized cost basis. The opening balance of notes receivable – net as of January 1, 2023, was $14,349,277.

On December 31, 2024, contractual maturities of gross notes receivables were as follows:

2025	$ 2,515,308
2026	4,345,473
2027	3,436,525
2028	2,448,825
2029	1,617,993
Thereafter	808,809
	$ 15,172,933

At each balance sheet date, the Company evaluates if an expected allowance for credit losses is necessary. In addition, also at each reporting date, this evaluation is updated to reflect any changes in credit risk since the trade account receivable or note receivable was initially recorded. This evaluation is determined on a pooled basis where similar risk characteristics exist.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses (continued)

The allowance evaluation is derived from a review of the Company's historical losses based on the aging of accounts receivable and notes receivable. This evaluation is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. The Company believes historical loss information is a reasonable starting point in which to evaluate the expected allowance for credit losses as the Company's portfolio segment have remained consistent since the Company's inception.

The Company writes off accounts receivable and notes receivable against the respective allowances when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If recoveries are made from any amounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. See Note 3 for current year write-offs.

Tech Credit finance receivables are derived from the Company offering financing options to individual customers of dealers in order to facilitate purchases. The customers receiving this type of financing are largely similar, therefore the Company evaluates its allowance for credit losses as one portfolio segment. The amounts that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are reported at their amortized costs, net of any deferred financing fees or costs on originated loans. Deferred financing fees are amortized on a straight-line basis over a 36-month period which approximates the life of the Tech Credit finance receivables. The opening balance of Tech Credit finance receivables - net as of January 1, 2023, was $87,067,729.

Tech Credit finance receivables are placed on nonaccrual status when management believes, after considering economic conditions, business conditions, and collection efforts, that the notes are impaired, or collection of interest is doubtful. When the accrual of interest is discontinued, all unpaid accrued interest is reversed. Loans are returned to accrual status and interest income is subsequently recognized when all principal and interest amounts contractually due are brought current.

The allowance for Tech Credit finance receivable losses is derived from both internal and external sources, management's periodic evaluation of the portfolio using relevant available information from both internal and external sources, relating to past events, current conditions and reasonable supportable forecasts, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, the estimated value of any underlying collateral, and current economic conditions. Commercial loans are charged off when they are 120 days contractually past due. The allowance for credit losses represents management's estimate of lifetime credit losses inherent in the finance receivables as of the consolidated balance sheet date. Tech Credit finance receivables that do not share risk characteristics are evaluated on an individual basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses (continued)

The Company writes off Tech Credit finance receivables when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any amounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. See Note 4 for current year write-offs.

Inventories

Inventories are valued at the lower of cost or market with cost determined by the last-in, first-out (LIFO) method. If the first-in, first-out (FIFO) method was used to value inventories, reported inventories would have increased by $12,089,425 and $10,470,934 at December 31, 2024 and 2023, respectively, and net income after taxes would have increased by $1,852,306 in 2024 and by $1,461,062 in 2023.

Concentration

A portion of CQT Kennedy, LLC's employees are covered under a collective bargaining agreement. The agreement is set to expire on April 30, 2027.

Goodwill

The Company recognized $8,483,752 of goodwill related to Cornwell Quality Tools Company's acquisition of CQT Kennedy, LLC. The Company accounts for goodwill in accordance with alternative accounting guidance issued by the FASB. This alternative accounting treatment permits privately held companies to amortize goodwill on a straight-line basis over a period not to exceed 10 years while maintaining compliance with GAAP. Goodwill is reviewed for possible impairment at least annually or more frequently upon the occurrence of an event or when circumstances indicate that the carrying amount is greater than its fair value. Management has determined that there is no impairment of goodwill for the years ended December 31, 2024 and 2023. Amortization expense totaled $848,375 in 2024 and 2023, respectively, and accumulated amortization totaled $6,999,095 at December 31, 2024 and $6,150,720 at December 31, 2023. Goodwill will amortize at the annual amount of $848,375 in 2025, with the remaining amount of $636,282 being amortized in 2026.

Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost. Major additions and improvements are charged to the property accounts while replacements, maintenance, and repairs which do not improve or extend the lives of the respective assets, are expensed currently. When property is retired or otherwise disposed of, the cost of the property is removed from the asset account, accumulated depreciation is charged with an amount equivalent to the depreciation provided, and any resulting gain or loss is charged or credited to operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, Plant, and Equipment (continued)

Depreciation has been provided using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	4 to 35 years
Machinery and equipment	5 to 20 years
Office furniture and fixtures	3 to 10 years
Transportation equipment	3 to 5 years

Depreciation expense totaled $1,899,356 in 2024 and $1,867,617 in 2023.

Advertising

Advertising primarily consists of the Company's catalog, bulletins, flyers, sponsorships, and advertising in national publications for the Company's products, which are amortized over one year or less. Advertising expense was $5,353,992 in 2024, and $4,410,428 in 2023.

Income Taxes

The Company is taxed as a C-Corporation and, accordingly, a provision for federal and state taxes has been recorded in the consolidated financial statements.

The Company recognizes deferred tax assets and liabilities for future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which the temporary differences are expected to be recovered or settled. The effect of deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when management determines a portion or all of the deferred tax assets will more likely than not be recognized.

Revenue Recognition

The Company generates revenue from various financing programs that include: (i) installment sales contracts arising from tool dealers wishing to provide financing to their customers on an extended-term payment plan and (ii) business loans to tool dealers for inventory. Interest income from finance receivables is recognized using the interest method. Accrual of interest income on finance receivables is suspended when a loan is contractually delinquent for 120 days or more. The accrual is resumed when the loan becomes contractually current, and past due interest income is recognized at that time.

The decision to finance through the Company or another financing source is solely at the election of the customer. When assessing customers for potential financing, the Company considers various factors regarding ability to pay, including the customers' financial condition, debt-servicing ability, past payment experience, and credit bureau and proprietary credit model information, as well as the value of the underlying collateral. See Note 5 for information on credit quality indicators and monitoring.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

The Company enters into contracts with customers related to the selling of products. At contract inception, an assessment of the products promised in the contracts with customers is performed and a performance obligation is identified for each distinct promise to transfer to the customer a product (or bundle of products). To identify the performance obligations, the Company considers all of the products promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. Contracts with customers are comprised of customer purchase orders, invoices, and written contracts.

Revenue from the sale of products is recognized at a point in time when the Company's performance obligations are satisfied, which generally occurs at a point in time when title and control of the product is transferred to the customer at shipping point. Once a product has shipped, the customer is able to direct the use of, and obtain substantially all of the remaining benefits from the asset. Customer payments are typically due within 30 days of billing or over the terms set out in the financing program, depending on the contract.

In some cases, the nature of the Company's contracts give rise to variable consideration, including weekly dealer volume discounts, rebates, credits, allowances for returns, or other similar items that generally decrease the transaction price. These variable amounts generally are credited to the customer, based on achieving certain levels of sales activity or product returns.

In the normal course of business, the Company allows dealers to return products per the provisions in the franchise agreement that allow for the return of product in a saleable condition. For other customers, product returns are generally not accepted unless the item is defective as manufactured. Estimated product returns are recorded as a reduction in reported revenues at the time of sale based upon historical product return experience and is adjusted for known trends to arrive at the amount of consideration to which the Company expects to receive.

Variable consideration is estimated at the most likely amount that is expected to be earned. Estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current, and forecasted) that is reasonably available.

Disaggregation of Revenue

All sales revenue results from product sales and is recognized at a point in time. Products are sold primarily to independent tool dealers and other industrial users throughout the United States of America and parts of Europe. Qualitative factors that affect revenue recognition and cash flows include, uninterrupted supply chain for components used to manufacture products, purchased products, availability of labor, and prompt payment by customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

Performance Obligation

The Company's contracts for the sale of products contain a single performance obligation. The performance obligation is satisfied when the product is shipped to the customer.

Significant Judgments and Estimates

Other than variable consideration previously noted, there are no significant judgments involved in the recognition of revenue from the sale of products.

Shipping and Handling Costs

The Company has elected to treat shipping and handling costs as contract fulfillment activities. Shipping and handling revenue is included in sales and the related costs are included in cost of goods sold in the accompanying consolidated statements of operations.

Returned Goods

The Company sells both manufactured tools and products purchased from other manufacturers. For purchased products, it is the Company's policy to extend the full manufacturer's guarantee to the Company's customers. For manufactured items, the Company will, at its sole discretion, replace or repair an item if it is determined that the item has not given the user a fair value in terms of length of useful life. This policy is considered a promotional expense that generates goodwill with the customer and, as consistent with standard practices in this industry, these amounts are expensed as incurred. The Company's policy is also considered an assurance warranty and, therefore, does not constitute variable consideration.

Concentrations of Credit Risk

The Company performs ongoing credit evaluations of its customers and generally requires collateral only on financing and notes receivables with extended credit terms. The Company maintains reserves for potential credit losses and such losses have been within management's expectations.

Leases

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (continued)

Right-of-use (ROU) assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the commencement date based primarily on the present value of lease payments over the lease term. In determining the discount rate used to measure the ROU assets and lease liabilities, the Company uses rates implicit in the lease, when available. If the rate implicit in the lease is not readily available, the Company has elected to use a risk-free rate for all classes of assets. The risk-free rate used is the U.S. Treasury Bill Rate in effect at the commencement of the lease for a similar term. The operating lease ROU assets also include any lease payments made at commencement and exclude lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

The Company elected to apply the short-term lease exemption. Under this exemption, ROU assets and lease liabilities are not recognized for leases with an initial term of 12 months or less. The Company does not currently have any short-term lease arrangements.

The Company has lease agreements with both lease and non-lease components, which are generally accounted for separately. In allocating consideration in the contract to the separate lease components and the non-lease components, the Company uses the standalone prices of the lease and non-lease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

The Company has certain leases which are triple net leases, whereby the lessee pays all utilities, insurance, real estate taxes and maintenance associated with the property. These costs are considered to be lessee costs recognized in the consolidated statement of operations in the period in which the related obligation is incurred.

Subsequent Events

Management of the Company has evaluated subsequent events through March 20, 2025, which was the date that these consolidated financial statements were available for issuance and determined there are no significant non-recognized subsequent events through that date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. CHANGES IN THE EXPECTED CREDIT LOSS VALUATION FOR TRADE ACCOUNTS RECEIVABLE AND NOTES RECEIVABLE

Changes in the valuation allowance for trade accounts receivable and notes receivable were as follows at December 31:

	2024	2023
Balance - Beginning of year	$ 332,720	$ 348,000
Provision for bad debts	811,115	475,133
Write-offs	(875,395)	(558,673)
Recoveries	63,611	68,540
Balance - End of year	$ 332,051	$ 333,000

4. FINANCE RECEIVABLES AND CHANGES IN THE EXPECTED CREDIT LOSS VALUATION

The Company engages in providing commercial financing services to tool dealers wishing to provide financing to their customers. The Company's finance receivables, which are comprised primarily of contracts with a maximum of 60 monthly installments, are as follows at December 31:

	2024	2023
Finance receivables	$ 130,947,135	$ 119,572,140
Deductions:		
Reserve for finance credit losses	(11,481,647)	(10,449,079)
Deferred financing fees	(9,275,165)	(8,760,695)
	110,190,323	100,362,366
Current maturities	(28,001,077)	(24,562,440)
Long-term finance receivables	$ 82,189,246	$ 75,799,926

On December 31, 2024, contractual maturities of finance receivables were as follows:

2025	$ 44,642,201
2026	37,478,218
2027	29,938,302
2028	14,282,038
2029	4,606,376
	$ 130,947,135

At December 31, 2024, current maturities of finance receivables as reported on the consolidated balance sheet consist of gross receivables of $44,642,201 less the reserve for finance credit losses of $11,481,647 less the current portion of deferred financing fees of $5,159,477.

At December 31, 2023, current maturities of finance receivables as reported on the consolidated balance sheet consist of gross receivables of $39,797,619 less the reserve for finance credit losses of $10,449,079 less the current portion of deferred financing fees of $4,786,100.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. FINANCE RECEIVABLES AND CHANGES IN THE EXPECTED CREDIT LOSS VALUATION (Continued)

It is the Company's experience that a substantial portion of the commercial loan portfolio generally is renewed or repaid before the contractual maturity dates. The above tabulation, therefore, is not regarded as a forecast of future cash collections. Cash collections of principal amounts of commercial loans totaled $43,638,413 in 2024, and $41,371,952 in 2023, and the ratios of these cash collections to average principal balances were approximately 35% in 2024 and 42% in 2023. Approximate changes in the allowance for credit losses for finance receivables were as follows:

	2024	2023
Balance - Beginning of year	$ 10,449,000	$ 9,047,000
Provision for credit losses	8,609,000	8,137,000
Loans charged off	(7,576,000)	(6,735,000)
Balance - End of year	$ 11,482,000	$ 10,449,000

5. CREDIT QUALITY OF FINANCE AND NOTES RECEIVABLES

The Company actively monitors the credit quality of finance and notes receivables by performing a creditworthiness analysis at the borrowing date, and at predetermined intervals throughout the time finance and notes receivables are outstanding. Credit for purchases under notes receivable is granted based on a review of the customer's Beacon credit score. Credit for purchases under finance receivables is granted based on an internally developed scoring method termed a Scorecard. The Scorecard was initially developed in June 2004, and has been revalidated in September 2008, 2012, 2016, February 2018, and September 2021. The Scorecard takes into account various credit quality indicators such as job history, public record information, collections, and prior delinquent accounts and then assigns a weighted score which is used in determining the customer's credit. In the February 2018 revalidation, the introduction of FICO scores as an additional qualifier was added. Before June 2004, the Company granted credit based on a customer's Beacon score or internally determined Blue Ribbon rating.

The finance receivables and notes receivable balances are based on the following credit quality indicators at December 31:

	2024	2023
Notes receivable:		
Beacon score > 650	$ 15,172,933	$ 14,489,488
Finance receivables:		
Blue Ribbon rating	$ 190,018	$ 211,148
Scorecard:		
415 - 419 - High risk	2,243,439	1,686,200
420 - 429	2,768,823	2,555,784
430 - 439	4,975,529	4,962,580
440 - 449	14,385,698	13,765,690
450 - 459	25,168,683	23,255,093
>= 460 - Low risk	81,214,945	73,135,645
Subtotal Scorecard	130,757,117	119,360,992
Total finance receivables	$ 130,947,135	$ 119,572,140

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. CREDIT QUALITY OF FINANCE AND NOTES RECEIVABLES (Continued)

An aging analysis of the finance and notes receivables portfolio, based on customer repayment status is as follows at December 31:

	2024	2023
Current (not past due) notes receivable	$ 15,172,933	$ 14,489,488
Finance receivables:		
Current (not past due)	$ 110,180,300	$ 110,206,459
30-59 days past due	8,750,398	3,202,010
60-89 days past due	5,418,584	3,968,584
Greater than 90 days past due	6,597,853	2,195,087
Total finance receivables	$ 130,947,135	$ 119,572,140

6. INVENTORIES

Inventories - net consist of the following at December 31:

	2024	2023
Raw materials	$ 6,570,775	$ 5,749,223
Work in process	3,851,556	3,037,244
Finished goods	39,539,751	36,364,498
	49,962,082	45,150,965
Obsolescence reserve	(913,052)	(613,052)
LIFO reserve	(12,089,425)	(10,470,934)
Total inventories - net	$ 36,959,605	$ 34,066,979

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment - net consist of the following at December 31:

	2024	2023
Land	$ 815,005	$ 815,005
Buildings and improvements	11,556,891	11,544,031
Machinery and equipment	15,590,387	15,344,719
Office furniture and fixtures	6,199,874	5,922,047
Transportation equipment	182,305	182,305
Construction in progress	926,204	62,100
	35,270,666	33,870,207
Accumulated depreciation	(18,924,891)	(17,250,537)
Property, plant and equipment - net	$ 16,345,775	$ 16,619,670

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Leasehold improvements are amortized over 4 - 35 years, which is the shorter of the useful life of the leasehold improvement or the lease term including renewal periods that are reasonably assured. The Company leases its office from a related party under a 10 year operating lease, ending November 2025. If the lease is not extended to equal the life of the leasehold improvements, the landlord has represented to the Company that it will be reimbursed for the remaining unamortized cost of the leasehold improvements.

8. FINANCING

The Company has a line of credit agreement with a bank. Under the terms of the agreement, the Company can borrow up to $8,000,000, collateralized by substantially all owned assets of the Company. The agreement, which expires July 31, 2025, requires monthly interest payments at the daily Secured Overnight Financing Rate (SOFR) 4.49% at December 31, 2024 plus 1.35%. There were no outstanding borrowings on the line of credit as of December 31, 2024 or 2023.

The line of credit agreement contains various covenants, the most restrictive of which required the Company to maintain a minimum level of fixed charge coverage. The Company was in compliance with those covenants at December 31, 2024 and 2023.

9. LEASES

The Company had operating leases for equipment and facilities from unrelated parties with terms varying through December 2027. Lease expense under these leases totaled $486,948 in 2024. The following is a schedule of future minimum lease payments with remaining terms of one year or more:

2025	$ 488,018
2026	507,539
2027	527,840
Total undiscounted cash flows	1,523,397
Present value discount	(72,053)
Total lease liabilities	$ 1,451,344

The Company leases its warehouse and office facilities in Wadsworth, Ohio from a related party, with terms to expire in 2035. The leases include two five-year options to extend the leases for up to 10 years. The Company pays all insurance and operating costs associated with the real estate. Lease expense under these facilities totaled $445,788 in 2024. The following is a schedule of future minimum lease payments for these leases:

2025	$ 445,788
2026	445,788
2027	445,788
2028	445,788
2029	445,788
Thereafter	2,611,281
Total undiscounted cash flows	4,840,221
Present value discount	(400,872)
Total lease liabilities	$ 4,439,349

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. LEASES (Continued)

For the year ended December 31, 2024 and December 31, 2023, other information related to the Company's leases consisted of the following:

	2024	2023
Weighted average remaining lease term:		
Operating leases	8.92 years	9.66 years
Weighted average discount rate:		
Operating leases	2.03%	2.09%

10. INCOME TAXES

The net income tax provision is comprised of approximately the following:

	2024	2023
Current tax provision, federal	$ 7,137,000	$ 5,827,000
Current tax provision, state	1,700,000	1,435,000
Deferred tax benefit, federal and state	(769,000)	(725,000)
	$ 8,068,000	$ 6,537,000

The difference between the effective tax rate for financial reporting of 27% in 2024 and 2023, and the federal and state statutory tax rates is due to applying actual state statutory tax rates and nondeductible items not included for financial reporting purposes.

Deferred income taxes are provided for the temporary differences between the tax basis and the financial reporting basis of the Company's assets and liabilities. The tax effects of temporary differences that give rise to significant portions of deferred income tax assets (liabilities) consist of the following:

	2024	2023
Accounts and finance receivable allowance	$ 3,289,000	$ 2,987,000
Inventories	605,000	500,000
Accumulated depreciation on property	(2,105,000)	(2,336,000)
Accumulated amortization on goodwill	630,000	554,000
Liabilities and reserves	1,974,000	1,957,000
Deferred compensation	1,111,000	1,073,000
Total deferred income tax asset - net	$ 5,504,000	$ 4,735,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. RETIREMENT PLANS

The Company maintains a profit-sharing plan (the Plan) covering substantially all salaried and hourly employees, having at least one year of service with the Company and attaining a certain age requirement. The amount of the contribution each year is at the sole discretion of the Board of Directors of the Company limited by Internal Revenue Service restrictions. There were no profit-sharing contributions made to the Plan in 2024 and 2023. The Plan includes 401(k) provisions. Under these provisions, employees may elect to contribute a portion of their compensation on a tax-deferred basis within the guidelines prescribed by the Internal Revenue Code. The Company may also make discretionary contributions to the Plan each year. There were no discretionary contributions made to the plan in 2024 and 2023.

The Company also has a deferred compensation plan with officers that provides for the annual accrual of a portion of their salary until retirement. The agreements are contingent upon their continued employment with the Company and payable upon retirement. The deferred compensation agreements are unfunded. The plan also provides for payments to beneficiaries in the event of death.

12. EMPLOYEE STOCK OWNERSHIP PLAN

The Company has an employee stock ownership plan (ESOP) that covers substantially all salaried and hourly employees, who have obtained at least 1,000 hours of service. The contributions are determined at the sole discretion of the Board of Directors of the Company limited by Internal Revenue Service restrictions. Under the provisions of the ESOP, terminated participants may require the Company to repurchase their vested shares at fair market value.

As of December 31, 2024 and 2023, the ESOP held 2,075 shares of stock, which have been fully allocated to participants. The shares have an estimated value of $27,390 per share, or $56,834,250 in the aggregate, based upon the December 31, 2023, valuation from the Appraiser. The fair value as of December 31, 2024, is subject to change upon the final valuation from the Appraiser.

ESOP contribution expense was $5,000,000 in 2024 and $5,700,000 in 2023.

13. LITIGATION

The Company was the defendant in a class action lawsuit, in the state of California, related to employment labor laws. During 2023, a settlement agreement was reached, and the Company agreed to pay $5,500,000. The settlement was paid out in December 2024. The Company accrued the settlement amount which is included in other income (expense) within the consolidated statement of operations at December 31, 2023. In addition, the Company is involved in other legal proceedings which arise in the ordinary course of business. Management, after consultation with the Company's legal counsel, believes that these matters will not have a material impact on the financial condition, results of operations, or cash flows of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. CONTINGENCIES

The Company's past and present daily operations include activities which are subject to federal and state environmental regulations. Compliance with these regulations has not had, nor does the Company expect such compliance to have, a material effect upon net income, financial condition, or competitive position of the Company.

15. MAJOR SUPPLIERS

Purchases from the Company's two largest suppliers accounted for approximately 31% and 30% of purchases during 2024 and 2023, respectively. Any disruptions in the supply chain from these suppliers could be substituted with purchases of similar products from other suppliers.

Cohen & Co®

Independent Auditor's Report on Supplemental Information

The Board of Directors of
Cornwell Quality Tools Company and Subsidiary

We have audited the consolidated financial statements of Cornwell Quality Tools Company and Subsidiary as of and for the years ended December 31, 2024 and 2023, and our report thereon dated March 20, 2025, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 2 - 3. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements on pages 24 - 27 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The consolidated statements and accompanying note on pages 87 - 30 using the first-in, first-out (FIFO) method to value inventories are also presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Cohen & Company Ltd.

Cleveland, Ohio
March 20, 2025

CONSOLIDATING BALANCE SHEET

DECEMBER 31, 2024

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Eliminations	Consolidated
	ASSETS			
CURRENT ASSETS				
Cash and cash equivalents	$ 37,467,936	$ 387,207	$ -	$ 37,855,143
Accounts receivable, trade - Net of allowance for credit losses of $82,051	10,446,797	698,069	-	11,144,866
Accounts receivable - Subsidiary	34,276,570	16,982,074	(51,258,644)	-
Notes receivable - Net of allowance for credit losses of $250,000	2,265,308	-	-	2,265,308
Finance receivables - Net of allowance for credit losses of $11,481,647	28,001,077	-	-	28,001,077
Inventories - Net	32,623,615	4,335,990	-	36,959,605
Prepaid expenses and other assets	1,398,434	13,323	-	1,411,757
Refundable and prepaid income taxes	722,348	-	-	722,348
Total current assets	147,202,085	22,416,663	(51,258,644)	118,360,104
NONCURRENT ASSETS				
Notes receivable, net of current portion	12,657,625	-	-	12,657,625
Finance receivables, net of current portion	82,189,246	-	-	82,189,246
Note receivable - Subsidiary	11,435,791	-	(11,435,791)	-
Investment - Subsidiary	1,000,000	-	(1,000,000)	-
Property, plant, and equipment - Net	10,659,707	5,686,068	-	16,345,775
Operating lease right-of-use assets	5,828,139	-	-	5,828,139
Goodwill - Net	-	1,484,657	-	1,484,657
Deferred income tax asset - Net	5,504,000	-	-	5,504,000
Total noncurrent assets	129,274,508	7,170,725	(12,435,791)	124,009,442
TOTAL ASSETS	$ 276,476,593	$ 29,587,388	$ (63,694,435)	$ 242,369,546
	LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES				
Accounts payable	$ 16,363,770	90,923	$ -	$ 16,454,693
Accounts payable - Parent	16,982,074	34,276,570	(51,258,644)	-
Current portion of operating lease liabilities	825,108	-	-	825,108
Accrued expenses	3,032,105	383,925	-	3,416,030
Deferred compensation	143,477	-	-	143,477
Accrued taxes	-	59,769	-	59,769
Total current liabilities	37,346,534	34,811,187	(51,258,644)	20,899,077
LONG-TERM LIABILITIES				
Long-term portion of operating lease liabilities	5,065,584	-	-	5,065,584
Note payable - Parent	-	11,435,791	(11,435,791)	-
Deferred compensation, less current portion	906,321	-	-	906,321
Total long-term liabilities	5,971,905	11,435,791	(11,435,791)	5,971,905
TOTAL LIABILITIES	43,318,439	46,246,978	(62,694,435)	26,870,982
CONTINGENCIES				
SHAREHOLDERS' EQUITY (DEFICIT)	233,158,154	(16,659,590)	(1,000,000)	215,498,564
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 276,476,593	$ 29,587,388	$ (63,694,435)	$ 242,369,546

CONSOLIDATING BALANCE SHEET

DECEMBER 31, 2023

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Eliminations	Consolidated
	ASSETS			
CURRENT ASSETS				
Cash and cash equivalents	$ 32,798,231	$ 889,340	$ -	$ 33,687,571
Accounts receivable, trade - Net of allowance for credit losses of $82,720	7,983,926	769,607	-	8,753,533
Accounts receivable - Subsidiary	28,648,126	13,624,185	(42,272,311)	-
Notes receivable - Net of allowance for credit losses of $250,000	2,736,323	-	-	2,736,323
Finance receivables - Net of allowance for credit losses of $10,449,079	24,562,440	-	-	24,562,440
Inventories - Net	31,195,440	2,871,539	-	34,066,979
Prepaid expenses and other assets	1,870,032	20,147	-	1,890,179
Refundable income taxes	501,000	-	-	501,000
Total current assets	130,295,518	18,174,818	(42,272,311)	106,198,025
NONCURRENT ASSETS				
Notes receivable, net of current portion	11,503,165	-	-	11,503,165
Finance receivables, net of current portion	75,799,926	-	-	75,799,926
Note receivable - Subsidiary	11,435,791	-	(11,435,791)	-
Investment - Subsidiary	1,000,000	-	(1,000,000)	-
Property, plant, and equipment - Net	11,068,629	5,551,041	-	16,619,670
Operating lease right-of-use assets	6,631,893	-	-	6,631,893
Goodwill - Net	-	2,333,032	-	2,333,032
Deferred income tax asset - Net	4,735,000	-	-	4,735,000
Total noncurrent assets	122,174,404	7,884,073	(12,435,791)	117,622,686
TOTAL ASSETS	$ 252,469,922	$ 26,058,891	$ (54,708,102)	$ 223,820,711
	LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES				
Accounts payable	$ 17,083,650	314,716	$ -	$ 17,398,366
Accounts payable - Parent	13,624,185	28,648,126	(42,272,311)	-
Current portion of operating lease liabilities	786,053	-	-	786,053
Accrued expenses	2,726,180	317,631	-	3,043,811
Deferred compensation	134,056		-	134,056
Accrued taxes	190,436	56,951	-	247,387
Total current liabilities	34,544,560	29,337,424	(42,272,311)	21,609,673
LONG-TERM LIABILITIES				
Long-term portion of operating lease liabilities	5,890,693	-	-	5,890,693
Note payable - Parent	-	11,435,791	(11,435,791)	-
Deferred compensation, less current portion	1,038,542	-	-	1,038,542
Total long-term liabilities	6,929,235	11,435,791	(11,435,791)	6,929,235
TOTAL LIABILITIES	41,473,795	40,773,215	(53,708,102)	28,538,908
CONTINGENCIES				
SHAREHOLDERS' EQUITY (DEFICIT)	210,996,127	(14,714,324)	(1,000,000)	195,281,803
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 252,469,922	$ 26,058,891	$ (54,708,102)	$ 223,820,711

CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2024

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Eliminations	Consolidated
SALES	$ 275,055,223	23,256,268	(14,828,378)	$ 283,483,113
Less: Dealer weekly volume incentives	4,922,200	203,951	-	5,126,151
Sales - Net	270,133,023	23,052,317	(14,828,378)	278,356,962
COST OF GOODS SOLD	201,176,341	22,307,409	(14,828,378)	208,655,372
Gross profit	68,956,682	744,908	-	69,701,590
EXPENSES				
Shipping and warehousing	7,464,552	8,506	-	7,473,058
Selling	24,118,591	721,478	-	24,840,069
General and administrative	15,326,832	1,087,207	-	16,414,039
Employee stock ownership plan contribution	5,000,000	-	-	5,000,000
Goodwill amortization expense	-	848,375	-	848,375
Total expenses	51,909,975	2,665,566	-	54,575,541
Income (loss) before financing operations	17,046,707	(1,920,658)	-	15,126,049
FINANCING OPERATIONS				
Revenues	25,865,411	-	-	25,865,411
Other financing income	1,544,284	-	-	1,544,284
Total financing income	27,409,695	-	-	27,409,695
Expenses	11,076,187	-	-	11,076,187
Income from financing operations	16,333,508	-	-	16,333,508
Income (loss) from operations	33,380,215	(1,920,658)	-	31,459,557
OTHER INCOME (EXPENSE)				
Interest expense	(96,266)	(15)	-	(96,281)
Interest income	1,317,267	-	-	1,317,267
Other income - Net	9,309	4,429	-	13,738
Other income - Net	1,230,310	4,414	-	1,234,724
Income (loss) before taxes	34,610,525	(1,916,244)		32,694,281
PROVISION FOR INCOME TAXES	8,039,225	29,019	-	8,068,244
NET INCOME (LOSS)	$ 26,571,300	$ (1,945,263)	$ -	$ 24,626,037

CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2023

	Cornwell Quality Tools Company	CQT Kennedy, LLC	Eliminations	Consolidated
SALES	$ 263,809,059	$ 20,649,053	$ (12,626,412)	$ 271,831,700
Less: Dealer weekly volume incentives	5,366,536	-	-	5,366,536
Sales - Net	258,442,523	20,649,053	(12,626,412)	266,465,164
COST OF GOODS SOLD	191,198,768	18,763,136	(12,626,412)	197,335,492
Gross profit	67,243,755	1,885,917	-	69,129,672
EXPENSES				
Shipping and warehousing	7,106,988	3,898	-	7,110,886
Selling	22,632,961	627,597	-	23,260,558
General and administrative	14,485,569	1,141,978	-	15,627,547
Employee stock ownership plan contribution	5,700,000	-	-	5,700,000
Goodwill amortization expense	-	848,375	-	848,375
Total expenses	49,925,518	2,621,848	-	52,547,366
Income (loss) before financing operations	17,318,237	(735,931)	-	16,582,306
FINANCING OPERATIONS				
Revenues	23,244,507	-	-	23,244,507
Other financing income	1,331,492	-	-	1,331,492
Total financing income	24,575,999	-	-	24,575,999
Expenses	10,477,911	-	-	10,477,911
Income from financing operations	14,098,088	-	-	14,098,088
Income (loss) from operations	31,416,325	(735,931)	-	30,680,394
OTHER (EXPENSE) INCOME				
Interest expense	(116,056)	(62)	-	(116,118)
Interest income	854,468	-	-	854,468
Other expense - Net	(5,203,419)	-	-	(5,203,419)
Other expense - Net	(4,465,007)	(62)	-	(4,465,069)
Income (loss) before taxes	26,951,318	(735,993)		26,215,325
PROVISION FOR INCOME TAXES	6,499,937	37,267	-	6,537,204
NET INCOME (LOSS)	$ 20,451,381	$ (773,260)	$ -	$ 19,678,121

CONSOLIDATED BALANCE SHEET - FIFO BASIS

DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 37,855,143	$ 33,687,571
Accounts receivable, trade - Net	11,144,866	8,753,533
Notes receivable - Net	2,265,308	2,736,323
Finance receivables - Net	28,001,077	24,562,440
Inventories - Net	49,049,030	44,537,913
Prepaid expenses and other assets	1,411,757	1,890,179
Refundable and prepaid income taxes	722,348	501,000
Total current assets	130,449,529	116,668,959
NONCURRENT ASSETS		
Notes receivable, net of current portion	12,657,625	11,503,165
Finance receivables, net of current portion	82,189,246	75,799,926
Property, plant, and equipment - Net	16,345,775	16,619,670
Operating lease right-of-use assets	5,828,139	6,631,893
Goodwill - Net	1,484,657	2,333,032
Deferred income tax asset - Net	2,067,504	1,735,502
Total noncurrent assets	120,572,946	114,623,188
TOTAL ASSETS	$ 251,022,475	$ 231,292,147
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 16,454,693	$ 17,398,366
Current portion of operating lease liabilities	825,108	786,053
Accrued expenses	3,416,030	3,043,811
Deferred compensation	143,477	134,056
Accrued taxes	59,769	247,387
Total current liabilities	20,899,077	21,609,673
LONG-TERM LIABILITIES		
Long-term portion of operating lease liabilities	5,065,584	5,890,693
Deferred compensation, less current portion	906,321	1,038,542
Total long-term liabilities	5,971,905	6,929,235
TOTAL LIABILITIES	26,870,982	28,538,908
SHAREHOLDERS' EQUITY	224,151,493	202,753,239
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 251,022,475	$ 231,292,147

CONSOLIDATED STATEMENT OF OPERATIONS - FIFO BASIS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
SALES	$ 283,483,113	$ 271,831,700
Less: Dealer weekly volume incentives	5,126,151	5,366,536
Sales - Net	278,356,962	266,465,164
COST OF GOODS SOLD	207,036,881	195,333,430
Gross profit	71,320,081	71,131,734
EXPENSES		
Shipping and warehousing	7,473,058	7,110,886
Selling	24,840,069	23,260,558
General and administrative	16,414,039	15,627,547
Employee stock ownership plan contribution	5,000,000	5,700,000
Goodwill amortization expense	848,375	848,375
Total expenses	54,575,541	52,547,366
Income before financing operations	16,744,540	18,584,368
FINANCING OPERATIONS		
Revenues	25,865,411	23,244,507
Other financing income	1,544,284	1,331,492
Total financing income	27,409,695	24,575,999
Expenses	11,076,187	10,477,911
Income from financing operations	16,333,508	14,098,088
Income from operations	33,078,048	32,682,456
OTHER INCOME (EXPENSE)		
Interest expense	(96,281)	(116,118)
Interest income	1,317,267	854,468
Other expense - Net	13,738	(5,203,419)
Other income (expense) - Net	1,234,724	(4,465,069)
Income before taxes	34,312,772	28,217,387
PROVISION FOR INCOME TAXES	8,505,237	7,077,704
NET INCOME	$ 25,807,535	$ 21,139,683

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY - FIFO BASIS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	* Voting Common Stock		Additional		Total
	Shares Issued	Amount	Paid-In Capital	Retained Earnings	Shareholders' Equity
BALANCE - JANUARY 1, 2023	10,635	$ 106,350	$ 1,644,189	$ 183,538,473	$ 185,289,012
Net income	-	-	-	21,139,683	21,139,683
Dividends paid	-	-	-	(3,675,456)	(3,675,456)
BALANCE - DECEMBER 31, 2023	10,635	106,350	1,644,189	201,002,700	202,753,239
Net income	-	-	-	25,807,535	25,807,535
Dividends paid	-	-	-	(4,409,276)	(4,409,276)
BALANCE - DECEMBER 31, 2024	10,635	$ 106,350	$ 1,644,189	$ 222,400,959	$ 224,151,498

** Common stock, voting, $10 par value, 25,000 shares authorized with 10,635 shared issued and outstanding at December 31, 2024 and 2023.*

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CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We consent to the inclusion in the Minnesota Franchise Disclosure Document with issuance date of April 1, 2025, of our report, dated March 20, 2025, on our audit of the consolidated financial statements of Cornwell Quality Tools Company and Subsidiary.

Cohen & Company Ltd.

Cleveland, Ohio
April 1, 2025

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Cornwell Quality Tools Company and Subsidiary

Consolidated Financial Statements
December 31, 2025 and 2024

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CORNWELL QUALITY TOOLS COMPANY AND SUBSIDIARY

DECEMBER 31, 2025 AND 2024

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Independent Auditor's Report

Board of Directors of
Cornwell Quality Tools Company and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of Cornwell Quality Tools Company and Subsidiary (the Company), which comprise the consolidated balance sheet as of December 31, 2025 and 2024, and the related consolidated statements of operations, shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Cohen & Company Ltd.

Cleveland, Ohio
March 24, 2026

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 41,956,742	$ 37,855,143
Accounts receivable, trade - Net of allowance for credit losses of $82,802 and $82,051, respectively	10,345,054	11,144,866
Notes receivable, current portion - Net of allowance for credit losses of $250,000 in 2025 and 2024	2,426,368	2,265,308
Finance receivables, current portion - Net of allowance for credit losses of $12,567,057 and $11,481,647, respectively, and deferred financing fees	22,811,501	28,001,077
Inventories - Net	31,096,504	36,959,605
Prepaid expenses and other assets	2,327,125	1,411,757
Investments	1,290,278	-
Refundable and prepaid income taxes	100,000	722,348
Total current assets	112,353,572	118,360,104
NONCURRENT ASSETS		
Notes receivable, net of current portion	13,434,770	12,657,625
Finance receivables, net of current portion and deferred financing fees	98,150,977	82,189,246
Investments	4,776,859	-
Property and equipment - Net	22,063,108	16,345,775
Operating lease right-of-use assets	5,004,101	5,828,139
Goodwill - Net	636,282	1,484,657
Deferred income tax asset - Net	4,949,000	5,504,000
Total noncurrent assets	149,015,097	124,009,442
TOTAL ASSETS	$ 261,368,669	$ 242,369,546
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 16,210,047	$ 16,454,693
Current portion of operating lease liabilities	866,149	825,108
Accrued expenses	3,673,780	3,416,030
Deferred compensation	153,529	143,477
Accrued taxes	180,821	59,769
Total current liabilities	21,084,326	20,899,077
LONG-TERM LIABILITIES		
Long-term portion of operating lease liabilities	4,199,436	5,065,584
Deferred compensation, less current portion	717,310	906,321
Total long-term liabilities	4,916,746	5,971,905
TOTAL LIABILITIES	26,001,072	26,870,982
CONTINGENCIES		
SHAREHOLDERS' EQUITY	235,367,597	215,498,564
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 261,368,669	$ 242,369,546

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF OPERATIONS

DECEMBER 31, 2025 AND 2024

	2025	2024
SALES	$ 287,138,972	$ 283,483,113
Less: Dealer weekly volume incentives	5,080,210	5,126,151
Sales - Net	282,058,762	278,356,962
COST OF GOODS SOLD	209,428,815	208,655,372
Gross profit	72,629,947	69,701,590
EXPENSES		
Selling	28,924,589	26,207,126
General and administrative	16,330,164	16,414,039
Shipping and warehousing	6,159,906	6,106,001
Employee stock ownership plan contribution	6,000,000	5,000,000
Goodwill amortization expense	848,375	848,375
Total expenses	58,263,034	54,575,541
Income before financing operations	14,366,913	15,126,049
FINANCING OPERATIONS		
Revenues	26,812,489	25,865,411
Other financing income	1,823,551	1,544,284
Total financing income	28,636,040	27,409,695
Expenses	11,947,980	11,076,187
Income from financing operations	16,688,060	16,333,508
Income from operations	31,054,973	31,459,557
OTHER INCOME (EXPENSE)		
Interest expense	(81,057)	(96,281)
Interest income	1,242,794	1,317,267
Unrealized loss on investment	(4,951)	-
Other income - Net	279,863	13,738
Other income - Net	1,436,649	1,234,724
Income before taxes	32,491,622	32,694,281
PROVISION FOR INCOME TAXES	8,185,666	8,068,244
NET INCOME	$ 24,305,956	$ 24,626,037

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

YEARS ENDED DECEMBER 31, 2025 AND 2024

	*VOTING COMMON STOCK		ADDITIONAL		TOTAL
	SHARES ISSUED	AMOUNT	PAID-IN CAPITAL	RETAINED EARNINGS	SHAREHOLDERS' EQUITY
BALANCE - JANUARY 1, 2024	10,635	$ 106,350	$ 1,644,189	$ 193,261,264	$ 195,281,803
Net income	-	-	-	24,626,037	24,626,037
Dividends paid	-	-	-	(4,409,276)	(4,409,276)
BALANCE - DECEMBER 31, 2024	10,635	106,350	1,644,189	213,478,025	215,498,564
Net income	-	-	-	24,305,956	24,305,956
Dividends paid	-	-	-	(4,436,923)	(4,436,923)
BALANCE - DECEMBER 31, 2025	10,635	$ 106,350	$ 1,644,189	$ 233,347,058	$ 235,367,597

** Common stock, voting, $10 par value, 25,000 shares authorized with 10,635 shares issued and outstanding at December 31, 2025 and 2024.*

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOW

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 310,504,880	$ 301,893,833
Cash paid to suppliers and employees	(262,022,863)	(264,677,686)
Cash paid to related party	(444,718)	(463,488)
Interest received - Net	1,161,737	1,223,034
Income taxes paid	(7,122,373)	(9,332,592)
Net cash from operating activities	42,076,663	28,643,101
CASH FLOWS USED IN INVESTING ACTIVITIES		
Finance receivables originated	(59,464,595)	(62,075,055)
Finance receivables repaid	39,766,823	43,638,413
Capital expenditures	(7,775,732)	(1,634,040)
Designated investments	(6,067,137)	-
Proceeds from disposal of property and equipment	2,500	4,429
Net cash used in investing activities	(33,538,141)	(20,066,253)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Cash dividends paid	(4,436,923)	(4,409,276)
Net cash used in financing activities	(4,436,923)	(4,409,276)
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,101,599	4,167,572
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	37,855,143	33,687,571
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 41,956,742	$ 37,855,143

	2025	2024
RECONCILIATION OF NET INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Net income	$ 24,305,956	$ 24,626,037
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Provision for finance credit losses	8,925,617	8,608,685
Provision for losses on accounts receivable	331,392	811,784
Change in LIFO reserve	2,729,485	1,618,491
Change in inventory obsolescence reserve	105,101	300,000
Depreciation	2,057,366	1,899,356
Goodwill amortization	848,375	848,375
Operating lease expense	824,038	803,754
Change in deferred income tax asset	555,000	(769,000)
(Gain) loss on disposal of property and equipment	(1,467)	4,150
(Increase) decrease in operating assets:		
Accounts receivable, trade - Net	468,420	(3,203,117)
Notes receivable	(938,205)	(683,445)
Inventories - Net	3,028,515	(4,811,117)
Prepaid expenses and other assets	(915,368)	478,422
Refundable income taxes	622,348	(221,348)
Increase (decrease) in operating liabilities:		
Accounts payable	(244,646)	(943,673)
Accrued expenses	257,750	372,219
Deferred compensation	(178,959)	(122,800)
Accrued taxes	121,052	(187,618)
Operating lease liabilities	(825,107)	(786,054)
Total adjustments	17,770,707	4,017,064
NET CASH FROM OPERATING ACTIVITIES	$ 42,076,663	$ 28,643,101
SUPPLEMENTAL FINANCIAL INFORMATION		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	$ 933,806	$ 878,188

See occompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Cornwell Quality Tools Company and Subsidiary, (an Ohio Corporation), (the Company) is a manufacturer and distributor of hand-held tools, toolboxes, diagnostic equipment, and other related products for mechanics, primarily in the automotive business. The Company sells its products to independent dealers and other industrial users throughout the United States of America and parts of Europe. During 2025 and 2024, purchased parts accounted for approximately 94% of sales. The Company maintains manufacturing facilities in Ohio and Pennsylvania and distribution centers in Ohio and Utah.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements of the Company include the accounts of Cornwell Quality Tools Company and its wholly owned subsidiary, CQT Kennedy, LLC. All significant intercompany transactions have been eliminated in consolidation.

Estimates

Management uses estimates and assumptions in preparing the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used, and such differences may be material.

Variable Interest Entity

The Company is the primary beneficiary of an affiliated leasing entity that was formed for the purpose of holding real estate which is leased to the Company. The affiliated leasing entity generates substantially all of its revenue from the Company. The Company accounts for the variable interest entity (VIE) under the alternative accounting guidance issued by the Financial Accounting Standards Board (FASB). This alternative accounting treatment permits privately held companies meeting certain criteria from having to apply existing VIE consolidation guidance to common control leasing arrangements while maintaining compliance with GAAP. This alternative accounting guidance still requires certain disclosures pertaining to its relationship with the VIE entity, which have been disclosed in Note 9.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash held in banks, and all highly liquid investments purchased with original maturities of three months or less. The Company's cash balances at banks may, at times, exceed the limits of related federal deposit insurance. The Company has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses

The Company operates in the tool manufacturing and distribution sector primarily for the automotive industry. Its accounts receivable - trade and notes receivable are primarily derived from dealers and are largely similar, therefore the Company evaluates its allowance for credit losses as one portfolio segment based upon the type of receivable.

Accounts receivable are unsecured customer obligations due under normal trade terms. The Company mitigates the risk associated with accounts receivable by performing ongoing credit evaluations and actively pursuing past due amounts. Accounts receivable are stated at the amount billed to the customer. Customer account balances with invoices dated over the payment terms are considered delinquent. The Company does not charge interest on delinquent customer balances. The opening balance of accounts receivable, trade - net as of January 1, 2024, was $8,753,533

Notes receivables are derived during the ordinary course of business from the Company entering into dealer franchise agreements with new franchisees. These agreements require new dealers to place orders for initial inventories of $60,000 and a $20,000 reserve deposit. Dealers may pay for their initial inventory and reserve with cash, by entering into a note with the Company, or a combination of both. These loan terms are typically six years in duration requiring payments weekly ranging between $218 and $417, including interest at a range of 10% to 17%. Interest is charged and recognized on the loans on an accrual basis. At December 31, 2025 and 2024, the portion of the notes receivable on nonaccrual status and recorded as an allowance for notes receivable loss was $250,000, which is presented as a reduction of the notes' amortized cost basis. The opening balance of notes receivable - net as of January 1, 2024, was $14,239,488.

On December 31, 2025, contractual maturities of gross notes receivables were as follows:

2026	$ 2,676,368
2027	4,508,157
2028	3,617,611
2029	2,809,544
2030	1,765,632
Thereafter	733,826
	$ 16,111,138

At each consolidated balance sheet date, the Company evaluates if an expected allowance for credit losses is necessary. In addition, also at each reporting date, this evaluation is updated to reflect any changes in credit risk since the trade account receivable or note receivable was initially recorded. This evaluation is determined on a pooled basis where similar risk characteristics exist.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses (continued)

The allowance evaluation is derived from a review of the Company's historical losses based on the aging of accounts receivable and notes receivable. This evaluation is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. The Company believes historical loss information is a reasonable starting point in which to evaluate the expected allowance for credit losses as the Company's portfolio segment have remained consistent since the Company's inception.

The Company writes off accounts receivable and notes receivable against the respective allowances when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If recoveries are made from any amounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. See Note 3 for current year write-offs.

Tech Credit finance receivables are derived from the Company offering financing options to individual customers of dealers in order to facilitate purchases. The customers receiving this type of financing are largely similar, therefore the Company evaluates its allowance for credit losses as one portfolio segment. The amounts that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are reported at their amortized costs, net of any deferred financing fees or costs on originated loans. Deferred financing fees are amortized on a straight-line basis over a 36-month period which approximates the life of the Tech Credit finance receivables. The opening balance of Tech Credit finance receivables - net as of January 1, 2024, was $100,362,366.

Tech Credit finance receivables are placed on nonaccrual status when management believes, after considering economic conditions, business conditions, and collection efforts, that the notes are impaired, or collection of interest is doubtful. When the accrual of interest is discontinued, all unpaid accrued interest is reversed. Loans are returned to accrual status and interest income is subsequently recognized when all principal and interest amounts contractually due are brought current.

The allowance for Tech Credit finance receivable losses is derived from both internal and external sources, management's periodic evaluation of the portfolio using relevant available information from both internal and external sources, relating to past events, current conditions and reasonable supportable forecasts, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, the estimated value of any underlying collateral, and current economic conditions. Commercial loans are charged off when they are 120 days contractually past due. The allowance for credit losses represents management's estimate of lifetime credit losses inherent in the finance receivables as of the consolidated balance sheet date. Tech Credit finance receivables that do not share risk characteristics are evaluated on an individual basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable, Notes Receivable, Tech Credit Finance Receivables, and Allowance for Credit Losses (continued)

The Company writes off Tech Credit finance receivables when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any amounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the Company's accounting policy election. See Note 4 for current year write-offs.

The Company has elected to early adopt Accounting Standards Update 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The Company has elected the practical expedient to assume that current conditions as of the consolidated balance sheet date do not change for the remaining life of the accounts receivable, notes receivable, and tech credit finance receivables.

Inventories

Inventories are valued at the lower of cost or market with cost determined by the last-in, first-out (LIFO) method. If the first-in, first-out (FIFO) method was used to value inventories, reported inventories would have increased by $14,818,910 and $12,089,425 at December 31, 2025 and 2024, respectively, and net income after taxes would have increased by $1,992,485 in 2025 and by $1,852,306 in 2024.

Property and Equipment

Property and equipment are recorded at cost. Depreciation of property and equipment is provided by use of the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	4 to 35 years
Machinery and equipment	5 to 20 years
Office furniture and fixtures	3 to 10 years
Transportation equipment	3 to 5 years

Goodwill

The Company has adopted the accounting alternative offered to non-public entities for subsequent measurement of goodwill. In accordance with this alternative, the Company amortizes goodwill on a straight-line basis over ten years and only evaluates goodwill for impairment at the entity level when a triggering event occurs. Management has determined that there were no triggering events that occurred during the years ended December 31, 2025 and 2024. The Company recognized $8,483,752 of goodwill related to the acquisition of CQT Kennedy, LLC. Amortization expense totaled $848,375 in 2025 and 2024, respectively, and accumulated amortization totaled $7,847,470 at December 31, 2025 and $6,999,095 at December 31, 2024. The remaining amount of goodwill amortization expense will be $636,282 in 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments that have readily determinable fair values are classified as "available for sale" and are recorded at fair value. These investments held by the Company are comprised of corporate and municipal bonds. Realized and unrealized gains and losses, determined using the specific identification method, are included in earnings. Investments in these bonds are classified as available for sale and carried at fair value.

Advertising

Advertising primarily consists of the Company's catalog, bulletins, flyers, sponsorships, and advertising in national publications for the Company's products, which are amortized over one year or less. Advertising expense was $7,043,912 in 2025, and $5,353,992 in 2024.

Income Taxes

The Company is taxed as a C-Corporation and, accordingly, a provision for federal and state taxes has been recorded in the consolidated financial statements.

The Company recognizes deferred tax assets and liabilities for future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which the temporary differences are expected to be recovered or settled. The effect of deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when management determines a portion or all of the deferred tax assets will more likely than not be recognized.

Revenue Recognition

The Company generates revenue from various financing programs that include: (i) installment sales contracts arising from tool dealers wishing to provide financing to their customers on an extended-term payment plan and (ii) business loans to tool dealers for inventory. Interest income from finance receivables is recognized using the interest method. Accrual of interest income on finance receivables is suspended when a loan is contractually delinquent for 120 days or more. The accrual is resumed when the loan becomes contractually current, and past due interest income is recognized at that time.

The decision to finance through the Company or another financing source is solely at the election of the customer. When assessing customers for potential financing, the Company considers various factors regarding ability to pay, including the customers' financial condition, debt-servicing ability, past payment experience, and credit bureau and proprietary credit model information, as well as the value of the underlying collateral. See Note 5 for information on credit quality indicators and monitoring.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

The Company enters into contracts with customers related to the selling of products. At contract inception, an assessment of the products promised in the contracts with customers is performed and a performance obligation is identified for each distinct promise to transfer to the customer a product (or bundle of products). To identify the performance obligations, the Company considers all of the products promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. Contracts with customers are comprised of customer purchase orders, invoices, and written contracts.

Revenue from the sale of products is recognized at a point in time when the Company's performance obligations are satisfied, which generally occurs at a point in time when title and control of the product is transferred to the customer at shipping point. Once a product has shipped, the customer is able to direct the use of, and obtain substantially all of the remaining benefits from the asset. Customer payments are typically due within 30 days of billing or over the terms set out in the financing program, depending on the contract.

In some cases, the nature of the Company's contracts give rise to variable consideration, including weekly dealer volume discounts, rebates, credits, allowances for returns, or other similar items that generally decrease the transaction price. These variable amounts generally are credited to the customer, based on achieving certain levels of sales activity or product returns.

In the normal course of business, the Company allows dealers to return products per the provisions in the franchise agreement that allow for the return of product in a saleable condition. For other customers, product returns are generally not accepted unless the item is defective as manufactured. Estimated product returns are recorded as a reduction in reported revenues at the time of sale based upon historical product return experience and is adjusted for known trends to arrive at the amount of consideration to which the Company expects to receive.

Variable consideration is estimated at the most likely amount that is expected to be earned. Estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current, and forecasted) that is reasonably available.

Disaggregation of Revenue

All sales revenue results from product sales and is recognized at a point in time. Products are sold primarily to independent tool dealers and other industrial users throughout the United States of America and parts of Europe. Qualitative factors that affect revenue recognition and cash flows include, uninterrupted supply chain for components used to manufacture products, purchased products, availability of labor, and prompt payment by customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued)

Performance Obligation

The Company's contracts for the sale of products contain a single performance obligation. The performance obligation is satisfied when the product is shipped to the customer.

Significant Judgments and Estimates

Other than variable consideration previously noted, there are no significant judgments involved in the recognition of revenue from the sale of products.

Shipping and Handling Costs

The Company has elected to treat shipping and handling costs as contract fulfillment activities. Shipping and handling revenue is included in sales and the related costs are included in cost of goods sold in the accompanying consolidated statements of operations.

Returned Goods

The Company sells both manufactured tools and products purchased from other manufacturers. For purchased products, it is the Company's policy to extend the full manufacturer's guarantee to the Company's customers. For manufactured items, the Company will, at its sole discretion, replace or repair an item if it is determined that the item has not given the user a fair value in terms of length of useful life. This policy is considered a promotional expense that generates goodwill with the customer and, as consistent with standard practices in this industry, these amounts are expensed as incurred. The Company's policy is also considered an assurance warranty and, therefore, does not constitute variable consideration.

Concentrations of Credit Risk

The Company performs ongoing credit evaluations of its customers and generally requires collateral only on financing and notes receivables with extended credit terms. The Company maintains reserves for potential credit losses and such losses have been within management's expectations.

Leases

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (continued)

Right-of-use (ROU) assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the commencement date based primarily on the present value of lease payments over the lease term. In determining the discount rate used to measure the ROU assets and lease liabilities, the Company uses rates implicit in the lease, when available. If the rate implicit in the lease is not readily available, the Company has elected to use a risk-free rate for all classes of assets. The risk-free rate used is the U.S. Treasury Bill Rate in effect at the commencement of the lease for a similar term. The operating lease ROU assets also include any lease payments made at commencement and exclude lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

The Company elected to apply the short-term lease exemption. Under this exemption, ROU assets and lease liabilities are not recognized for leases with an initial term of 12 months or less. The Company does not currently have any short-term lease arrangements.

The Company has lease agreements with both lease and non-lease components, which are generally accounted for separately. In allocating consideration in the contract to the separate lease components and the non-lease components, the Company uses the standalone prices of the lease and non-lease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

The Company has certain leases which are triple net leases, whereby the lessee pays all utilities, insurance, real estate taxes and maintenance associated with the property. These costs are considered to be lessee costs recognized in the consolidated statement of operations in the period in which the related obligation is incurred.

Subsequent Events

Management of the Company has evaluated subsequent events through March 24, 2026, the date the consolidated financial statements were available to be issued.

3. ALLOWANCE FOR TRADE ACCOUNTS RECEIVABLE AND NOTES RECEIVABLE

Changes in the valuation allowance for trade accounts receivable and notes receivable were as follows at December 31:

	2025	2024
Balance - Beginning of year	$ 332,051	$ 332,720
Provision for bad debts	332,143	811,115
Write-offs	(443,012)	(875,395)
Recoveries	111,620	63,611
Balance - End of year	$ 332,802	$ 332,051

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. FINANCE RECEIVABLES AND ALLOWANCE FOR EXPECTED CREDIT LOSS VALUATION

The Company engages in providing commercial financing services to tool dealers wishing to provide financing to their customers. The Company's finance receivables, which are comprised primarily of contracts with a maximum of 60 monthly installments, are as follows at December 31:

	2025	2024
Finance receivables	$ 143,105,267	$ 130,947,135
Deductions:		
Reserve for finance credit losses	(12,567,057)	(11,481,647)
Deferred financing fees	(9,575,732)	(9,275,165)
	120,962,478	110,190,323
Current maturities	(22,811,501)	(28,001,077)
Long-term finance receivables	$ 98,150,977	$ 82,189,246

On December 31, 2025, contractual maturities of finance receivables were as follows:

2026	$ 40,734,768
2027	38,825,368
2028	32,197,919
2029	20,881,377
2030	10,465,835
	$ 143,105,267

At December 31, 2025, current maturities of finance receivables as reported on the consolidated balance sheet consist of gross receivables of $40,734,768 less the reserve for finance credit losses of $12,567,057 less the current portion of deferred financing fees of $5,356,210.

At December 31, 2024, current maturities of finance receivables as reported on the consolidated balance sheet consist of gross receivables of $44,642,201 less the reserve for finance credit losses of $11,481,647 less the current portion of deferred financing fees of $5,159,477.

It is the Company's experience that a substantial portion of the commercial loan portfolio generally is renewed or repaid before the contractual maturity dates. The above tabulation, therefore, is not regarded as a forecast of future cash collections. Cash collections of principal amounts of commercial loans totaled $39,766,823 in 2025, and $43,638,413 in 2024, and the ratios of these cash collections to average principal balances were approximately 29% in 2025 and 35% in 2024. Approximate changes in the allowance for credit losses for finance receivables were as follows:

	2025	2024
Balance - Beginning of year	$ 11,482,000	$ 10,449,000
Provision for credit losses	8,926,000	8,609,000
Loans charged off	(7,841,000)	(7,576,000)
Balance - End of year	$ 12,567,000	$ 11,482,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. CREDIT QUALITY OF FINANCE AND NOTES RECEIVABLES

The Company actively monitors the credit quality of finance and notes receivables by performing a creditworthiness analysis at the borrowing date, and at predetermined intervals throughout the time finance and notes receivables are outstanding. Credit for purchases under notes receivable is granted based on a review of the customer's Beacon credit score. Credit for purchases under finance receivables is granted based on an internally developed scoring method termed a Scorecard. The Scorecard was initially developed in June 2004, and has been revalidated in September 2008, 2012, 2016, February 2018, and September 2021. The Scorecard takes into account various credit quality indicators such as job history, public record information, collections, and prior delinquent accounts and then assigns a weighted score which is used in determining the customer's credit. In the February 2018 revalidation, the introduction of FICO scores as an additional qualifier was added. Before June 2004, the Company granted credit based on a customer's Beacon score or internally determined Blue Ribbon rating.

The finance receivables and notes receivable balances are based on the following credit quality indicators at December 31:

	2025	2024
Notes receivable:		
Beacon score > 650	$ 16,111,138	$ 15,172,933
Finance receivables:		
Blue Ribbon rating	$ 155,860	$ 190,018
Scorecard:		
415 - 419 - High risk	2,718,064	2,243,439
420 - 429	3,052,379	2,768,823
430 - 439	5,486,483	4,975,529
440 - 449	15,728,211	14,385,698
450 - 459	27,017,999	25,168,683
>= 460 - Low risk	88,946,271	81,214,945
Subtotal Scorecard	142,949,407	130,757,117
Total finance receivables	$ 143,105,267	$ 130,947,135

An aging analysis of the finance and notes receivables portfolio, based on customer repayment status is as follows at December 31:

	2025	2024
Current (not past due) notes receivable	$ 16,111,138	$ 15,172,933
Finance receivables:		
Current (not past due)	$ 125,531,657	$ 110,180,300
30-59 days past due	4,255,240	8,750,398
60-89 days past due	6,263,310	5,418,584
Greater than 90 days past due	7,055,060	6,597,853
Total finance receivables	$ 143,105,267	$ 130,947,135

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. INVENTORIES

Inventories - net consist of the following at December 31:

	2025	2024
Raw materials	$ 5,657,311	$ 6,570,775
Work in process	4,240,436	3,851,556
Finished goods	37,035,820	39,539,751
	46,933,567	49,962,082
Obsolescence reserve	(1,018,153)	(913,052)
LIFO reserve	(14,818,910)	(12,089,425)
Total inventories - net	$ 31,096,504	$ 36,959,605

7. PROPERTY AND EQUIPMENT

Property and equipment - net consist of the following at December 31:

	2025	2024
Land	$ 815,005	$ 815,005
Buildings and improvements	12,021,883	11,556,891
Machinery and equipment	21,022,565	15,590,387
Office furniture and fixtures	6,301,638	6,199,874
Transportation equipment	194,461	182,305
Construction in progress	2,375,203	926,204
	42,730,755	35,270,666
Accumulated depreciation	(20,667,647)	(18,924,891)
Property and equipment - net	$ 22,063,108	$ 16,345,775

Leasehold improvements, included in buildings and improvements, are amortized over 4 - 35 years, which is the shorter of the useful life of the leasehold improvement or the lease term including renewal periods that are reasonably assured. The Company leases its office from a related party under an operating lease, ending November 2035. If the lease is not extended to equal the life of the leasehold improvements, the landlord has represented to the Company that it will be reimbursed for the remaining unamortized cost of the leasehold improvements.

8. FINANCING

The Company has a line of credit agreement with a bank. Under the terms of the agreement, the Company can borrow up to $8,000,000, collateralized by substantially all owned assets of the Company. The agreement, which expires July 31, 2027, requires monthly interest payments at the daily Secured Overnight Financing Rate (SOFR - 3.87% at December 31, 2025 and 4.49% at December 31, 2024) plus 1.35%. There were no outstanding borrowings on the line of credit as of December 31, 2025 or 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. FINANCING (Continued)

The line of credit agreement contains various covenants, the most restrictive of which required the Company to maintain a minimum level of fixed charge coverage. The Company was in compliance with those covenants at December 31, 2025 and 2024.

9. LEASES

The Company had operating leases for equipment and facilities from unrelated parties with terms varying through December 2027. Lease expense under these leases totaled $486,948 in 2025. The following is a schedule of future minimum lease payments with remaining terms of one year or more:

2026	$ 507,539
2027	527,840
Total undiscounted cash flows	1,035,379
Present value discount	(32,303)
Total lease liabilities	$ 1,003,076

The Company leases its warehouse and office facilities in Wadsworth, Ohio from a related party, with terms to expire in 2035. The leases include two five-year options to extend the leases for up to 10 years. The Company pays all insurance and operating costs associated with the real estate. Lease expense for these facilities totaled $445,788 in both 2025 and 2024. The following is a schedule of future minimum lease payments for these leases:

2026	$ 445,788
2027	445,788
2028	445,788
2029	445,788
2030	445,788
Thereafter	2,165,493
Total undiscounted cash flows	4,394,433
Present value discount	(331,924)
Total lease liabilities	$ 4,062,509

For the year ended December 31, 2025 and 2024, other information related to the Company's leases consisted of the following:

	2025	2024
Weighted average remaining lease term:		
Operating leases	8.30 years	8.92 years
Weighted average discount rate:		
Operating leases	1.95%	2.03%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The various inputs that may be used to determine the fair value of the Company's assets and liabilities are summarized in three broad levels:

Level 1 Quoted prices in active markets for identical securities

Level 2 Other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.)

Level 3 Significant unobservable inputs (including the Organization's own assumptions used to determine value)

The assets' fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Assets are valued at the closing price for identical investments reported on the active market on which the individual securities are traded.

Corporate and municipal bonds: valued using discounted cash flows of expected future payments.

Assets measured at fair value on a recurring basis are comprised of the following at December 31, 2025:

Description	Level 1	Level 2	Level 3
Corporate bonds	$ -	$ 5,773,316	$ -
Municipal bonds	-	293,821	-
	$ -	$ 6,067,137	$ -

11. INCOME TAXES

The net income tax provision is comprised of approximately the following:

	2025	2024
Current tax provision, federal	$ 6,164,000	$ 7,137,000
Current tax provision, state	1,468,000	1,700,000
Deferred tax provision (benefit), federal and state	554,000	(769,000)
	$ 8,186,000	$ 8,068,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. INCOME TAXES (Continued)

The difference between the effective tax rate for financial reporting of 27% in 2025 and 2024, and the federal and state statutory tax rates is due to applying actual state statutory tax rates and nondeductible items not included for financial reporting purposes.

Deferred income taxes are provided for the temporary differences between the tax basis and the financial reporting basis of the Company's assets and liabilities. The tax effects of temporary differences that give rise to significant portions of deferred income tax assets (liabilities) consist of the following:

	2025	2024
Accounts and finance receivable allowance	$ 3,575,000	$ 3,289,000
Inventories	583,000	605,000
Accumulated depreciation on property	(3,310,000)	(2,105,000)
Accumulated amortization on goodwill	706,000	630,000
Investment account	1,000	-
Liabilities and reserves	2,255,000	1,974,000
Deferred compensation	1,139,000	1,111,000
Total deferred income tax asset - net	$ 4,949,000	$ 5,504,000

12. RETIREMENT PLANS

The Company maintains a profit-sharing plan (the Plan) covering substantially all salaried and hourly employees, having at least one year of service with the Company and attaining a certain age requirement. The amount of the contribution each year is at the sole discretion of the Board of Directors of the Company limited by Internal Revenue Service restrictions. There were no profit-sharing contributions made to the Plan in 2025 and 2024. The Plan includes 401(k) provisions. Under these provisions, employees may elect to contribute a portion of their compensation on a tax-deferred basis within the guidelines prescribed by the Internal Revenue Code. The Company may also make discretionary contributions to the Plan each year. There were no discretionary contributions made to the plan in 2025 and 2024.

The Company also has a deferred compensation plan with officers that provides for the annual accrual of a portion of their salary until retirement. The agreements are contingent upon their continued employment with the Company and payable upon retirement. The deferred compensation agreements are unfunded. The plan also provides for payments to beneficiaries in the event of death.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. EMPLOYEE STOCK OWNERSHIP PLAN

The Company has an employee stock ownership plan (ESOP) that covers substantially all salaried and hourly employees, who have obtained at least 1,000 hours of service. The contributions are determined at the sole discretion of the Board of Directors of the Company limited by Internal Revenue Service restrictions. Under the provisions of the ESOP, terminated participants may require the Company to repurchase their vested shares at fair market value.

As of December 31, 2025 and 2024, the ESOP held 2,075 shares of stock, which have been fully allocated to participants. The shares have an estimated value of $26,690 per share, or $55,381,750 in the aggregate, based upon the December 31, 2024, valuation from the Appraiser. The fair value as of December 31, 2025, is subject to change upon the final valuation from the Appraiser.

ESOP contribution expense was $6,000,000 in 2025 and $5,000,000 in 2024.

14. CONTINGENCIES

Litigation

The Company is the defendant in a class action lawsuit, related to a cybersecurity breach. The Company's best estimate of exposure from the lawsuit is accrued for as a part of liabilities in the amount $500,000. The same amount is included in other income (expense) within the consolidated statement of operations at December 31, 2025. In addition, the Company is involved in other legal proceedings which arise in the ordinary course of business. Management, after consultation with the Company's legal counsel, believes that these matters will not have a material impact on the financial condition, results of operations, or cash flows of the Company.

In the ordinary course of business, the Company is subject to, or party to, pending or threatened litigation, assessments, and claims. While it is not possible to predict with certainty the outcome of such matters individually or in the aggregate, management believes that the ultimate result will not have a material adverse effect on the financial position or results of operations of the Company.

Environmental Laws and Regulations

The Company's past and present daily operations include activities which are subject to federal and state environmental regulations. Compliance with these regulations has not had, nor does the Company expect such compliance to have, a material effect upon net income, financial condition, or competitive position of the Company.

Union Contract

A portion of CQT Kennedy, LLC's employees are covered under a collective bargaining agreement. The agreement is set to expire on April 30, 2027.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. MAJOR SUPPLIERS

Purchases from the Company's two largest suppliers accounted for approximately 32% and 31% of purchases during 2025 and 2024, respectively. Any disruptions in the supply chain from these suppliers could be substituted with purchases of similar products from other suppliers.

Cohen & Co

Independent Auditor's Report on Supplemental Information

The Board of Directors of
Cornwell Quality Tools Company and Subsidiary

We have audited the consolidated financial statements of Cornwell Quality Tools Company and Subsidiary as of and for the years ended December 31, 2025 and 2024, and our report thereon dated March 24, 2026, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 2 - 3. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements on pages 25 - 28 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The consolidated statements and accompanying note on pages 29 - 31 using the first-in, first-out (FIFO) method to value inventories are also presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Cleveland, Ohio
March 24, 2026

Cohen & Company Ltd.

CONSOLIDATING BALANCE SHEET

DECEMBER 31, 2025

	CORNWELL QUALITY TOOLS COMPANY	CQT KENNEDY, LLC	ELIMINATIONS	CONSOLIDATED
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 40,694,305	$ 1,262,437	$ -	$ 41,956,742
Accounts receivable, trade - Net of allowance for credit losses of $82,802	9,572,612	772,442	-	10,345,054
Accounts receivable, intercompany	39,713,521	20,277,827	(59,991,348)	-
Notes receivable - Net of allowance for credit losses of $250,000	2,426,368	-	-	2,426,368
Finance receivables - Net of allowance for credit losses of $12,567,057	22,811,501	-	-	22,811,501
Inventories - Net	28,581,100	2,515,404	-	31,096,504
Prepaid expenses and other assets	2,307,624	19,501	-	2,327,125
Investments	1,290,278	-	-	1,290,278
Refundable and prepaid income taxes	100,000	-	-	100,000
Total current assets	147,497,309	24,847,611	(59,991,348)	112,353,572
NONCURRENT ASSETS				
Notes receivable, net of current portion	13,434,770	-	-	13,434,770
Finance receivables, net of current portion	98,150,977	-	-	98,150,977
Note receivable - Subsidiary	11,435,791	-	(11,435,791)	-
Investments	4,776,859	-	-	4,776,859
Investment, subsidiary	1,000,000	-	(1,000,000)	-
Property and equipment - Net	11,903,136	10,159,972	-	22,063,108
Operating lease right-of-use assets	5,004,101	-	-	5,004,101
Goodwill - Net	-	636,282	-	636,282
Deferred income tax asset - Net	4,949,000	-	-	4,949,000
Total noncurrent assets	150,654,634	10,796,254	(12,435,791)	149,015,097
TOTAL ASSETS	$ 298,151,943	$ 35,643,865	$ (72,427,139)	$ 261,368,669
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable	$ 15,043,778	$ 1,166,269	$ -	$ 16,210,047
Accounts payable, intercompany	20,277,827	39,713,521	(59,991,348)	-
Current portion of operating lease liabilities	866,149	-	-	866,149
Accrued expenses	3,327,279	346,501	-	3,673,780
Deferred compensation	153,529	-	-	153,529
Accrued taxes	126,245	54,576	-	180,821
Total current liabilities	39,794,807	41,280,867	(59,991,348)	21,084,326
LONG-TERM LIABILITIES				
Long-term portion of operating lease liabilities	4,199,436	-	-	4,199,436
Note payable, parent	-	11,435,791	(11,435,791)	-
Deferred compensation, less current portion	717,310	-	-	717,310
Total long-term liabilities	4,916,746	11,435,791	(11,435,791)	4,916,746
TOTAL LIABILITIES	44,711,553	52,716,658	(71,427,139)	26,001,072
CONTINGENCIES				
SHAREHOLDERS' EQUITY (DEFICIT)	253,440,390	(17,072,793)	(1,000,000)	235,367,597
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 298,151,943	$ 35,643,865	$ (72,427,139)	$ 261,368,669

CONSOLIDATING BALANCE SHEET

DECEMBER 31, 2024

	CORNWELL QUALITY TOOLS COMPANY	CQT KENNEDY, LLC	ELIMINATIONS	CONSOLIDATED
	ASSETS			
CURRENT ASSETS				
Cash and cash equivalents	$ 37,467,936	$ 387,207	$ -	$ 37,855,143
Accounts receivable, trade - Net of allowance for credit losses of $82,051	10,446,797	698,069	-	11,144,866
Accounts receivable, intercompany	34,276,570	16,982,074	(51,258,644)	-
Notes receivable - Net of allowance for credit losses of $250,000	2,265,308	-	-	2,265,308
Finance receivables - Net of allowance for credit losses of $11,481,647	28,001,077	-	-	28,001,077
Inventories - Net	32,623,615	4,335,990	-	36,959,605
Prepaid expenses and other assets	1,398,434	13,323	-	1,411,757
Refundable income taxes	722,348	-	-	722,348
Total current assets	147,202,085	22,416,663	(51,258,644)	118,360,104
NONCURRENT ASSETS				
Notes receivable, net of current portion	12,657,625	-	-	12,657,625
Finance receivables, net of current portion	82,189,246	-	-	82,189,246
Note receivable, subsidiary	11,435,791	-	(11,435,791)	-
Investment, subsidiary	1,000,000	-	(1,000,000)	-
Property and equipment - Net	10,659,707	5,686,068	-	16,345,775
Operating lease right-of-use assets	5,828,139	-	-	5,828,139
Goodwill - Net	-	1,484,657	-	1,484,657
Deferred income tax asset - Net	5,504,000	-	-	5,504,000
Total noncurrent assets	129,274,508	7,170,725	(12,435,791)	124,009,442
TOTAL ASSETS	$ 276,476,593	$ 29,587,388	$ (63,694,435)	$ 242,369,546
	LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES				
Accounts payable	$ 16,363,770	90,923	$ -	$ 16,454,693
Accounts payable, intercompany	16,982,074	34,276,570	(51,258,644)	-
Current portion of operating lease liabilities	825,108	-	-	825,108
Accrued expenses	3,032,105	383,925	-	3,416,030
Deferred compensation	143,477		-	143,477
Accrued taxes		59,769	-	59,769
Total current liabilities	37,346,534	34,811,187	(51,258,644)	20,899,077
LONG-TERM LIABILITIES				
Long-term portion of operating lease liabilities	5,065,584	-	-	5,065,584
Note payable - Parent	-	11,435,791	(11,435,791)	-
Deferred compensation, less current portion	906,321	-	-	906,321
Total long-term liabilities	5,971,905	11,435,791	(11,435,791)	5,971,905
TOTAL LIABILITIES	43,318,439	46,246,978	(62,694,435)	26,870,982
CONTINGENCIES				
SHAREHOLDERS' EQUITY (DEFICIT)	233,158,154	(16,659,590)	(1,000,000)	215,498,564
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 276,476,593	$ 29,587,388	$ (63,694,435)	$ 242,369,546

CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2025

	CORNWELL QUALITY TOOLS COMPANY	CQT KENNEDY, LLC	ELIMINATIONS	CONSOLIDATED
SALES	$ 281,647,848	$ 20,319,502	$ (14,828,378)	$ 287,138,972
Less: Dealer weekly volume incentives	4,932,364	147,846	-	5,080,210
Sales - Net	276,715,484	20,171,656	(14,828,378)	282,058,762
COST OF GOODS SOLD	206,219,028	18,038,165	(14,828,378)	209,428,815
Gross profit	70,496,456	2,133,491	-	72,629,947
EXPENSES				
Selling	28,251,335	673,254	-	28,924,589
General and administrative	15,322,823	1,007,341	-	16,330,164
Shipping and warehousing	6,151,185	8,721	-	6,159,906
Employee stock ownership plan contribution	6,000,000	-	-	6,000,000
Goodwill amortization expense	-	848,375	-	848,375
Total expenses	55,725,343	2,537,691	-	58,263,034
Income (loss) before financing operations	14,771,113	(404,200)	-	14,366,913
FINANCING OPERATIONS				
Revenues	26,812,489	-	-	26,812,489
Other financing income	1,823,551	-	-	1,823,551
Total financing income	28,636,040	-	-	28,636,040
Expenses	11,947,980	-	-	11,947,980
Income from financing operations	16,688,060	-	-	16,688,060
Income (loss) from operations	31,459,173	(404,200)	-	31,054,973
OTHER INCOME (EXPENSE)				
Interest expense	(80,958)	(99)	-	(81,057)
Interest income	1,242,794	-	-	1,242,794
Unrealized loss on investment	(4,951)	-	-	(4,951)
Other income - Net	268,612	11,251	-	279,863
Other income - Net	1,425,497	11,152	-	1,436,649
Income (loss) before taxes	32,884,670	(393,048)	-	32,491,622
PROVISION FOR INCOME TAXES	8,165,510	20,156	-	8,185,666
NET INCOME (LOSS)	$ 24,719,160	$ (413,204)	$ -	$ 24,305,956

CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2024

	CORNWELL QUALITY TOOLS COMPANY	CQT KENNEDY, LLC	ELIMINATIONS	CONSOLIDATED
SALES	$ 275,055,223	$ 23,256,268	$ (14,828,378)	$ 283,483,113
Less: Dealer weekly volume incentives	4,922,200	203,951.00	-	5,126,151
Sales - Net	270,133,023	23,052,317	(14,828,378)	278,356,962
COST OF GOODS SOLD	201,176,341	22,307,409	(14,828,378)	208,655,372
Gross profit	68,956,682	744,908	-	69,701,590
EXPENSES				
Selling	25,485,648	721,478	-	26,207,126
General and administrative	15,326,832	1,087,207	-	16,414,039
Shipping and warehousing	6,097,495	8,506	-	6,106,001
Employee stock ownership plan contribution	5,000,000	-	-	5,000,000
Goodwill amortization expense	-	848,375	-	848,375
Total expenses	51,909,975	2,665,566	-	54,575,541
Income (loss) before financing operations	17,046,707	(1,920,658)	-	15,126,049
FINANCING OPERATIONS				
Revenues	25,865,411	-	-	25,865,411
Other financing income	1,544,284	-	-	1,544,284
Total financing income	27,409,695	-	-	27,409,695
Expenses	11,076,187	-	-	11,076,187
Income from financing operations	16,333,508	-	-	16,333,508
Income (loss) from operations	33,380,215	(1,920,658)	-	31,459,557
OTHER (EXPENSE) INCOME				
Interest expense	(96,266)	(15)	-	(96,281)
Interest income	1,317,267	-	-	1,317,267
Other income - Net	9,309	4,429	-	13,738
Other income - Net	1,230,310	4,414	-	1,234,724
Income (loss) before taxes	34,610,525	(1,916,244)	-	32,694,281
PROVISION FOR INCOME TAXES	8,039,225	29,019	-	8,068,244
NET INCOME (LOSS)	$ 26,571,300	$ (1,945,263)	$ -	$ 24,626,037

CONSOLIDATED BALANCE SHEET - FIFO BASIS

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 41,956,742	$ 37,855,143
Accounts receivable, trade - Net	10,345,054	11,144,866
Notes receivable, current portion - Net	2,426,368	2,265,308
Finance receivables, current portion - Net	22,811,501	28,001,077
Inventories - Net	45,915,414	49,049,030
Prepaid expenses and other assets	2,327,125	1,411,757
Investments	1,290,278	-
Refundable and prepaid income taxes	100,000	722,348
Total current assets	127,172,482	130,449,529
NONCURRENT ASSETS		
Notes receivable, net of current portion	13,434,770	12,657,625
Finance receivables, net of current portion	98,150,977	82,189,246
Investments	4,776,859	-
Property and equipment - Net	22,063,108	16,345,775
Operating lease right-of-use assets	5,004,101	5,828,139
Goodwill - Net	636,282	1,484,657
Deferred income tax asset - Net	1,075,516	2,067,504
Total noncurrent assets	145,141,613	120,572,946
TOTAL ASSETS	$ 272,314,095	$ 251,022,475
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 16,210,047	$ 16,454,693
Current portion of operating lease liabilities	866,149	825,108
Accrued expenses	3,673,780	3,416,030
Deferred compensation	153,529	143,477
Accrued taxes	180,821	59,769
Total current liabilities	21,084,326	20,899,077
LONG-TERM LIABILITIES		
Long-term portion of operating lease liabilities	4,199,436	5,065,584
Deferred compensation, less current portion	717,310	906,321
Total long-term liabilities	4,916,746	5,971,905
TOTAL LIABILITIES	26,001,072	26,870,982
SHAREHOLDERS' EQUITY	246,313,022	224,151,493
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 272,314,094	$ 251,022,475

CONSOLIDATED STATEMENT OF OPERATIONS - FIFO BASIS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
SALES	$ 287,138,972	$ 283,483,113
Less: Dealer weekly volume incentives	5,080,210	5,126,151
Sales - Net	282,058,762	278,356,962
COST OF GOODS SOLD	206,699,330	207,036,881
Gross profit	75,359,432	71,320,081
EXPENSES		
Selling	28,924,589	24,840,069
General and administrative	16,330,164	16,414,039
Shipping and warehousing	6,159,906	7,473,058
Employee stock ownership plan contribution	6,000,000	5,000,000
Goodwill amortization expense	848,375	848,375
Total expenses	58,263,034	54,575,541
Income before financing operations	17,096,398	16,744,540
FINANCING OPERATIONS		
Revenues	26,812,489	25,865,411
Other financing income	1,823,551	1,544,284
Total financing income	28,636,040	27,409,695
Expenses	11,947,980	11,076,187
Income from financing operations	16,688,060	16,333,508
Income from operations	33,784,458	33,078,048
OTHER INCOME (EXPENSE)		
Interest expense	(81,057)	(96,281)
Interest income	1,242,794	1,317,267
Unrealized loss on investment	(4,951)	-
Other income - Net	279,863	13,738
Other income - Net	1,436,649	1,234,724
Income before taxes	35,221,107	34,312,772
PROVISION FOR INCOME TAXES	8,622,659	8,505,237
NET INCOME	$ 26,598,448	$ 25,807,535

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY - FIFO BASIS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	* VOTING COMMON STOCK		ADDITIONAL		TOTAL
	SHARES ISSUED	AMOUNT	PAID-IN CAPITAL	RETAINED EARNINGS	SHAREHOLDERS' EQUITY
BALANCE - JANUARY 1, 2024	10,635	106,350	1,644,189	201,002,700	202,753,239
Net income	-	-	-	25,807,535	25,807,535
Dividends paid	-	-	-	(4,409,276)	(4,409,276)
BALANCE - DECEMBER 31, 2024	10,635	106,350	1,644,189	222,400,959	224,151,498
Net income	-	-	-	26,598,448	26,598,448
Dividends paid	-	-	-	(4,436,923)	(4,436,923)
BALANCE - DECEMBER 31, 2025	10,635	$ 106,350	$ 1,644,189	$ 244,562,484	$ 246,313,023

** Common stock, voting, $10 par value, 25,000 shares authorized with 10,635 shares issued and outstanding at December 31, 2025 and 2024.*

Cohen & Co®

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We consent to the inclusion in the Minnesota Franchise Disclosure Document with issuance date of April 1, 2026, of our report, dated March 24, 2026, on our audit of the consolidated financial statements of Cornwell Quality Tools Company and Subsidiary.

Cohen & Company Ltd.

Cleveland, Ohio
April 1, 2026

COHEN & COMPANY, LTD.
Registered with the Public Company Accounting Oversight Board

800.229.1099 | 866.818.4538 FAX | cohenco.com

EXHIBIT B

CORNWELL QUALITY TOOLS COMPANY

20252026

CORNWELL QUALITY TOOLS CORNWELL QUALITY TOOLS

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DEALER FRANCHISE AGREEMENT

EXHIBIT

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~~2025~~2026

DEALER FRANCHISE AGREEMENT

THIS DEALER FRANCHISE AGREEMENT ("Agreement") made this _____ day of _____, 20___, by and between THE CORNWELL QUALITY TOOLS COMPANY of Wadsworth, Ohio ("Cornwell") and [Entity Name, if applicable] _____ and [First Individual Name] _____ of [Residence street address] _____, [City] _____, [State] _____ [Zip] _____, and (if applicable) [Second Individual Name] _____, his or her spouse or person in a similar legal relationship, as individual owners of the franchised dealership if it is an entity and in all events as active partners in the operation of the franchised dealership (individually and/or collectively referred to as "Dealer").

RECITALS

A. Cornwell represents that it is a manufacturer and distributor of various tools and other items of use in the automotive repair business (the "Products").

B. Cornwell desires to grant to the Dealer a franchise to purchase and resell the Products with primary responsibility on Dealer's part to serve the automotive aftermarket in the area defined below (the "Territory") and the Dealer desires to serve in such capacity.

In consideration of the mutual promises set forth, the Dealer and Cornwell agree as follows:

1. Cornwell grants to the Dealer the right, and the Dealer undertakes the obligation, upon the terms set forth in this Agreement, to operate a franchise selling the Products in the Territory described as follows:

See Attached Map

This Agreement shall continue until terminated, as set forth in Paragraphs 13, 14, and 16 below.

2. Cornwell agrees to sell Dealer products in such quantities as Dealer requires and at such prices as Cornwell may determine from time to time. Dealer agrees to use Dealer's best efforts to serve the Territory fully with the sale of Cornwell products. The First Individual named above agrees to use his or her best full-time efforts to operate the dealership.

3. Upon execution or within 30 days of this Agreement, the Dealer agrees to place an order for an initial inventory of Products from Cornwell with a total regular dealer net price of $60,000.00 (the "Starter Inventory"). Cornwell must approve the Starter Inventory order. Cornwell will recommend a list of Products, which would be useful for the Dealer in beginning its operation.

4. a. The Dealer agrees to pay for the Starter Inventory in either of the following ways: (1) by paying Cornwell the full amount of the regular dealer net price of the products ordered in cash upon execution of the Agreement; or (2) upon prior written approval of Cornwell, with a note.

4. b. Unless waived by Cornwell, the Dealer further agrees to deposit $20,000.00, as a reserve with Cornwell, at the time payment is made for the Starter Inventory ("the Reserve"). The Dealer agrees to pay for the Reserve in either of the following ways: (1) by paying Cornwell the full amount of the Reserve in cash upon execution of the Agreement; or (2) upon prior written approval of Cornwell, included with note for the balance.

4. c. The Reserve shall be applied by Cornwell to the Dealer's open account, as a credit against the Dealer's further purchases of inventory, in a weekly amount equal to 65% of the increase in the Dealer's documented Time Payment (TP) Account balance over the previous high TP balance. The Reserve shall be maintained by Cornwell until it is exhausted or this Agreement is terminated, whichever occurs first. If the Reserve is funded with a combination of cash and notes, the cash deposited will be applied first against the further purchases of inventory. The funds remaining in the Reserve shall be refunded if paid in cash or, if borrowed, credited at the Dealer's option to the Dealer's open account or as a voluntary pre-payment under paragraph 1(c) of the Dealer's note, if the Reserve has not been used in full upon the termination of this Agreement. When the Reserve is established, it shall be credited by Cornwell with a lump-sum amount reflecting interest on the cash portion of the Reserve at the then-applicable rate for Cornwell's overnight bank sweep accounts and the assumption that the Reserve will be drawn down evenly over 13 weeks. A lump-sum amount reflecting interest for 13 weeks will be applied to the borrowed portion of the Reserve at the same rate as the Dealer's note. Any unearned interest may be recovered by Cornwell if the Reserve ends with a remaining balance.

4. d. Unless waived by Cornwell, the Dealer further agrees that the Dealer will provide verification to Cornwell, at the time payment is made for the Starter Inventory and Reserve, that as of that date the Dealer has at least an additional $15,000 deposited in usable funds in a business checking account at a financial institution of the Dealer's choice and the Dealer further agrees that the Dealer will only use those funds for the business purposes of the dealership on and after the first day of training on Dealer's route, which may include a reasonable draw for personal living expenses, as agreed upon by Cornwell in advance, while this Agreement is in force.

5. a. Dealer agrees to acquire and/or use in the operation of its franchise a display truck or van which has been approved by Cornwell. Approved trucks and vans must be equipped so that District Managers or others riding with Dealer can sit safely and are protected against injury from objects thrown forward from the rear compartment. Dealer agrees to buy and wear approved Cornwell route wear.

5. b. Dealer agrees to acquire a laptop computer, bar code scanner and credit card signature pad from Cornwell (together, "the Hardware") for use on Dealer's truck. Cornwell will sell the Hardware to Dealer at Cornwell's cost, now approximately $3,500. Cornwell will give Dealer a $1,500 credit on Dealer's open account to offset the Hardware purchase expense. Dealer will also be required to purchase or lease a compatible printer and ~~wireless card~~mobile internet.

5. c. Dealer agrees to obtain and maintain ~~high speed Internet access via a standalone Network Access Device from a mobile wireless broadband carrier, to be able to communicate electronically with Cornwell~~ a commercial-grade, high-bandwidth internet connection sufficient to support all Cornwell business systems, including real-time order entry, payment processing, cloud synchronization, and remote communication. The connection must utilize a dedicated broadband service designed for continuous mobile business use, such as a low Earth orbit satellite broadband service, multi-carrier cellular router, or an equivalent high-throughput solution with latency sufficient for uninterrupted connectivity while operating the mobile store.

5. d. Dealer agrees to acquire licensing from Cornwell for the "Ironman Business Network (IBN)" Software for Cornwell dealers, under a separate License Agreement with Cornwell. Dealer will be required to use the "My Business" function in IBN as directed in order for Dealer and Cornwell to monitor Dealer's business properly. Dealer's franchise may be terminated if Dealer does not supply this data or does not use IBN and hardware obtained from Cornwell, including, but not limited to the "My Business" function.

5. e. Dealer agrees that Cornwell will have independent access to the information that will be generated and stored on Dealer's "Ironman Business Network IBN" computer system. Dealer agrees to maintain written, weekly report summaries of Dealer's sales and then existing Total Inventory and all Accounts each week. Dealer's IBN will automatically store and electronically transmit this information to Cornwell. Dealer agrees to submit data generated by the computer system, including but not limited to the weekly report summaries. Failure to supply this data is a material breach of this Agreement.

6. Dealer agrees to carry the following minimum insurance coverages: commercial business auto liability insurance with limits of $1,000,000; general commercial liability insurance under a comprehensive general liability form that includes coverage for bodily harm, property damage, and product liability policy limits not less than $1,000,000; and cargo insurance with all risk property coverage for full replacement value of Dealer's inventory. Dealer agrees to include Cornwell as "additional insured" on the Dealer's general commercial liability insurance. Dealer agrees to include Cornwell as "loss payee" on the Dealer's cargo insurance policy, to the extent of Cornwell's security interest in Dealer's inventory.

7. Commencing at the end of the first six months after the franchise agreement is signed, the Dealer agrees to maintain average weekly purchases from Cornwell equal to at least 90% of the national average of Cornwell franchise dealers' weekly purchases during the current calendar year. Every week, Cornwell calculates the national average franchise dealer weekly purchase amount during the current year. (Total dealer year to date purchases, divided by the number of weeks to date, then divided by the number of dealers at the end of the week prior to the current week.) Each week, Dealer agrees to maintain average weekly purchases (year to date purchases divided by the number of weeks to date) equal to 90% of Cornwell's national weekly average for franchise dealers.

8. a. Cornwell will make available to the Dealer combined formal and informal training opportunities depending on the individual requirements and background of the Dealer. This training will include a mandatory two (2) weeks in the first month in which the Dealer is in operation, during which a Cornwell District Manager will accompany Dealer on Dealer's route and train Dealer.

8. b. Before Dealer begins selling Cornwell product from Dealer's truck or van, Cornwell will provide Dealer with at least 40 hours of mandatory initial classroom training (New Dealer Training Program) near Cornwell's corporate offices in Wadsworth, Ohio, or at some other location. The First Individual named above, who will primarily operate the dealership, must complete the New Dealer Training Program before operating the dealership. The Second Individual named above is also invited to attend the New Dealer Training Program. The New Dealer Training Program will include but not be limited to classroom instruction on basic business procedures, computer setup, IBN setup, customer relations, product warranty/repair, Email, Cornwell Website and My Business. Dealer must pay the cost of travel, food, lodging and any other incidental costs for the New Dealer Training Program. If the Second Individual named above at any time will primarily operate the dealership, the Second Individual must complete the training set forth above.

9. The First Individual named above agrees to engage full time in the direct operation of the franchised dealership. If the Second Individual named above at any time will primarily operate the dealership, the Second Individual must then adhere to the full-time direct operation obligation set forth above. Dealer agrees to operate only one truck, directly or indirectly, unless Cornwell expressly waives this requirement.

10. Dealer shall display Cornwell Trademarks ("Marks") in the location, style and manner specified by Cornwell. No other trademarks shall be used or employed by Dealer on or in connection with the Cornwell Products except as specified in writing by Cornwell. It is expressly understood and agreed that the Marks shall not be employed as, or included in, the trade name or trade style of Dealer either during the life of this Agreement or subsequently thereto.

Dealer recognizes the validity and Cornwell's exclusive ownership of the Marks. Dealer agrees that it will not do any act or thing, either directly or indirectly, that may in any way impair Cornwell's title and exclusivity. Dealer further agrees that during the continuance of this agreement, or at any time thereafter, it does not have and may not claim any right to use, any right, title, or interest in, and may not register with any Governmental authority any trademark, identical with or similar to the Marks without the prior written consent of Cornwell.

Dealer further acknowledges that nothing in this Agreement, and no use of any of the Marks under the terms of this agreement, shall create in Dealer any right, title or interest in any of the Marks. Dealer shall take such steps and execute such further documents as Cornwell may reasonably request in order to protect Cornwell's complete interest in and ownership of the Marks.

Dealer agrees to notify Cornwell immediately when Dealer learns about an infringement of or challenge to its use of any of Cornwell's Marks. Cornwell will take the action it considers appropriate, with which Dealer agrees to cooperate. While Cornwell is not required to defend Dealer against a claim against its use of the Marks, Cornwell will reimburse Dealer for Dealer's liability and reasonable costs in connection with defending Cornwell's Marks. To receive reimbursement, the Dealer must have notified Cornwell immediately upon learning about the infringement or challenge.

Dealer must modify or discontinue the use of a Mark if Cornwell modifies or discontinues it. In the event of such action by Cornwell, Cornwell will reimburse the Dealer for tangible costs of compliance (for example, changing decals or signs). The Dealer agrees not to directly or indirectly contest Cornwell's right to its Marks, trade secrets or business techniques that are a part of Cornwell's business.

11. The franchise granted by this Agreement is assignable or transferable by Dealer, either voluntarily or by operation of law, only with written consent from Cornwell. Cornwell will not unreasonably withhold its consent. Dealer shall have the right to assign or transfer Dealer's assets, subject to any security interest Cornwell may have in them. Upon the death or disability of a Dealer, Cornwell may authorize a succession of ownership within the Dealer's family when the proposed successor has been previously active in the Dealer's business. Cornwell reserves the right to assign or transfer its rights, duties or obligation under this agreement.

12. If Dealer's customer is the original end-user purchaser of a product manufactured by Cornwell ("Cornwell Hard Line") or of a new Kennedy steel roller cabinet, locker, cart, steel tool chest, or steel canopy for use with a Kennedy cabinet or tool chest ("Kennedy Tool Storage"), then Dealer's customer is entitled to a limited lifetime warranty that the product will be free of defects in material or workmanship under normal use and will conform to the description given them by Cornwell or Kennedy.

This limited lifetime warranty extends only to the repair or replacement of items found by Cornwell or Kennedy upon examination to be defective in material or workmanship and is subject to availability of replacement parts. This limited lifetime warranty covers only parts and materials, not labor, and cannot be assigned by the original end-user purchaser of that product.

This limited lifetime warranty does not cover products that are damaged through any intentional or negligent actions, including but not limited to misuse, mishandling, or modification or to products that reach the ends of their useful lives as a result of normal wear and tear. Misuse and mishandling of Kennedy Tool Storage products include but are not limited to overloading, especially while moving or transporting the item, and to scratching of painted and unpainted tops.

Cornwell and Kennedy are not responsible for any special, punitive, incidental or consequential damages which may arise out of the purchase or use of any Cornwell or Kennedy product. Cornwell's and Kennedy's liability for any breach of warranty shall be limited to the cost of the repair or replacement of the defective items as described above.

THIS WARRANTY IS DEALER'S CUSTOMER'S EXCLUSIVE CORNWELL HARD LINE/KENNEDY TOOL STORAGE WARRANTY AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Cornwell extends the full manufacturer's warranty to Dealer's customers, as the original end-user purchaser of products manufactured by others. No special, punitive, incidental or consequential damages of any kind are recoverable from Cornwell by any person from the use of these products. Further, there is no other warranty extended by Cornwell with respect to these products, including but not limited to warranties of merchantability and fitness for a particular purpose. In order to replace a defective item, it must be returned to Cornwell Quality Tools Company, 454 Corporate Parkway, Wadsworth, Ohio 44281.

THIS WARRANTY IS DEALER'S CUSTOMER'S EXCLUSIVE WARRANTY FROM CORNWELL AS TO PRODUCTS MANUFACTURED BY OTHERS AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES BY CORNWELL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Dealer agrees to extend all of the warranties described in this Paragraph 12 to the Dealer's customers.

13. In the event of default caused by the following (and except as required under applicable laws): (1) breach of promises contained in this Agreement and any other agreement between Dealer and Cornwell, including but not limited to (a) Dealer's failure to pay as agreed for merchandise delivered by Cornwell or (b) to maintain the inventory purchase levels required in Paragraph 7 or (c) to display Cornwell's Marks and to refrain from their misuse or (d) to supply weekly data required in Paragraph 5.e or (e) to maintain full collateralization of any promissory note and security agreement or (f) to use best full-time efforts to serve the Territory fully; (2) Dealer is convicted of a felony; (3) a voluntary or involuntary proceeding is instituted against Dealer in bankruptcy or other similar laws; (4) A Receiver is appointed for the assets of Dealer; or (5) Dealer makes an assignment for the benefit of Dealer's creditors, this Agreement may be declared terminated by Cornwell by notice in writing effective immediately upon receipt.

14. Dealer shall have 30 days to cure default caused by failure to pay as agreed for merchandise delivered and/or failure to maintain the inventory purchase levels required in Paragraph 7 and/or failure to maintain full collateralization of any promissory note and security agreement.

15. Cornwell may agree to waive any default, in its sole discretion, upon such terms as Cornwell determines. Without limiting the foregoing, Cornwell may require Dealer to agree to a modification of the Territory as a condition of waiving Dealer's failure to use best full-time efforts to serve the Territory fully. No action or failure to act on the part of Cornwell shall operate as a waiver or otherwise of the subsequent right to terminate Dealer, unless expressly so stated in writing.

16. Dealer may terminate this Agreement at any time after mailing written notice to Cornwell thirty (30) days before the effective date of such termination. In addition to its rights under Paragraph 13 above, Cornwell may terminate this Agreement at any time five years or more after the date of this Agreement, in the event that Cornwell ceases generally from the business of selling the Products in the State in which the Territory is located. Cornwell shall give at least one (1) year's notice in writing of such termination and shall not offer franchises again to sell the Products in the State for at least five (5) years thereafter.

17. Upon termination of this Agreement for any reason, or upon the death or disability of Dealer, Cornwell will purchase certain merchandise from Dealer or Dealer's estate, at the then prevailing dealer prices, less a 15% restocking charge. New tools will be approved for return only if they are in new and saleable condition, are active items, and have not been discontinued by Cornwell. All returns must be of current design and finish. All tools returned must be in their original individual carton or container. Broken packs of Cornwell or Cornwell-Allied tools will not be accepted for return if the tools are normally sold by Cornwell in factory pack quantities. The following items are **not** subject to return under this program: Tool storage, socket trays, clips and rails, vinyl kit bags, air compressors, lifting equipment, large shop equipment, parts washers, sales administration or truck display aids, welders, battery chargers, and serial numbered test equipment.

Upon termination of the dealership for any reason, all of Dealer's rights pertaining to the trademarks will automatically revert to Cornwell. Upon termination, Dealer must immediately discontinue use of the trademarks and – at Dealer's own sole expense – Dealer must immediately remove all of the trademarks appearing on decals, signs or otherwise, and any terms confusingly similar to them, from Dealer's truck, clothing, business cards, documents and other property. Dealer must also discontinue any use of the trademarks or any reference to them in Dealer's advertising.

Cornwell will apply any or all monies to be paid for assets purchased from a terminated Dealer as may be necessary to discharge terminated Dealer's total indebtedness to Cornwell. Should there be a deficiency in the purchased assets, any balance remaining due to Cornwell will be payable immediately. The term "indebtedness" shall include both matured and unmatured obligations, and upon termination Cornwell may declare all promissory notes held or later acquired by it against Dealer immediately due and payable at any time.

18. This Agreement supersedes all agreements, written or oral, and previous and contemporaneous, to date between Dealer and Cornwell. No modification or amendment of this Agreement shall be effective unless made in writing and signed by a representative of Cornwell and Dealer.

19. Any provision of this agreement at variance with the laws of any State or Territory in which it is or becomes operative, or of the United States shall be deemed modified to conform with such laws and the remaining provisions shall remain in effect.

20. Any claim or controversy in connection with, arising out of, or relating to the Agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s).

Cornwell reserves the right to obtain injunctive or other mandatory relief from the act or omission of any activity prohibited or required by this Agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell.

21. Any notice required to be given under this Agreement or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

22. Dealer shall give Cornwell not less than thirty (30) days' notice of the intention to do business as an entity (for example, corporation, partnership, LLC or LLP), if such an entity is not already a party to this Agreement. Dealer shall not do business as an entity without Cornwell's express written consent, which shall not be unreasonably withheld. All individual parties to this Agreement agree to execute any personal guarantees and other documentation that Cornwell may require as a condition of its consent for Dealer to do business as an entity.

23. 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 RECOGNITION OF WHICH and intending to be legally bound, Cornwell and the person or persons identified as Dealer above have signed duplicate copies of this Agreement on the dates stated below at Wadsworth, Ohio and _____, _____.

_____
NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

_____ _____
FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT FIRST INDIVIDUAL DEALER NAME

_____ _____
SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 ____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By:

_____
CORNWELL (Corporate Officer)

EXHIBIT B-1

ADDENDUM TO DEALER FRANCHISE AGREEMENT (SECOND FRANCHISE)

This addendum to Dealer Franchise Agreement ("Addendum") is made this ____ day of _____, 20___, by and between THE CORNWELL QUALITY TOOLS COMPANY of Wadsworth, Ohio ("Cornwell") and [Entity Name, if applicable] _____ and [First Individual Name] _____ of [Residence street address] _____, [City] _____, [State] _____, [Zip] _____, and (if applicable) [Second Individual Name] _____, his or her spouse or person in a similar legal relationship, as individual owners of the franchised dealership if it is an entity and in all events as active partners in the operation of the franchised dealership (individually and/or collectively referred to as "Dealer").

RECITALS

A. Cornwell and Dealer entered into a Dealer Franchise Agreement on _____ ("the Existing Agreement"), which established a Cornwell franchise ("the Existing Franchise").

B. At Dealer's request, Cornwell will grant Dealer a second franchise ("the Second Franchise"), ~~in whole or in part located within the geographic territory of the Existing Franchise~~.

In consideration of the mutual promises set forth in this Addendum, Dealer and Cornwell agree to amend the Existing Agreement as follows:

1. Cornwell and Dealer will enter into two new agreements, one to replace the Existing Agreement and one for the Second Franchise ("the New Agreements"). The forms of the New Agreements are attached.

2. Dealer agrees to the following, which shall be considered to be incorporated into the New Agreements:

a. Dealer's Cornwell purchase average must have been at least 150% of the national purchase average during all of at least the 12 months before seeking approval of a Second Franchise.

b. Dealer must be and remain "full equity," which means that Dealer has no outstanding loan from Cornwell or any other lender who takes a security interest in the assets of the Franchise. Approval will be denied or withdrawn if any other lender takes a security interest in the assets of the Franchise.

c. The Second Franchise must be "full equity," which means that investment for the Second Franchise cannot be made with funds borrowed from Cornwell or any other lender who takes a security interest in the assets of the Franchise. Approval will be denied or withdrawn if any other lender takes a security interest in the assets of the Second Franchise.

EXHIBIT
tabbies
B-1

d. Both Dealer's existing territory and the proposed Second Franchise territory must be surveyed by Cornwell in accordance with Cornwell policies in effect at the time. If there is area in the existing franchisee's territory that is not being served, Cornwell may require that area to be released and included in the Second Franchise territory or released to be included in a future dealer's territory.

e. Dealer must be in good standing with, but not limited to, wholesale credit and tech credit and the original franchise and the Second Franchise must remain that way.

f. If any person who will operate the Second Franchise is not already a dealer (an existing first dealer or second dealer), that person must be approved by Cornwell and must complete New Dealer Training (as must a second dealer who will operate the Second Franchise and did not previously complete New Dealer Training).

g. All of the requirements for a new franchise must be met, including but not limited to the purchase of an Initial Inventory Amount, Time Payment Reserve, Working Capital and truck approval.

h. Both the existing Franchise and the Second Franchise must use IBN.

i. The territory of the Second Franchise must be fully served without interruption of more than 60 consecutive days, or the Second Franchise will be deemed abandoned and terminated.

j. Both the existing Franchise and the Second Franchise must always meet all Cornwell requirements.

k. The existing Franchise must maintain at least 100% of the national purchase average. The Second Franchise must maintain at least 100% of the national purchase average commencing six months after the Second Franchise begins operation.

l. If the existing Franchise is terminated, the Second Franchise will be terminated as well.

IN WITNESS WHEREOF, Cornwell and Dealer have set their hands to duplicates hereof at Wadsworth, Ohio, on the day and year first above written.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By: _____
CORNWELL (Corporate Officer)

EXHIBIT B-2

~~2025~~2026

CORNWELL QUALITY TOOLS CORNWELL QUALITY TOOLS

~~2025~~ 2026 FRANCHISE DEVELOPER DEALER FRANCHISE AGREEMENT

THIS FRANCHISE DEVELOPER DEALER FRANCHISE AGREEMENT ("Agreement") made this _____ day of _____, 20___, by and between THE CORNWELL QUALITY TOOLS COMPANY of Wadsworth, Ohio ("Cornwell") and [Entity Name, if applicable] _____ and [First Individual Name] _____ of [Residence street address] _____, [City] _____, [State] _____ [Zip] _____, and (if applicable) [Second Individual Name] _____, his or her spouse or person in a similar legal relationship, as individual owners of the franchised dealership if it is an entity and in all events as active partners in the operation of the franchised dealership (individually and/or collectively referred to as "Dealer").

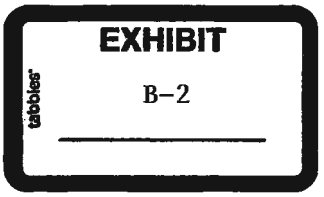
RECITALS

A. Cornwell represents that it is a manufacturer and distributor of various tools and other items of use in the automotive repair business (the "Products").

B. Cornwell desires to grant to the Dealer a franchise to purchase and resell the Products with primary responsibility on Dealer's part to serve the automotive aftermarket in the area defined below (the "Territory") and the Dealer desires to serve in such capacity.

C. Cornwell further desires to grant the Dealer status as a Franchise Developer, under which status the Dealer can receive free inventory in return for maintaining higher purchase levels for an extended time and/or recruiting additional dealers to Cornwell and the Dealer desires such status.

In consideration of the mutual promises set forth, the Dealer and Cornwell agree as follows:



1. Cornwell grants to the Dealer the right, and the Dealer undertakes the obligation, upon the terms set forth in this Agreement, to operate a franchise selling the Products in the Territory described as follows:

See Attached Map

This Agreement shall continue until terminated, as set forth in Paragraphs 13, 14 and 16 below.

2. Cornwell agrees to sell Dealer products in such quantities as Dealer requires and at such prices as Cornwell may determine from time to time. Dealer agrees to use Dealer's best efforts to serve the Territory fully with the sale of Cornwell products. The First Individual named above agrees to use his or her best full-time efforts to operate the dealership.

3. Upon execution or within 30 days of this Agreement, the Dealer agrees to place an order for an initial inventory of Products from Cornwell with a total regular dealer net price of **$60,000** (the "Starter Inventory"). Cornwell must approve the Starter Inventory order. Cornwell will recommend a list of Products, which would be useful for the Dealer in beginning its operation.

4. (i) The Dealer agrees to pay for the Starter Inventory by giving Cornwell a promissory note and security agreement ("the Note") in the amount of $60,000, payable in full without interest in 36 months by weekly payments. If certain purchase or recruiting requirements are met as set forth in this Agreement and the Note, annual granting of credits of $20,000 per year for 3 years will be applied to the Dealer's open account.

(ii) Unless waived by Cornwell, the Dealer further agrees to deposit $20,000, as a reserve with Cornwell, at the time payment is made for the Starter Inventory ("the Reserve"). The Dealer agrees to pay for the Reserve in either of the following ways: (1) by paying Cornwell the full amount of the Reserve in cash upon execution of the Agreement; or (2) upon prior written approval of Cornwell, included with the Note for the balance.

(iii) The Reserve shall be applied by Cornwell to the Dealer's open account, as a credit against the Dealer's further purchases of inventory, in a weekly amount equal to 65% of the increase in the Dealer's documented Time Payment (TP) Account balance over the previous high TP balance. The Reserve shall be maintained by Cornwell until it is exhausted or this Agreement is terminated, whichever occurs first. If the Reserve is funded with a combination of cash and notes, the cash deposited will be applied first against the further purchases of inventory. The funds remaining in the Reserve shall be refunded if paid in cash or, if borrowed, credited at the Dealer's option to the Dealer's open account, if the Reserve has not been used in full upon the termination of this Agreement. When the Reserve is established, it shall be credited by Cornwell with a lump-sum amount reflecting

interest on the cash portion of the Reserve at the then-applicable rate for Cornwell's overnight bank sweep accounts and the assumption that the Reserve will be drawn down evenly over 13 weeks. A lump-sum amount reflecting interest for 13 weeks will be applied to the borrowed portion of the Reserve at the same rate as the Dealer's note. Any unearned interest may be recovered by Cornwell if the Reserve ends with a remaining balance.

(iv) Unless waived by Cornwell, the Dealer further agrees that the Dealer will provide verification to Cornwell, at the time payment is made for the Starter Inventory and Reserve, that as of that date the Dealer has at least an additional $15,000 deposited in usable funds in a business checking account at a financial institution of the Dealer's choice and the Dealer further agrees that the Dealer will only use those funds for the business purposes of the dealership on and after the first day of training on Dealer's route, which may include a reasonable draw for personal living expenses, as agreed upon by Cornwell in advance, while this Agreement is in force.

4a. Franchise Developer Requirements and Benefits.

To remain a Franchise Developer and to enjoy the benefits set forth below, in addition to the interest-free Note described above, the Dealer must meet the requirements below. To the extent the requirements of this paragraph 4a conflict with other provisions of this agreement, the requirements of this paragraph shall prevail.

A. Dealer must (1) Remain a Cornwell Dealer with average purchases of not less than $~~7,700~~7,780 per week for at least 36 months from the date that Dealer first makes sales ("Start Date") or (2) Introduce at least 3 new dealers to Cornwell within 36 months of the Start Date. Dealer's status as a Franchise Developer will be reviewed every 52 weeks. If Dealer both fails to satisfy the average purchase requirement and has not introduced a new dealer during the preceding 52 weeks, Dealer's status as a Franchise Developer may be terminated by Cornwell.

B. "Introduction" of new dealers for the purpose of Franchise Developer status means that such new dealers enter into Dealer Franchise Agreements, purchase Starter Inventories and remain Cornwell Dealers for a minimum of 6 months each.

C. Dealer shall qualify for all Cornwell programs, except recruitment incentives for the Dealer himself or for three new dealers.

D. Dealer will qualify immediately for all Tech-Credit programs and for volume discounts for purchases as of the first week of business, not including the Starter Inventory.

E. Dealer must use the IBN program, including My Business and must submit standard weekly reports to the District Sales Manager and to Cornwell's Wadsworth office.

F. Dealer must maintain an inventory of at least **$60,000** net value and must use the perpetual inventory function on IBN. Dealer's inventory level will be inspected at least quarterly by the District Sales Manager and the Dealer will perform a physical inventory at least once a year, or more frequently as Cornwell may reasonably request.

G. Dealer must pay Dealer's trade account with Cornwell in accordance with Cornwell's policies and procedures, must make the required weekly payments on the Note and must otherwise comply with the terms of this Agreement, the Note, all other agreements between Cornwell and Dealer and Cornwell's other policies and procedures.

H. Following each of the first, three 52-week period after payments have commenced on the Note, if Dealer has complied with the requirements of this Agreement and the Note during that period, Cornwell will then issue an open account credit to Dealer , to be used only for the purchase of additional inventory, of $20,000.

I. If during the first 104 weeks after the loan payments commence Dealer has maintained a purchase average of at least ~~$8,400~~8,480 per week (not including the Starter Inventory), Cornwell will then issue a further open account credit to Dealer of $10,000 to be used only for the purchase of additional inventory.

J. If during the first 156 weeks after the loan payments commence Dealer has maintained a purchase average of at least ~~$8,400~~8,480 per week (not including the Starter Inventory or additional inventory purchased with the credit described in subparagraph H above), Cornwell will then issue a further open account credit to Dealer of $15,000 to be used only for the purchase of additional inventory.

5. a. Dealer agrees to acquire and/or use in the operation of its franchise a display truck or van which has been approved by Cornwell. Approved trucks and vans must be equipped so that District Managers or others riding with Dealer can sit safely and are protected against injury from objects thrown forward from the rear compartment. Dealer agrees to buy and wear approved Cornwell route wear.

5. b. Dealer agrees to acquire a laptop computer, bar code scanner and credit card signature pad from Cornwell (together, "the Hardware") for use on Dealer's truck. Cornwell will sell the Hardware to Dealer at Cornwell's cost, now approximately $3,500. Cornwell will give Dealer a $1,500 credit on Dealer's open account to offset the Hardware purchase expense. Dealer will also be required to purchase or lease a compatible printer and ~~wireless card~~mobile internet.

5. c. Dealer agrees to obtain and maintain ~~high speed Internet access via a standalone Network Access Device from a mobile wireless broadband carrier, to be able to communicate electronically with Cornwell~~ a commercial-grade, high-bandwidth internet connection sufficient to support all Cornwell business systems, including real-time order entry, payment processing, cloud synchronization, and remote communication. The connection must utilize a dedicated broadband service

designed for continuous mobile business use, such as a low Earth orbit satellite broadband service, multi-carrier cellular router, or an equivalent high-throughput solution with latency sufficient for uninterrupted connectivity while operating the mobile store.

5. d. Dealer agrees to acquire licensing from Cornwell for the "Ironman Business Network (IBN)" Software for Cornwell dealers, under a separate License Agreement with Cornwell. Dealer will be required to use the "My Business" function in IBN as directed in order for Dealer and Cornwell to monitor Dealer's business properly. Dealer's franchise may be terminated if Dealer does not supply required data or if Dealer does not use IBN and hardware obtained from Cornwell, including, but not limited to the "My Business" function, and does not do so.

5. e. Dealer agrees that Cornwell will have independent access to the information that will be generated and stored on Dealer's "Ironman Business Network IBN" computer system. Dealer agrees to maintain written, weekly report summaries of Dealer's sales and then existing Total Inventory and all Accounts each week. Dealer's IBN will automatically store and electronically transmit this information to Cornwell. Dealer agrees to submit data generated by the computer system, including but not limited to the weekly report summaries. Failure to supply this data is a material breach of this Agreement.

6. Dealer agrees to carry the following minimum insurance coverage: commercial business auto liability insurance with limits of $1,000,000; general commercial liability insurance under a comprehensive general liability form that includes coverage for bodily harm, property damage, and product liability policy limits not less than $1,000,000; and cargo insurance with all risk property coverage for full replacement value of Dealer's inventory. Dealer agrees to include Cornwell as "additional insured" on the Dealer's general commercial liability insurance. Dealer agrees to include Cornwell as "loss payee" on the Dealer's cargo insurance policy, to the extent of Cornwell's security interest in Dealer's inventory.

7. Commencing after the fulfillment of the requirements of paragraphs 4a, (A) and (B), the Dealer agrees to maintain average weekly purchases from Cornwell equal to at least 90% of the national average of Cornwell franchise dealers' weekly purchases during the current calendar year. Every week, Cornwell calculates the national average franchise dealer weekly purchase amount during the current year. (Total dealer year to date purchases, divided by the number of weeks to date, then divided by the number of dealers at the end of the week prior to the current week.) Each week, Dealer agrees to maintain average weekly purchases (year to date purchases divided by the number of weeks to date) equal to 90% of Cornwell's national weekly average for franchise dealers.

8. a. Cornwell will make available to the Dealer combined formal and informal training opportunities depending on the individual requirements and background of the Dealer. This training will include a mandatory two (2) weeks in the first month in which the Dealer is in operation, during which a Cornwell District Manager will accompany Dealer on Dealer's route and train Dealer. The Dealer

must participate in the initial training offered by the District Manager. Such training will not be waived, regardless of Dealer's previous level of experience, so that Dealer will be fully acquainted with Cornwell's practices and procedures in recruiting new dealers.

8. b. Before Dealer begins selling Cornwell product from Dealer's truck or van, Cornwell will provide Dealer with at least 40 hours of mandatory initial classroom training (New Dealer Training Program) near Cornwell's corporate offices in Wadsworth, Ohio, or at some other location. The First Individual named above, who will primarily operate the dealership, must complete the New Dealer Training Program before operating the dealership. The Second Individual named above is also invited to attend the New Dealer Training Program. The New Dealer Training Program will include classroom instruction on basic business procedures, computer setup, IBN setup, customer relations, products warranty/repair, Email, Cornwell Website and My Business. Dealer must pay the cost of travel, food, lodging and any other incidental costs for the New Dealer Training Program. If the Second Individual named above at any time will primarily operate the dealership, the Second Individual must complete the training set forth above.

9. The First Individual named above agrees to engage full time in the direct operation of the franchised dealership. If the Second Individual named above at any time will primarily operate the dealership, the Second Individual must then adhere to the full-time direct operation obligation set forth above. Dealer agrees to operate only one truck, directly or indirectly, unless Cornwell expressly waives this requirement.

10. Dealer shall display Cornwell Trademarks ("Marks") in the location, style and manner specified by Cornwell. No other trademarks shall be used or employed by Dealer on or in connection with the Cornwell Products except as specified in writing by Cornwell. It is expressly understood and agreed that the Marks shall not be employed as, or included in, the trade name or trade style of Dealer either during the life of this Agreement or subsequently thereto.

Dealer recognizes the validity and Cornwell's exclusive ownership of the Marks. Dealer agrees that it will not do any act or thing, either directly or indirectly, that may in any way impair Cornwell's title and exclusivity. Dealer further agrees that during the continuance of this agreement, or at any time thereafter, it does not have and may not claim any right to use, any right, title, or interest in, and may not register with any Governmental authority any trademark, identical with or similar to the Marks without the prior written consent of Cornwell.

Dealer further acknowledges that nothing in this Agreement, and no use of any of the Marks under the terms of this agreement, shall create in Dealer any right, title or interest in any of the Marks. Dealer shall take such steps and execute such further documents as Cornwell may reasonably request in order to protect Cornwell's complete interest in and ownership of the Marks.

Dealer agrees to notify Cornwell immediately when Dealer learns about an infringement of or challenge to its use of any of Cornwell's trademark. Cornwell will take the action it considers appropriate, with which Dealer agrees to cooperate. While Cornwell is not required to defend Dealer against a claim against its use of the Marks, Cornwell will reimburse Dealer for Dealer's liability and reasonable costs in connection with defending Cornwell's Marks. To receive reimbursement, the Dealer must have notified Cornwell immediately upon learning about the infringement or challenge.

Dealer must modify or discontinue the use of a Mark if Cornwell modifies or discontinues it. In the event of such action by Cornwell, Cornwell will reimburse the Dealer for tangible costs of compliance (for example, changing decals or signs). The Dealer agrees not to directly or indirectly contest Cornwell's right to its Marks, trade secrets or business techniques that are a part of Cornwell's business.

11. The franchise granted by this Agreement is assignable or transferable by Dealer, either voluntarily or by operation of law, only with written consent from Cornwell. Cornwell will not unreasonably withhold its consent. Dealer shall have the right to assign or transfer Dealer's assets, subject to any security interest Cornwell may have in them. Upon the death or disability of a Dealer, Cornwell may authorize a succession of ownership within the Dealer's family when the proposed successor has been previously active in the Dealer's business. Cornwell reserves the right to assign or transfer its rights, duties or obligations under this Agreement.

12. If Dealer's customer is the original end-user purchaser of a product manufactured by Cornwell ("Cornwell Hard Line") or of a new Kennedy steel roller cabinet, locker, cart, steel tool chest, or steel canopy for use with a Kennedy cabinet or tool chest ("Kennedy Tool Storage"), then Dealer's customer is entitled to a limited lifetime warranty that the product will be free of defects in material or workmanship under normal use and will conform to the description given them by Cornwell or Kennedy.

This limited lifetime warranty extends only to the repair or replacement of items found by Cornwell or Kennedy upon examination to be defective in material or workmanship and is subject to availability of replacement parts. This limited lifetime warranty covers only parts and materials, not labor, and cannot be assigned by the original end-user purchaser of that product.

This limited lifetime warranty does not cover products that are damaged through any intentional or negligent actions, including but not limited to misuse, mishandling, or modification or to products that reach the ends of their useful lives as a result of normal wear and tear. Misuse and mishandling of Kennedy Tool Storage products include but are not limited to overloading, especially while moving or transporting the item, and to scratching of painted and unpainted tops.

Cornwell and Kennedy are not responsible for any special, punitive, incidental or consequential damages which may arise out of the purchase or use of any Cornwell or Kennedy product. Cornwell's and Kennedy's liability for any

breach of warranty shall be limited to the cost of the repair or replacement of the defective items as described above.

THIS WARRANTY IS DEALER'S CUSTOMER'S EXCLUSIVE CORNWELL HARD LINE/KENNEDY TOOL STORAGE WARRANTY AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Cornwell extends the full manufacturer's warranty to Dealer's customers, as the original end-user purchaser of products manufactured by others. No special, punitive, incidental or consequential damages of any kind are recoverable from Cornwell by any person from the use of these products. Further, there is no other warranty extended by Cornwell with respect to these products, including but not limited to warranties of merchantability and fitness for a particular purpose. In order to replace a defective item, it must be returned to Cornwell Quality Tools Company, 454 Corporate Parkway, Wadsworth, Ohio 44281.

THIS WARRANTY IS DEALER'S CUSTOMER'S EXCLUSIVE WARRANTY FROM CORNWELL AS TO PRODUCTS MANUFACTURED BY OTHERS AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES BY CORNWELL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Dealer agrees to extend ~~-~~all of the warranties described in this Paragraph 12 to the Dealer's customers.

13. In the event of default caused by the following (and except as required under applicable laws): (1) breach of promises contained in this Agreement and any other agreement between Dealer and Cornwell, including but not limited to (a) Dealer's failure to pay as agreed for merchandise delivered by Cornwell or (b) to maintain the inventory purchase levels required in Paragraph 7 or (c) to display Cornwell's Marks and to refrain from their misuse or (d) to supply weekly data required in Paragraph 5.e or (e) to maintain full collateralization of any promissory note and security agreement or (f) to use best full-time efforts to serve the Territory fully; (2) Dealer is convicted of a felony; (3) a voluntary or involuntary proceeding is instituted against Dealer in bankruptcy or other similar laws; (4) A Receiver is appointed for the assets of Dealer; or (5) Dealer makes an assignment for the benefit of Dealer's creditors, this Agreement may be declared terminated by Cornwell by notice in writing effective immediately upon receipt.

14. Dealer shall have 30 days to cure default caused by failure to pay as agreed for merchandise delivered and/or failure to maintain the inventory purchase levels required in Paragraph 7 and/or failure to maintain full collateralization of any promissory note and security agreement.

15. Cornwell may agree to waive any default, in its sole discretion, upon such terms as Cornwell determines. Without limiting the foregoing, Cornwell may require Dealer to agree to a modification of the Territory as a condition of waiving Dealer's failure to use best full-time efforts to serve the Territory fully. No action or failure to act on the part of Cornwell shall operate as a waiver or otherwise of the subsequent right to terminate Dealer, unless expressly so stated in writing.

16. Dealer may terminate this Agreement at any time after mailing written notice to Cornwell thirty (30) days before the effective date of such termination. In addition to its rights under Paragraph 13 above, Cornwell may terminate this Agreement at any time five years or more after the date of this Agreement, in the event that Cornwell ceases generally from the business of selling the Products in the State in which the Territory is located. Cornwell shall give at least one (1) year's notice in writing of such termination and shall not offer franchises again to sell the Products in the State for at least five (5) years thereafter.

17. Upon termination of this Agreement for any reason, or upon the death or disability of Dealer, Cornwell will purchase certain merchandise from Dealer or Dealer's estate, at the then prevailing dealer prices, less a 15% restocking charge. New tools will be approved for return only if they are in new and saleable condition, are active items, and have not been discontinued by Cornwell. All returns must be of current design and finish. All tools returned must be in their original individual carton or container. Broken packs of Cornwell or Cornwell-Allied tools will not be accepted for return if the tools are normally sold by Cornwell in factory pack quantities. The following items are **not** subject to return under this program: Tool storage, socket trays, clips and rails, vinyl kit bags, air compressors, lifting equipment, large shop equipment, parts washers, sales administration or truck display aids, welders, battery chargers, and serial numbered test equipment.

Upon termination of the dealership for any reason, all of Dealer's rights pertaining to the trademarks will automatically revert to Cornwell. Upon termination, Dealer must immediately discontinue use of the trademarks and – at Dealer's own sole expense –Dealer must immediately remove all of the trademarks appearing on decals, signs or otherwise, and any terms confusingly similar to them, from Dealer's truck, clothing, business cards, documents and other property. Dealer must also discontinue any use of the trademarks or any reference to them in Dealer's advertising.

Cornwell will apply any or all monies to be paid for assets purchased from a terminated Dealer as may be necessary to discharge terminated Dealer's total indebtedness to Cornwell. Should there be a deficiency in the purchased assets, any balance remaining due to Cornwell will be payable immediately. The term "indebtedness" shall include both matured and unmatured obligations, and upon termination, Cornwell may declare all promissory notes held or later acquired by it against Dealer immediately due and payable at any time.

18. This Agreement supersedes all agreements, written or oral, and previous and contemporaneous, to date between Dealer and Cornwell. No modification or amendment of this Agreement shall be effective unless made in writing and signed by a representative of Cornwell and Dealer.

19. Any provision of this agreement at variance with the laws of any State or Territory in which it is or becomes operative, or of the United States shall be deemed modified to conform with such laws and the remaining provisions shall remain in effect.

20. Any claim or controversy in connection with, arising out of, or relating to the Agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s).

Cornwell reserves the right to obtain injunctive or other mandatory relief from the act or omission of any activity prohibited or required by this Agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell.

21. Any notice required to be given under this Agreement, or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

22. Dealer shall give Cornwell not less than thirty (30) days' notice of the intention to do business as an entity (for example, corporation, partnership, LLC or LLP), if such an entity is not already a party to this Agreement. Dealer shall not do business as an entity without Cornwell's express written consent, which shall not be unreasonably withheld. All individual parties to this Agreement agree to execute any personal guarantees and other documentation that Cornwell may require as a condition of its consent for Dealer to do business as an entity.

23. 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 RECOGNITION OF WHICH and intending to be legally bound, Cornwell and the person or persons identified as Dealer above have signed duplicate copies of this Agreement on the dates stated below at Wadsworth, Ohio and _____, _____.

_____
NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

_____ _____
FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT FIRST INDIVIDUAL DEALER NAME

_____ _____
SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By: _____
CORNWELL (Corporate Officer)

EXHIBIT B-3

20252026

CORNWELL QUALITY TOOLS CORNWELL QUALITY TOOLS

~~2025~~ 2026 SPECIAL REPRESENTATIVE DEALER FRANCHISE AGREEMENT

THIS SPECIAL REPRESENTATIVE DEALER FRANCHISE AGREEMENT ("Agreement") made this _____ day of _____, 20___, by and between THE CORNWELL QUALITY TOOLS COMPANY of Wadsworth, Ohio ("Cornwell") and [Entity Name, if applicable] _____ and [First Individual Name] _____ of [Residence street address] _____, [City] _____, [State] _____ [Zip] _____, and (if applicable) [Second Individual Name] _____, his or her spouse or person in a similar legal relationship, as individual owners of the franchised dealership if it is an entity and in all events as active partners in the operation of the franchised dealership (individually and/or collectively referred to as "Dealer").

RECITALS

A. Cornwell represents that it is a manufacturer and distributor of various tools and other items of use in the automotive repair business (the "Products").

B. Cornwell desires to grant to the Dealer a franchise to purchase and resell the Products with primary responsibility on Dealer's part to serve the automotive aftermarket in the area defined below (the "Territory") and the Dealer desires to serve in such capacity.

C. Cornwell further desires to grant the Dealer status as a Special Representative, under which status the Dealer can receive free inventory in return for maintaining higher purchase levels for an extended time and/or recruiting additional dealers to Cornwell and the Dealer desires such status.

In consideration of the mutual promises set forth, the Dealer and Cornwell agree as follows:

1. Cornwell grants to the Dealer the right, and the Dealer undertakes the obligation, upon the terms set forth in this Agreement, to operate a franchise selling the Products in the Territory described as follows:

EXHIBIT
B-3

See Attached Map

This Agreement shall continue until terminated, as set forth in Paragraphs 13, 14 and 16 below.

2. Cornwell agrees to sell Dealer products in such quantities as Dealer requires and at such prices as Cornwell may determine from time to time. Dealer agrees to use Dealer's best efforts to serve the Territory fully with the sale of Cornwell products. The First Individual named above agrees to use his or her best full-time efforts to operate the dealership.

3. Upon execution or within 30 days of this Agreement, the Dealer agrees to place an order for an initial inventory of Products from Cornwell with a total regular dealer net price of **$65,000** (the "Starter Inventory"). Cornwell must approve the Starter Inventory order. Cornwell will recommend a list of Products, which would be useful for the Dealer in beginning its operation.

4. (i) The Dealer agrees to pay for the Starter Inventory by giving Cornwell a promissory note and security agreement ("the Note") in the amount of $65,000, payable in full without interest in 36 months by weekly payments. If certain purchase or recruiting requirements are met as set forth in this Agreement and the Note, annual granting of credits of $20,000 the first and second years and $25,000 the third year will be applied annually to the Dealer's open account.

(ii) Unless waived by Cornwell, the Dealer further agrees to deposit $20,000, as a reserve with Cornwell, at the time payment is made for the Starter Inventory ("the Reserve"). The Dealer agrees to pay for the Reserve in cash upon execution of the Agreement, unless Cornwell agrees to finance the Reserve.

(iii) The Reserve shall be applied by Cornwell to the Dealer's open account, as a credit against the Dealer's further purchases of inventory, in a weekly amount equal to 65% of the increase in the Dealer's documented Time Payment (TP) Account balance over the previous high TP balance. The Reserve shall be maintained by Cornwell until it is exhausted or this Agreement is terminated, whichever occurs first. If the Reserve is funded with a combination of cash and notes, the cash deposited will be applied first against the further purchases of inventory. The funds remaining in the Reserve shall be refunded if paid in cash or, if borrowed, credited at the Dealer's option to the Dealer's open account, if the Reserve has not been used in full upon the termination of this Agreement. When the Reserve is established, it shall be credited by Cornwell with a lump-sum amount reflecting interest on the cash portion of the Reserve at the then-applicable rate for Cornwell's overnight bank sweep accounts and the assumption that the Reserve will be drawn down evenly over 13 weeks. A lump-sum amount reflecting interest for 13 weeks will

be applied to the borrowed portion of the Reserve at the same rate as the Dealer's note. Any unearned interest may be recovered by Cornwell if the Reserve ends with a remaining balance.

(iv) Unless waived by Cornwell, the Dealer further agrees that the Dealer will provide verification to Cornwell, at the time payment is made for the Starter Inventory and Reserve, that as of that date the Dealer has at least an additional $15,000 deposited in usable funds in a business checking account at a financial institution of the Dealer's choice and the Dealer further agrees that the Dealer will only use those funds for the business purposes of the dealership on and after the first day of training on Dealer's route, which may include a reasonable draw for personal living expenses, as agreed upon by Cornwell in advance, while this Agreement is in force.

4a. Special Representative Requirements and Benefits.

To remain a Special Representative and to enjoy the benefits set forth below, in addition to the interest-free Note described above, the Dealer must meet the requirements below. To the extent the requirements of this paragraph 4a conflict with other provisions of this agreement, the requirements of this paragraph shall prevail.

A. Dealer must (1) Remain a Cornwell Dealer with average purchases of not less than ~~$7,700~~7,780 per week for at least 36 months from the date that Dealer first makes sales ("Start Date") or (2) Introduce at least 3 new dealers to Cornwell within 36 months of the Start Date. Dealer's status as a Special Representative will be reviewed every 52 weeks. If Dealer both fails to satisfy the average purchase requirement and has not introduced a new dealer during the preceding 52 weeks, Dealer's status as a Special Representative may be terminated by Cornwell.

B. "Introduction" of new dealers for the purpose of Special Representative status means that such new dealers enter into Dealer Franchise Agreements, purchase Starter Inventories and remain Cornwell Dealers for a minimum of 6 months each.

C. Dealer warrants and at Cornwell's request shall document that immediately prior to joining Cornwell, Dealer was an active Dealer with a major mobile tool company (Snap-On, Mac Tools, or Matco), with substantially similar responsibilities to those of a Cornwell Special Representative and that Dealer had maintained a minimum sales average of $9,000 per week for at least the preceding 12 months.

D. Dealer will be paid Twenty-Five Hundred Dollars ($2,500.00) upon execution of this agreement, which will be applied as a credit to the open account, to pay the cost of a conversion package. At Cornwell's request, Dealer shall document the use of the conversion funds and shall promptly repay any unused funds.

E. Dealer shall qualify for all Cornwell programs, except recruitment incentives for the Dealer himself or for three new dealers.

F. Dealer will qualify immediately for all Tech-Credit programs and for volume discounts for purchases as of the first week of business, not including the Starter Inventory.

G. Dealer must use the IBN program, including My Business, and must submit standard weekly reports to the District Sales Manager and to Cornwell's Wadsworth office.

H. Dealer must maintain an inventory of at least **$65,000** net value and must use the perpetual inventory function on IBN. Dealer's inventory level will be inspected at least quarterly by the District Sales Manager and the Dealer will perform a physical inventory at least once a year, or more frequently as Cornwell may reasonably request.

I. Dealer must pay Dealer's trade account with Cornwell in accordance with Cornwell's policies and procedures, must make the required weekly payments on the Note and must otherwise comply with the terms of this Agreement, the Note, all other agreements between Cornwell and Dealer and Cornwell's other policies and procedures.

J. ~~——~~Following the each of the first three 52-week periods after the commencement of payments, if Dealer has complied with the requirements of this Agreement and the Note during that period, Cornwell will then issue an open account credit to Dealer to be used only for the purchase of additional inventory. The credit at the end of the first and second years will be $20,000. Following the third 52-week period after payments have commenced, if ~~you have~~Dealer has complied with the requirements of this Agreement and the Note during that period, Cornwell will issue an open account credit to ~~you~~ Dealer of $25,000, to be used only for the purchase of additional inventory.

K. If during the first 104 weeks after the loan payments commence Dealer has maintained a purchase average of at least $~~8,400~~8,480 per week (not including the Starter Inventory), Cornwell will then issue a further open account credit to Dealer of $10,000 to be used only for the purchase of additional inventory.

L. If during the first 156 weeks after the loan payments commence Dealer has maintained a purchase average of at least $~~8,400~~8,480 per week (not including the Starter Inventory or additional inventory purchased with the credit described in subparagraph J above), Cornwell will then issue a further open account credit to Dealer of $15,000 to be used only for the purchase of additional inventory.

5. a. Dealer agrees to acquire and/or use in the operation of its franchise a display truck or van which has been approved by Cornwell. Approved trucks and vans must be equipped so that District Managers or others riding with Dealer can sit

safely and are protected against injury from objects thrown forward from the rear compartment. Dealer agrees to buy and wear approved Cornwell route wear.

5. b. Dealer agrees to acquire a laptop computer, bar code scanner and credit card signature pad from Cornwell (together, "the Hardware") for use on Dealer's truck. Cornwell will sell the Hardware to Dealer at Cornwell's cost, now approximately $3,500. Cornwell will give Dealer a $1,500 credit on Dealer's open account to offset the Hardware purchase expense. Dealer will also be required to purchase or lease a compatible printer and ~~wireless card~~mobile internet.

5. c. Dealer agrees to obtain and maintain ~~high speed Internet access via a standalone Network Access Device from a mobile wireless broadband carrier, to be able to communicate electronically with Cornwell~~ a commercial-grade, high-bandwidth internet connection sufficient to support all Cornwell business systems, including real-time order entry, payment processing, cloud synchronization, and remote communication. The connection must utilize a dedicated broadband service designed for continuous mobile business use, such as a low Earth orbit satellite broadband service, multi-carrier cellular router, or an equivalent high-throughput solution with latency sufficient for uninterrupted connectivity while operating the mobile store.

5. d. Dealer agrees to acquire licensing from Cornwell for the "Ironman Business Network (IBN)" Software for Cornwell dealers, under a separate License Agreement with Cornwell. Dealer will be required to use the "My Business" function in IBN as directed in order for Dealer and Cornwell to monitor Dealer's business properly. Dealer's franchise may be terminated if Dealer does not supply required data or if Dealer does not use IBN and hardware obtained from Cornwell, including, but not limited to the "My Business" function.

5. e. Dealer agrees that Cornwell will have independent access to the information that will be generated and stored on Dealer's "Ironman Business Network IBN" computer system. Dealer agrees to maintain written, weekly report summaries of Dealer's sales and then existing Total Inventory and all Accounts each week. Dealer's IBN will automatically store and electronically transmit this information to Cornwell. Dealer agrees to submit data generated by the computer system, including but not limited to the weekly report summaries. Failure to supply this data is a material breach of this Agreement.

6. Dealer agrees to carry the following minimum insurance coverages: commercial business auto liability insurance with limits of $1,000,000; general commercial liability insurance under a comprehensive general liability form that includes coverage for bodily harm, property damage, and product liability policy limits not less than $1,000,000; and cargo insurance with all risk property coverage for full replacement value of Dealer's inventory. Dealer agrees to include Cornwell as "additional insured" on the Dealer's general commercial liability insurance. Dealer agrees to include Cornwell as "loss payee" on the Dealer's cargo insurance policy, to the extent of Cornwell's security interest in Dealer's inventory.

7. Commencing after the fulfillment of the requirements of paragraphs 4a, (A) and (B), the Dealer agrees to maintain average weekly purchases from Cornwell equal to at least 90% of the national average of Cornwell franchise dealers' weekly purchases during the current calendar year. Every week, Cornwell calculates the national average franchise dealer weekly purchase amount during the current year. (Total dealer year to date purchases, divided by the number of weeks to date, then divided by the number of dealers at the end of the week prior to the current week.) Each week, Dealer agrees to maintain average weekly purchases (year to date purchases divided by the number of weeks to date) equal to 90% of Cornwell's national weekly average for franchise dealers.

8. a. Cornwell will make available to the Dealer combined formal and informal training opportunities depending on the individual requirements and background of the Dealer. This training will include a mandatory two (2) weeks in the first month in which the Dealer is in operation, during which a Cornwell District Manager will accompany Dealer on Dealer's route and train Dealer. The Dealer must participate in the initial training offered by the District Manager. Such training will not be waived, regardless of Dealer's previous level of experience, so that Dealer will be fully acquainted with Cornwell's practices and procedures in recruiting new dealers.

8. b. Before Dealer begins selling Cornwell product from Dealer's truck or van, Cornwell will provide Dealer with at least 40 hours of mandatory initial classroom training (New Dealer Training Program) near Cornwell's corporate offices in Wadsworth, Ohio, or some other location. The First Individual named above, who will primarily operate the dealership, must complete the New Dealer Training Program before operating the dealership. The Second Individual named above is also invited to attend the New Dealer Training Program. The New Dealer Training Program will include but not be limited to classroom instruction on basic business procedures, computer setup, IBN setup, customer relations, products warranty/repair, Email, Cornwell Website and My Business. Dealer must pay the cost of travel, food, lodging and any other incidental costs for the New Dealer Training Program. If the Second Individual named above at any time will primarily operate the dealership, the Second Individual must complete the training set forth above.

9. The First Individual named above agrees to engage full time in the direct operation of the franchised dealership. If the Second Individual named above at any time will primarily operate the dealership, the Second Individual must then adhere to the full-time direct operation set forth above. Dealer agrees to operate only one truck, directly or indirectly, unless Cornwell expressly waives this requirement.

10. Dealer shall display Cornwell Trademarks ("Marks") in the location, style and manner specified by Cornwell. No other trademarks shall be used or employed by Dealer on or in connection with the Cornwell Products except as specified in writing by Cornwell. It is expressly understood and agreed that the Marks shall not be employed as, or included in, the trade name or trade style of Dealer either during the life of this Agreement or subsequently thereto.

Dealer recognizes the validity and Cornwell's exclusive ownership of the Marks. Dealer agrees that it will not do any act or thing, either directly or indirectly, that may in any way impair Cornwell's title and exclusivity. Dealer further agrees that during the continuance of this agreement, or at any time thereafter, it does not have and may not claim any right to use, any right, title, or interest in, and may not register with any Governmental authority any trademark, identical with or similar to the Marks without the prior written consent of Cornwell.

Dealer further acknowledges that nothing in this Agreement, and no use of any of the Marks under the terms of this agreement, shall create in Dealer any right, title or interest in any of the Marks. Dealer shall take such steps and execute such further documents as Cornwell may reasonably request in order to protect Cornwell's complete interest in and ownership of the Marks.

Dealer agrees to notify Cornwell immediately when Dealer learns about an infringement of or challenge to its use of any of Cornwell's trademark. Cornwell will take the action it considers appropriate, with which Dealer agrees to cooperate. While Cornwell is not required to defend Dealer against a claim against its use of the Marks, Cornwell will reimburse Dealer for Dealer's liability and reasonable costs in connection with defending Cornwell's Marks. To receive reimbursement, the Dealer must have notified Cornwell immediately upon learning about the infringement or challenge.

Dealer must modify or discontinue the use of a Mark if Cornwell modifies or discontinues it. In the event of such action by Cornwell, Cornwell will reimburse the Dealer for tangible costs of compliance (for example, changing decals or signs). The Dealer agrees not to directly or indirectly contest Cornwell's right to its Marks, trade secrets or business techniques that are a part of Cornwell's business.

11. The franchise granted by this Agreement is assignable or transferable by Dealer, either voluntarily or by operation of law, only with written consent from Cornwell. Cornwell will not unreasonably withhold its consent. Dealer shall have the right to assign or transfer Dealer's assets, subject to any security interest Cornwell may have in them. Upon the death or disability of a Dealer, Cornwell may authorize a succession of ownership within the Dealer's family when the proposed successor has been previously active in the Dealer's business. Cornwell reserves the right to assign or transfer its rights, duties or obligations under this Agreement.

12. If Dealer's customer is the original end-user purchaser of a product manufactured by Cornwell ("Cornwell Hard Line") or of a new Kennedy steel roller cabinet, locker, cart, steel tool chest, or steel canopy for use with a Kennedy cabinet or tool chest ("Kennedy Tool Storage"), then Dealer's customer is entitled to a limited lifetime warranty that the product will be free of defects in material or workmanship under normal use and will conform to the description given them by Cornwell or Kennedy.

This limited lifetime warranty extends only to the repair or replacement of items found by Cornwell or Kennedy upon examination to be defective in material

or workmanship and is subject to availability of replacement parts. This limited lifetime warranty covers only parts and materials, not labor, and cannot be assigned by the original end-user purchaser of that product.

This limited lifetime warranty does not cover products that are damaged through any intentional or negligent actions, including but not limited to misuse, mishandling, or modification or to products that reach the ends of their useful lives as a result of normal wear and tear. Misuse and mishandling of Kennedy Tool Storage products include but are not limited to overloading, especially while moving or transporting the item, and to scratching of painted and unpainted tops.

Cornwell and Kennedy are not responsible for any special, punitive, incidental or consequential damages which may arise out of the purchase or use of any Cornwell or Kennedy product. Cornwell's and Kennedy's liability for any breach of warranty shall be limited to the cost of the repair or replacement of the defective items as described above.

THIS WARRANTY IS DEALER'S CUSTOMER'S EXCLUSIVE CORNWELL HARD LINE/KENNEDY TOOL STORAGE WARRANTY AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Cornwell extends the full manufacturer's warranty to Dealer's customers, as the original end-user purchaser of products manufactured by others. No special, punitive, incidental or consequential damages of any kind are recoverable from Cornwell by any person from the use of these products. Further, there is no other warranty extended by Cornwell with respect to these products, including but not limited to warranties of merchantability and fitness for a particular purpose. In order to replace a defective item, it must be returned to Cornwell Quality Tools Company, 454 Corporate Parkway, Wadsworth, Ohio 44281.

THIS WARRANTY IS DEALER'S CUSTOMER'S EXCLUSIVE WARRANTY FROM CORNWELL AS TO PRODUCTS MANUFACTURED BY OTHERS AND REPLACES TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER WARRANTIES BY CORNWELL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Dealer agrees to extend all of the warranties described in this Paragraph 12 to the Dealer's customers.

13. In the event of default caused by the following (and except as required under applicable laws): (1) breach of promises contained in this Agreement and any other agreement between Dealer and Cornwell, including but not limited to (a) Dealer's failure to pay as agreed for merchandise delivered by Cornwell or (b) to maintain the inventory purchase levels required in Paragraph 7 or (c) to display

Cornwell's Marks and to refrain from their misuse or (d) to supply weekly data required in Paragraph 5.e or (e) to maintain full collateralization of any promissory note and security agreement or (f) to use best full-time efforts to serve the Territory fully; (2) Dealer is convicted of a felony; (3) a voluntary or involuntary proceeding is instituted against Dealer in bankruptcy or other similar laws; (4) A Receiver is appointed for the assets of Dealer; or (5) Dealer makes an assignment for the benefit of Dealer's creditors, this Agreement may be declared terminated by Cornwell by notice in writing effective immediately upon receipt.

14. Dealer shall have 30 days to cure default caused by failure to pay as agreed for merchandise delivered and/or failure to maintain the inventory purchase levels required in Paragraph 7 and/or failure to maintain full collateralization of any promissory note and security agreement.

15. Cornwell may agree to waive any default, in its sole discretion, upon such terms as Cornwell determines. Without limiting the foregoing, Cornwell may require Dealer to agree to a modification of the Territory as a condition of waiving Dealer's failure to use best full-time efforts to serve the Territory fully. No action or failure to act on the part of Cornwell shall operate as a waiver or otherwise of the subsequent right to terminate Dealer, unless expressly so stated in writing.

16. Dealer may terminate this Agreement at any time after mailing written notice to Cornwell thirty (30) days before the effective date of such termination. In addition to its rights under Paragraph 13 above, Cornwell may terminate this Agreement at any time five years or more after the date of this Agreement, in the event that Cornwell ceases generally from the business of selling the Products in the State in which the Territory is located. Cornwell shall give at least one (1) year's notice in writing of such termination and shall not offer franchises again to sell the Products in the State for at least five (5) years thereafter.

17. Upon termination of this Agreement for any reason, or upon the death or disability of Dealer, Cornwell will purchase certain merchandise from Dealer or Dealer's estate, at the then prevailing dealer prices, less a 15% restocking charge. New tools will be approved for return only if they are in new and saleable condition, are active items, and have not been discontinued by Cornwell. All returns must be of current design and finish. All tools returned must be in their original individual carton or container. Broken packs of Cornwell or Cornwell-Allied tools will not be accepted for return if the tools are normally sold by Cornwell in factory pack quantities. The following items are **not** subject to return under this program: Tool storage, socket trays, clips and rails, vinyl kit bags, air compressors, lifting equipment, large shop equipment, parts washers, sales administration or truck display aids, welders, battery chargers, and serial numbered test equipment.

Upon termination of the dealership for any reason, all of Dealer's rights pertaining to the trademarks will automatically revert to Cornwell. Upon termination, Dealer must immediately discontinue use of the trademarks and – at Dealer's own sole expense –Dealer must immediately remove all of the trademarks appearing on

decals, signs or otherwise, and any terms confusingly similar to them, from Dealer's truck, clothing, business cards, documents and other property. Dealer must also discontinue any use of the trademarks or any reference to them in Dealer's advertising.

Cornwell will apply any or all monies to be paid for assets purchased from a terminated Dealer as may be necessary to discharge terminated Dealer's total indebtedness to Cornwell. Should there be a deficiency in the purchased assets, any balance remaining due to Cornwell will be payable immediately. The term "indebtedness" shall include both matured and unmatured obligations, and upon termination, Cornwell may declare all promissory notes held or later acquired by it against Dealer immediately due and payable at any time.

18. This Agreement supersedes all agreements, written or oral, and previous and contemporaneous, to date between Dealer and Cornwell. No modification or amendment of this Agreement shall be effective unless made in writing and signed by a representative of Cornwell and Dealer.

19. Any provision of this agreement at variance with the laws of any State or Territory in which it is or becomes operative, or of the United States shall be deemed modified to conform with such laws and the remaining provisions shall remain in effect.

20. Any claim or controversy in connection with, arising out of, or relating to the Agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s).

Cornwell reserves the right to obtain injunctive or other mandatory relief from the act or omission of any activity prohibited or required by this Agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell.

21. Any notice required to be given under this Agreement, or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Agreement, if they

wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

22. Dealer shall give Cornwell not less than thirty (30) days' notice of the intention to do business as an entity (for example, corporation, partnership, LLC or LLP), if such an entity is not already a party to this Agreement. Dealer shall not do business as an entity without Cornwell's express written consent, which shall not be unreasonably withheld. All individual parties to this Agreement agree to execute any personal guarantees and other documentation that Cornwell may require as a condition of its consent for Dealer to do business as an entity.

23. 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 RECOGNITION OF WHICH and intending to be legally bound, Cornwell and the person or persons identified as Dealer above have signed duplicate copies of this Agreement on the dates stated below at Wadsworth, Ohio and _____, _____.

_____
NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

_____ _____
FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT FIRST INDIVIDUAL DEALER NAME

_____ _____
SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 _____
in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By:

_____
CORNWELL (Corporate Officer)

EXHIBIT C

Amount of Note: [**$80,000**] Wadsworth, Ohio

~~2025~~2026

Date: _____

CORNWELL QUALITY TOOLS COMPANY

DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT

The undersigned, individually and/or collectively, having a franchised dealership of Cornwell Quality Tools products and (if applicable) the individual owner or owners of such dealership if it is an entity, as active partners in the operation of the business (individually and/or collectively referred to as "Dealer"), hereby orders and agrees to purchase from CORNWELL QUALITY TOOLS COMPANY, an Ohio Corporation ("Cornwell"), the inventory and other property to be delivered to Dealer by Cornwell and described on documentation to be sent to Dealer at the times of shipment (the "Inventory"). This order will become binding and effective when accepted in writing by Cornwell in Ohio.

1. Promise to Pay Deferred Sales Price.

(a) The cash price for the Inventory is **$80,000**. Dealer has chosen to pay for the Inventory over time and Dealer therefore agrees to pay to the order of Cornwell a deferred sales price of $ _____ . The deferred sales price indicated shall be payable in **312** weekly installments of $ _____ each due on the Monday of each week commencing on _____ , 20 ____ at Cornwell Quality Tools Company, 667 Seville Road, Wadsworth, Ohio 44281, or such place as Cornwell shall designate.

(b) The time-price charge is the same amount as a _____ % interest charge would be on a loan of money. If this agreement is made by more than one person (such as an entity, first dealer and second dealer), their obligations shall be joint and several, which means that each one can be separately required by Cornwell to pay the entire indebtedness or both can be required to pay it.

(c) All payments are intended to be applied first toward unpaid accrued time-price charges and then as a reduction of the unpaid principal balance, but Cornwell reserves the right to apply such payments in such order as it may determine. This note may be voluntarily pre-paid in part or in full at any time, without penalty, and is subject to involuntary acceleration, as set forth in paragraph 9 below.

(d) If any payment is not made on or before its due date, additional time-price charges will be made at the rate of _____ % per annum and will continue to accrue on the unpaid balance as part of the Indebtedness described in paragraph 3 below. This will result in a slower principal reduction, to be deferred at Cornwell's option to increase the final scheduled payment, if it is not paid sooner and a default is not earlier declared. Conversely, payments received in advance of their due date will result in a faster principal reduction than scheduled, thus decreasing the final scheduled payment.

EXHIBIT

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(e) In addition, Cornwell may impose a weekly late charge of $10.00 each week that Dealer is three or more payments in arrears. The late charge will become an increase in the principal balance, and likewise become part of the Indebtedness, which will increase the amount of the final scheduled payment, if it is not paid sooner and a default is not earlier declared.

(f) Although it is not the present practice, or any intention of Cornwell, to sell, assign, or discount to a third-party, in whole or in part, any note, contract or other instrument executed by the Dealer, Cornwell retains the right to do so.

(g) The installments to be paid to Cornwell by the Dealer, pursuant to subparagraph (a) above, shall be paid by an ACH Debit for automatic payment, which will be automatically processed every Monday according to the schedule set forth in subparagraph 1(a) above, until the obligation is paid in full. The Dealer shall sign an irrevocable ACH Agreement authorizing Cornwell to automatically deduct the weekly payment from the Dealer's bank account until this obligation is paid in full. In the event funds are not available to complete the automatic transfer on that date, it shall be considered an event of default.

(h) The Dealer Franchise Agreement between the parties ("the Agreement) is incorporated into this Note by reference. Without limitation, the provisions of the Agreement incorporated into this Note include its paragraph 4, pertaining to the portion of the Inventory described as the "Reserve" and the manner of payment for the Reserve.

2. Title and Shipping. The Inventory will be sent by Cornwell to the address designated by the Dealer. Title will pass to Dealer when the Inventory leaves the Cornwell Distribution Center, but costs of shipping and insurance during shipping are included in the prices quoted above and will be paid by Cornwell.

3. Security Interest.

(a) Security Interest and Warranty of Clear Title. This security interest is intended to extend broadly, to make all of Dealer's personal property available to cover any amounts the Dealer may owe Cornwell for the purchase of Inventory, now or in the future and the other amounts described below in the definition of Indebtedness. Without limitation, the security interest specifically includes Dealer's entire inventory ("Total Inventory"), whenever acquired, and all of Dealer's accounts receivable ("Accounts"), whenever created.

In order to secure the payment of any and all of Dealer's indebtedness, obligations and liabilities owing to Cornwell and the performance by the Dealer of any or all of Dealer's covenants and warranties contained in any agreement in favor of Cornwell, whether currently existing or arising in the future, contingent or absolute, whether contained in this agreement, the Dealer Agreement, or in any other agreement; all costs and expenses incurred in the collection of such obligations and/or indebtedness; and for all taxes levied, insurance and repairs to or maintenance of any collateral (collectively, the "Indebtedness"), Dealer hereby grants to Cornwell a security interest in the following described property, hereinafter referred to as the "Collateral":

Description of Collateral

All accounts, accounts receivable, contract rights, chattel paper, general intangibles, instruments, documents, policies and certificates of insurance, all goods, inventory and equipment (such terms having the meaning assigned to them in the Uniform Commercial Code as adopted in Ohio), together with all attachments, and accessories, and all proceeds from insurance, including but not limited to Total Inventory, whether now existing or hereafter arising, now owned or hereafter acquired, due or to become due, including proceeds and products and Dealer's records of such property.

Dealer warrants that Dealer owns good and marketable title to the Collateral, or will own such title upon sale of the Inventory, free and clear of any and all liens, interests and encumbrances, except as set forth below, that Dealer will not permit any lien, security interest or encumbrance (other than the security interest created hereby) to attach to the Collateral and, except for sales of inventory in the normal course of business, that Dealer will not sell, exchange, lease or otherwise dispose of or transfer any interest in the Collateral.

(b) Dealer's Records. Dealer shall maintain at Dealer's place of business accurate and up-to-date records pertaining to the Total Inventory, the Collateral and the Accounts. Cornwell shall have a special property interest in all of Dealer's records pertaining to the Total Inventory, the Collateral and the Accounts, and Cornwell's agents, representatives and employees shall have the right to inspect them at any reasonable time or times. At the request of Cornwell, if any part of the Indebtedness is in default, Dealer agrees to stamp, in form and manner satisfactory to Cornwell, its records pertaining to the Accounts with an appropriate reference to the security interest created herein, and/or to deliver and turn over any and all such records to the Cornwell.

(c) Financing Statements. Dealer shall execute and immediately deliver to Cornwell with this Order, Note and Security Agreement, or upon demand, such financing statements or other appropriate documentation as may be requested by Cornwell now or hereafter, to evidence and to perfect the security interest created herein.

(d) Good Condition. Until all the Indebtedness is paid in full, Dealer shall keep the Total Inventory in good condition and repair and shall properly maintain it and keep it stored in a safe place, at the Dealer's business address or any other location approved by Cornwell. If the truck or other vehicle where Dealer will keep any or all of the Total Inventory is currently encumbered by a security interest or lease, the name of the secured party or lessor is _____ whose address is _____.
If Dealer's vehicle subsequently becomes encumbered or subject to a lease before all the Indebtedness is paid in full, Dealer agrees to immediately notify Cornwell of the name and address of such other secured party or lessor. Cornwell reserves the right to notify such secured party or lessor of the existence of the security interest created by this agreement and to require the removal of the Total Inventory from the vehicle, in the event the vehicle is repossessed.

4. Insurance.

(a) Dealer shall provide that the Collateral is continuously insured with the following minimum insurance coverages: commercial business auto liability insurance with limits of One Million Dollars ($1,000,000); general commercial liability insurance under a comprehensive general liability form that includes coverage of bodily harm, property damage, and product liability with policy limits not less than One Million Dollars ($1,000,000); and cargo insurance with all risk property coverage for full replacement value of Dealer's inventory. Such insurance shall be so written and endorsed as to make losses, if any, payable to Cornwell in addition to the Dealer, as their respective interest may appear. Each policy of insurance shall be written so as to be not subject to cancellation or substantial modification without at least thirty (30) days' written notice to Cornwell. Dealer shall deposit with Cornwell certificates or other evidence satisfactory to Cornwell that the required insurance has been obtained and is in full force and effect and, prior to the expiration of any such insurance, Dealer shall furnish Cornwell with evidence satisfactory to Cornwell that such insurance has been renewed or replaced. Contemporaneous with the execution of this agreement, and from time to time thereafter upon request by Cornwell, Dealer shall provide Cornwell with a Certificate of Insurance evidencing that Dealer has complied with the foregoing requirements of this Agreement.

(b) All amounts received by Cornwell in payment of insurance losses may, at Cornwell's option, be applied in satisfaction of Dealer's Indebtedness to Cornwell or all or any part thereof may be used for the purpose of repairing, replacing, or restoring the Collateral.

(c) Dealer will at all times have and maintain public liability insurance covering such risks and in such amounts and issued by such companies as are acceptable to Cornwell.

(d) Dealer assigns to Cornwell all rights to the proceeds of any insurance not exceeding unpaid balances and hereby directs the insurance carrier and its agents to pay all proceeds directly to Cornwell, authorizes Cornwell to endorse any draft for and on behalf of Dealer as its attorney-in-fact, coupled with an interest, and further authorizes Cornwell to make adjustments of all insurance losses, sign all applications, receipts, releases and other papers necessary and to make settlements.

(e) Note to Dealer: DEALER IS REQUIRED TO SUBMIT AN INSURANCE AUTHORIZATION FORM. PLEASE FILL IN THE APPROPRIATE BLANKS ON THE FORM WITH THE NAME AND ADDRESS OF THE INSURANCE COMPANY WHICH WILL INSURE THE TOTAL INVENTORY AND ENCLOSE THE FORM WHEN YOU RETURN THIS AGREEMENT TO CORNWELL QUALITY TOOLS COMPANY.

(f) Collection of Accounts: With respect to the Accounts and in addition to and not in limitation of any of the rights provided to Cornwell elsewhere in this agreement or by law, Cornwell may upon the occurrence of any of the events described in Paragraph 8 below or at any time thereafter (such event not having previously been cured or waived), at its option, without prior demand or notice to Dealer, and without resort to legal process or judicial hearing, order or authorization, notify the persons liable for the payment of the Accounts of Cornwell's security interest and direct such persons to make payments directly to Cornwell, and, at Cornwell's request, all bills and statements sent by Dealer to the persons liable for the payment of the Accounts shall state that the Accounts have been assigned to, and are solely payable to Cornwell, and at Cornwell's request, Dealer shall direct the persons liable for the payment of the Accounts to pay directly to Cornwell any sums due or to become due on account thereof.

The Dealer hereby irrevocably appoints Cornwell as its true and lawful attorney-in-fact, coupled with an interest, with full power to send the notices described above, to take possession of and endorse in the name of Dealer any instruments or documents received in payment of all or part of the Accounts, to collect, sue for and give a quittances for monies due on the Accounts, and to withdraw any claims, suits or proceedings pertinent thereto, or arising out of the assignment of the Accounts.

In pursuance of the rights granted hereunder, Cornwell may extend the time for payment of, compromise or settle for cash, credit or otherwise, and upon any terms and conditions, any of the Accounts and thereby discharge the person or persons liable for the payment thereof, without affecting the obligations of Dealer to Cornwell (except to the extent that the Indebtedness shall be reduced by the amount of any sums received by Cornwell).

5. Financial Condition. Upon request by Cornwell, Dealer agrees to furnish Cornwell within reasonable time accurate and up-to-date information concerning any aspect of Dealer's financial condition.

6. Verification of Sales and Inventory. Dealer will maintain written, weekly summaries of its sales and then existing Total Inventory and all Accounts in a form acceptable to Cornwell and Dealer shall each week furnish an IBN Weekly Report Summary to Cornwell's District Sales Manager, Cornwell's Credit Department and as Cornwell may otherwise direct. Dealer will also allow, upon request and reasonable notice, Cornwell's authorized representative to inspect Dealer's Total Inventory at any time.

7. Repurchase of Inventory. If Dealer ceases for any reason to be an authorized dealer of Cornwell's products, Cornwell will repurchase from Dealer that portion of the Total Inventory which Cornwell is required to repurchase, if any, in accordance with the terms set forth in the Dealer Franchise Agreement between Cornwell and the Dealer, the terms of which are expressly incorporated herein. If any of the Indebtedness is unpaid at the time of such repurchase, Cornwell will credit against the Indebtedness the net amounts from such repurchase, as determined in accordance with the terms set forth in the Dealer Franchise Agreement.

8. Default. The Dealer shall be in default upon the happening of any of the following events or conditions:

(a) The failure of Dealer to make payment or performance of any of the Dealer's indebtedness to Cornwell, as described in paragraph 3 above, including but not limited to those arising from the sale of inventory described in this Agreement.

(b) If the Dealer defaults under the Dealer Franchise Agreement or any other agreement or contract between the Dealer and Cornwell, including but not limited to paragraph 5 or the obligation to furnish IBN Report Summaries as contained in Paragraph 6 above, or upon the termination of any such agreement.

(c) The failure of the Dealer to have this note and security agreement fully collateralized at all times. Until the Indebtedness is paid in full, Dealer shall own and maintain in Dealer's truck or other vehicle inventory purchased from Cornwell in an amount not less than the lesser of Sixty Thousand Dollars ($60,000) or the outstanding balance of this note, including principal, interest and any costs and expenses.

Upon default, all obligations of the Dealer at once become due and payable without any notice or demand, notice and demand having been expressly waived. Payments made shall first be applied to the payment of the interest that accrued and then to the principal amount, which remains unpaid.

9. Acceleration. Upon the happening of any of the following events or conditions:

(a) Default by Dealer in the payment or the performance of any of Dealer's Indebtedness to Cornwell, as described in paragraphs 3, 5, or 6 above, including but not limited to those arising from the sale of inventory described in this agreement;

(b) Loss, theft, destruction, encumbrance, levy against, seizure or attachment of or to any of the Collateral, or any sale of all or any part of the Collateral other than in the regular course of Dealer's business;

(c) Any warranty, representation, financial statement or other information made or furnished to Cornwell by or on behalf of Dealer proves to have been or to have become false in any material respect;

(d) Death, impairment, termination of existence, insolvency, business failure, appointment of a trustee or receiver of any part of the property of, assignment for the benefit of creditors of or the commencement of any proceedings under bankruptcy or any other state or federal law for the relief of debtors by or against Dealer, or any surety for Dealer;

(e) Dealer's ceasing for any reason to be an authorized dealer of Cornwell's products;

(f) A judgment for the payment of any sum of money against Dealer, which shall remain undischarged for a period of 45 days during which time execution shall not be effectively stayed; or

(g) Cornwell deems itself insecure, in good faith believing that the prospect of payment of any of the Indebtedness or the performance of any other obligation of Dealer is impaired.

Cornwell may, at its option, without notice or demand, declare due and payable, and, in addition to other rights and remedies upon default under applicable law, collect the full amount of the Indebtedness or any portion thereof, as calculated below, and will have the further right, without notice or demand, to repossess the Collateral, to enter peacefully upon any premises where the Collateral is located in order to repossess it and to exercise all other rights allowed by law. Without limiting the above, Cornwell shall have all of the rights and remedies of a secured creditor under the Uniform Commercial Code as adopted in Ohio.

Dealer agrees upon the request of Cornwell to assemble the Collateral and to make it available at any place designated by Cornwell. Dealer hereby expressly waives the entitlement, if any, to a judicial hearing prior to the exercise of Cornwell's right of repossession, which right is exercisable by Cornwell on its own behalf or through resort to appropriate judicial process. After repossession, Cornwell will provide at least 10 days prior written notice to Dealer at Dealer's Business Address of the time and place of any public sale or the time after which any private sale or repurchase pursuant to the Dealer Agreement will be made of the Collateral, and Dealer agrees that such 10-day period is reasonable. Dealer further agrees that repurchase of the Total Inventory, or any part thereof, pursuant to the terms of the Dealer Agreement shall constitute a commercially reasonable disposition thereof. The proceeds of any disposition of the Collateral may be applied to the Indebtedness as Cornwell may elect.

Upon Voluntary prepayment in full or upon acceleration as set forth herein, the amount of the Indebtedness will be calculated as follows: total (1) the cash price of each time-deferred sale, less the amounts from previous payments which have been applied to principal; plus (2) time-price charges and late charges on unpaid balances; plus (3) all other outstanding Indebtedness, as defined in paragraph 3 above; plus (4) additional time-price charges of _____ % per annum (or the highest rate allowed by law, whichever is less) on the total of the first three components above, until paid in full. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the Indebtedness shall be reduced accordingly, as may be required.

10. PARTIAL WAIVER OF DEALER'S REMEDIES. DEALER HEREBY EXPRESSLY AGREES THAT, WITH REGARD TO THE INVENTORY DELIVERED UNDER THIS AGREEMENT, DEALER'S REMEDIES UNDER THIS AGREEMENT (INCLUDING WITHOUT LIMITATION, REMEDIES BY WAY OF DEFENSE, COUNTERCLAIM, RECOUPMENT AND SET-OFF) ARE EXCLUSIVELY LIMITED TO ANY WARRANTIES EXPRESSLY GIVEN IN WRITING. WARRANTIES OF MERCHANTABILITY, AND OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED.

11. LIMITATION OF DAMAGES. DEALER HEREBY ALSO EXPRESSLY AGREES THAT DEALER'S DAMAGES FOR CORNWELL'S BREACH OF THE FOREGOING EXCLUSIVE WARRANTIES ARE LIMITED TO THE ENFORCEMENT OF SECTION 7 OF THIS AGREEMENT AND REPLACEMENT OR RECOVERY OF AMOUNTS PAID BY DEALER TO CORNWELL FOR DEFECTIVE PRODUCTS, AS APPLICABLE, AND THAT CORNWELL SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES.

12. Collection Costs. Dealer shall reimburse Cornwell for all costs of collection of the Indebtedness or any portion thereof, including, without limiting the generality of the foregoing, expenses of, and charges for, the repossession and holding of the Collateral for sale and any preparations for such sale, court costs and reasonable attorneys' fees. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the costs of collection shall be reduced accordingly, as may be required.

13. Taxes and Assessments. Dealer will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement or upon any papers evidencing the obligations between the parties and at its option, Cornwell may discharge taxes, liens or other encumbrances at any time levied or placed on the Collateral, pay for the maintenance and preservation of the Collateral and taxes, assessments and insurance on the Collateral should Dealer fail to do so, and Dealer agrees to reimburse Cornwell on demand for any payments so made until such reimbursement, the amount so paid by Cornwell shall be added to the Indebtedness.

14. Application of Amounts Received. All amounts received by Cornwell from Dealer may be applied by Cornwell to the Indebtedness in such order and to principal or to time-price charges, as Cornwell may determine. Dealer authorizes Cornwell at any time, without notice, to appropriate and to apply any Collateral in Cornwell's possession, custody or control towards the payment of the Indebtedness. Dealer waives presentment, demand, notice, acceptance, performance, default, enforcement, exoneration and reimbursement, assents to any acceleration, extension, modification, waiver or postponement or to any other indulgence, to any addition, substitution, exchange or release of the Collateral to the addition or release of any other party or person primarily or secondarily liable, to the settlement, compromise or adjustment of the Indebtedness and/or to the application of any Collateral against the Indebtedness and in any order.

15. Miscellaneous.

(a) This agreement shall continue until such time as there is no outstanding Indebtedness and there are no other agreements in effect between Dealer and Cornwell.

(b) This agreement shall be deemed to have been made in Ohio and shall be governed by Ohio law, and shall be binding upon and inure to the benefit of the parties, their executors, administrators, personal representatives, heirs, successors, and assigns as the case may be.

(c) Any claim or controversy in connection with, arising out of, or relating to this agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s).

Cornwell reserves the right to obtain injunctive or other mandatory relief, including but not limited to replevin, from the act or omission of any activity prohibited or required by this agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell or is otherwise necessary to obtain possession of any or all of the Total Inventory upon Dealer's default.

(d) In the event that this agreement, or any part of it is found to be governed by the law of any other state and/or to be unenforceable, any part found to be unenforceable shall be severed and the agreement given effect according to the intent of the parties, to the fullest extent permitted by law.

(e) This agreement may only be modified by a writing, signed by all of the parties hereto and shall not be effective until accepted by Cornwell in Ohio.

16. Notice and Service of Process. Any notice required to be given under this Order, Note and Security Agreement, or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Order, Note and Security Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

IN RECOGNITION OF WHICH and intending to be legally bound, the person or persons identified above as Dealer have signed this Order, Note and Security Agreement below.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By: _____
CORNWELL (Corporate Officer)

Statement of Outstanding Liens

There are outstanding liens against some or all of the Collateral described in this Agreement, as follows:

Name	Amount	Collateral

_____
Dealer

EXHIBIT C-1

Amount of Note: [**$80,000**] Wadsworth, Ohio

~~20252026~~

Date: _____

CORNWELL QUALITY TOOLS COMPANY

DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT

(Veterans/First Responders Program – Time-Price Charge Conditionally Waived)

The undersigned, individually and/or collectively, having a franchised dealership of Cornwell Quality Tools products and (if applicable) the individual owner or owners of such dealership if it is an entity, as active partners in the operation of the business (individually and/or collectively referred to as "Dealer"), hereby orders and agrees to purchase from CORNWELL QUALITY TOOLS COMPANY, an Ohio Corporation ("Cornwell"), the inventory and other property to be delivered to Dealer by Cornwell and described on documentation to be sent to Dealer at the times of shipment (the "Inventory"). This order will become binding and effective when accepted in writing by Cornwell in Ohio.

1. Veterans/First Responders Program – Conditional Waiver of Time-Price Charge

A. Dealer has represented to Cornwell and warrants that it is true that one or more of the individual Dealers was or were honorably discharged from the U.S. Military and/or for at least the preceding four years of active duty, has been a person with specialized training who is among the first to arrive and provide assistance at the scene of an emergency, such as an accident, natural disaster, or other catastrophic event, including paramedics, emergency medical technicians, police officers, sheriffs, and firefighters (including volunteer firefighters)..

B. Dealer has agreed, in consideration of receiving the more favorable loan terms set forth in this Section (1), by which no time-price charge equivalent to interest will be made by Cornwell for the Inventory purchased by Dealer, 1) to have available $15,000 of working capital as of the first day of on-truck training; 2) to lease or purchase a new tool truck; 3) to meet or exceed 90% of the Cornwell national dealer purchase average over the length of the loan; 4) to allow Cornwell to use their story and likeness for advertising purposes; 5) to meet all other requirements of Dealer's agreements with Cornwell.

C. In reliance on Dealer's representation and warranty and on Dealer's agreements set forth in paragraph B above, Cornwell and Dealer agree as set forth in paragraphs D, E and F below:

D. If the obligation set forth in Paragraph B are met, there will be no deferred sales price charged for the Inventory, meaning as well that there will be no time-price amount charged for the purchase of the Inventory, as set forth in subsection (2)(b) of this Note that would be the same as an interest charge on a loan of money.

E. All of the other terms of this Note shall be in full force and effect, including but not limited to its default provisions. Dealer understands and agrees that if Dealer fails to perform any of the terms of the Note, including but not limited to the requirements of this Section 1, the Dealer

EXHIBIT
tabbies
C-1

Franchise Agreement or any other obligation to Cornwell, this Section 1 of the Note will cease to be in effect. Dealer will then be obligated to pay the full remaining balance of the Note, plus the equivalent of interest, as set forth in subsections 2(a) and 2(b) of the Note, over the number of weeks required to do so. Cornwell will in that event provide Dealer with a statement of what is owed and the schedule for its payment.

F. Dealer's compliance with the requirements of Paragraph B above will be reviewed every 13 weeks and determined every 52 weeks.

2. Promise to Pay Deferred Sales Price.

(a) The cash price for the Inventory is **$80,000**. Dealer has chosen to pay for the Inventory over time and Dealer therefore agrees to pay to the order of Cornwell a deferred sales price of $ _____ . The deferred sales price indicated shall be payable in ~~209~~ 213 weekly installments of $ _____ plus an additional payment of $ _____ , each due on the Monday of each week commencing on _____ , 20 ____ at Cornwell Quality Tools Company, 667 Seville Road, Wadsworth, Ohio 44281, or such place as Cornwell shall designate.

(b) The time-price charge is the same amount as a _____ % interest charge would be on a loan of money. If this agreement is made by more than one person (such as an entity, first dealer and second dealer), their obligations shall be joint and several, which means that each one can be separately required by Cornwell to pay the entire indebtedness or both can be required to pay it.

(c) All payments are intended to be applied first toward unpaid accrued time-price charges and then as a reduction of the unpaid principal balance, but Cornwell reserves the right to apply such payments in such order as it may determine. This note may be voluntarily pre-paid in part or in full at any time, without penalty, and is subject to involuntary acceleration, as set forth in paragraph 9 below.

(d) If any payment is not made on or before its due date, additional time-price charges will be made at the rate of _____ % per annum and will continue to accrue on the unpaid balance as part of the Indebtedness described in paragraph 3 below. This will result in a slower principal reduction, to be deferred at Cornwell's option to increase the final scheduled payment, if it is not paid sooner and a default is not earlier declared. Conversely, payments received in advance of their due date will result in a faster principal reduction than scheduled, thus decreasing the final scheduled payment.

(e) In addition, Cornwell may impose a weekly late charge of $10.00 each week that Dealer is three or more payments in arrears. The late charge will become an increase in the principal balance, and likewise become part of the Indebtedness, which will increase the amount of the final scheduled payment, if it is not paid sooner and a default is not earlier declared.

(f) Although it is not the present practice, or any intention of Cornwell, to sell, assign, or discount to a third-party, in whole or in part, any note, contract or other instrument executed by the Dealer, Cornwell retains the right to do so.

(g) The installments to be paid to Cornwell by the Dealer, pursuant to subparagraph (a) above, shall be paid by an ACH Debit for automatic payment, which will be automatically processed every Monday according to the schedule set forth in subparagraph 1(a) above, until the obligation is paid in full. The Dealer shall sign an irrevocable ACH Agreement authorizing Cornwell to automatically deduct the weekly payment from the Dealer's bank account until this obligation is paid in full. In the event funds are not available to complete the automatic transfer on that date, it shall be considered an event of default.

(h) The Dealer Franchise Agreement between the parties ("the Agreement) is incorporated into this Note by reference. Without limitation, the provisions of the Agreement incorporated into this Note include its paragraph 4, pertaining to the portion of the Inventory described as the "Reserve" and the manner of payment for the Reserve.

3. Title and Shipping. The Inventory will be sent by Cornwell to the address designated by the Dealer. Title will pass to Dealer when the Inventory leaves the Cornwell Distribution Center, but costs of shipping and insurance during shipping are included in the prices quoted above and will be paid by Cornwell.

4. Security Interest.

(a) Security Interest and Warranty of Clear Title. This security interest is intended to extend broadly, to make all of Dealer's personal property available to cover any amounts the Dealer may owe Cornwell for the purchase of Inventory, now or in the future and the other amounts described below in the definition of Indebtedness. Without limitation, the security interest specifically includes Dealer's entire inventory ("Total Inventory"), whenever acquired, and all of Dealer's accounts receivable ("Accounts"), whenever created.

In order to secure the payment of any and all of Dealer's indebtedness, obligations and liabilities owing to Cornwell and the performance by the Dealer of any or all of Dealer's covenants and warranties contained in any agreement in favor of Cornwell, whether currently existing or arising in the future, contingent or absolute, whether contained in this agreement, the Dealer Agreement, or in any other agreement; all costs and expenses incurred in the collection of such obligations and/or indebtedness; and for all taxes levied, insurance and repairs to or maintenance of any collateral (collectively, the "Indebtedness"), Dealer hereby grants to Cornwell a security interest in the following described property, hereinafter referred to as the "Collateral":

Description of Collateral

All accounts, accounts receivable, contract rights, chattel paper, general intangibles, instruments, documents, policies and certificates of insurance, all goods, inventory and equipment (such terms having the meaning assigned to them in the Uniform Commercial Code as adopted in Ohio), together with all attachments, and accessories, and all proceeds from insurance, including but not limited to Total Inventory, whether now existing or hereafter arising, now owned or hereafter acquired, due or to become due, including proceeds and products and Dealer's records of such property.

Dealer warrants that Dealer owns good and marketable title to the Collateral, or will own such title upon sale of the Inventory, free and clear of any and all liens, interests and encumbrances, except as set forth below, that Dealer will not permit any lien, security interest or encumbrance (other than the security interest created hereby) to attach to the Collateral and, except for sales of inventory in the normal course of business, that Dealer will not sell, exchange, lease or otherwise dispose of or transfer any interest in the Collateral.

(b) Dealer's Records. Dealer shall maintain at Dealer's place of business accurate and up-to-date records pertaining to the Total Inventory, the Collateral and the Accounts. Cornwell shall have a special property interest in all of Dealer's records pertaining to the Total Inventory, the Collateral and the Accounts, and Cornwell's agents, representatives and employees shall have the right to inspect them at any reasonable time or times. At the request of Cornwell, if any part of the Indebtedness is in default, Dealer agrees to stamp, in form and manner satisfactory to Cornwell, its records pertaining to the Accounts with an appropriate reference to the security interest created herein, and/or to deliver and turn over any and all such records to the Cornwell.

(c) Financing Statements. Dealer shall execute and immediately deliver to Cornwell with this Order, Note and Security Agreement, or upon demand, such financing statements or other appropriate documentation as may be requested by Cornwell now or hereafter, to evidence and to perfect the security interest created herein.

(d) Good Condition. Until all the Indebtedness is paid in full, Dealer shall keep the Total Inventory in good condition and repair and shall properly maintain it and keep it stored in a safe place, at the Dealer's business address or any other location approved by Cornwell. If the truck or other vehicle where Dealer will keep any or all of the Total Inventory is currently encumbered by a security interest or lease, the name of the secured party or lessor is _____ whose address is _____. If Dealer's vehicle subsequently becomes encumbered or subject to a lease before all the Indebtedness is paid in full, Dealer agrees to immediately notify Cornwell of the name and address of such other secured party or lessor. Cornwell reserves the right to notify such secured party or lessor of the existence of the security interest created by this agreement and to require the removal of the Total Inventory from the vehicle, in the event the vehicle is repossessed.

5. Insurance.

(a) Dealer shall provide that the Collateral is continuously insured with the following minimum insurance coverages: commercial business auto liability insurance with limits of One Million Dollars ($1,000,000); general commercial liability insurance under a comprehensive general liability form that includes coverage of bodily harm, property damage, and product liability with policy limits not less than One Million Dollars ($1,000,000); and cargo insurance with all risk property coverage for full replacement value of Dealer's inventory. Such insurance shall be so written and endorsed as to make losses, if any, payable to Cornwell in addition to the Dealer, as their respective interest may appear. Each policy of insurance shall be written so as to be not subject to cancellation or substantial modification without at least thirty (30) days' written notice to Cornwell. Dealer shall deposit with Cornwell certificates or other evidence satisfactory to Cornwell that the required insurance has been obtained and is in full force and effect and, prior to the expiration of any such insurance, Dealer shall furnish Cornwell with evidence satisfactory to Cornwell that such insurance has been renewed or replaced. Contemporaneous with the execution of this agreement, and from time to time thereafter upon request by Cornwell, Dealer

shall provide Cornwell with a Certificate of Insurance evidencing that Dealer has complied with the foregoing requirements of this Agreement.

(b) All amounts received by Cornwell in payment of insurance losses may, at Cornwell's option, be applied in satisfaction of Dealer's Indebtedness to Cornwell or all or any part thereof may be used for the purpose of repairing, replacing, or restoring the Collateral.

(c) Dealer will at all times have and maintain public liability insurance covering such risks and in such amounts and issued by such companies as are acceptable to Cornwell.

(d) Dealer assigns to Cornwell all rights to the proceeds of any insurance not exceeding unpaid balances and hereby directs the insurance carrier and its agents to pay all proceeds directly to Cornwell, authorizes Cornwell to endorse any draft for and on behalf of Dealer as its attorney-in-fact, coupled with an interest, and further authorizes Cornwell to make adjustments of all insurance losses, sign all applications, receipts, releases and other papers necessary and to make settlements.

(e) Note to Dealer: DEALER IS REQUIRED TO SUBMIT AN INSURANCE AUTHORIZATION FORM. PLEASE FILL IN THE APPROPRIATE BLANKS ON THE FORM WITH THE NAME AND ADDRESS OF THE INSURANCE COMPANY WHICH WILL INSURE THE TOTAL INVENTORY AND ENCLOSE THE FORM WHEN YOU RETURN THIS AGREEMENT TO CORNWELL QUALITY TOOLS COMPANY.

(f) Collection of Accounts: With respect to the Accounts and in addition to and not in limitation of any of the rights provided to Cornwell elsewhere in this agreement or by law, Cornwell may upon the occurrence of any of the events described in Paragraph 8 below or at any time thereafter (such event not having previously been cured or waived), at its option, without prior demand or notice to Dealer, and without resort to legal process or judicial hearing, order or authorization, notify the persons liable for the payment of the Accounts of Cornwell's security interest and direct such persons to make payments directly to Cornwell, and, at Cornwell's request, all bills and statements sent by Dealer to the persons liable for the payment of the Accounts shall state that the Accounts have been assigned to, and are solely payable to Cornwell, and at Cornwell's request, Dealer shall direct the persons liable for the payment of the Accounts to pay directly to Cornwell any sums due or to become due on account thereof.

The Dealer hereby irrevocably appoints Cornwell as its true and lawful attorney-in-fact, coupled with an interest, with full power to send the notices described above, to take possession of and endorse in the name of Dealer any instruments or documents received in payment of all or part of the Accounts, to collect, sue for and give a quittances for monies due on the Accounts, and to withdraw any claims, suits or proceedings pertinent thereto, or arising out of the assignment of the Accounts.

In pursuance of the rights granted hereunder, Cornwell may extend the time for payment of, compromise or settle for cash, credit or otherwise, and upon any terms and conditions, any of the Accounts and thereby discharge the person or persons liable for the payment thereof, without affecting the obligations of Dealer to Cornwell (except to the extent that the Indebtedness shall be reduced by the amount of any sums received by Cornwell).

6. Financial Condition. Upon request by Cornwell, Dealer agrees to furnish Cornwell within reasonable time accurate and up-to-date information concerning any aspect of Dealer's financial condition.

7. Verification of Sales and Inventory. Dealer will maintain written, weekly summaries of its sales and then existing Total Inventory and all Accounts in a form acceptable to Cornwell and Dealer shall each week furnish an IBN Weekly Report Summary to Cornwell's District Sales Manager, Cornwell's Credit Department and as Cornwell may otherwise direct. Dealer will also allow, upon request and reasonable notice, Cornwell's authorized representative to inspect Dealer's Total Inventory at any time.

8. Repurchase of Inventory. If Dealer ceases for any reason to be an authorized dealer of Cornwell's products, Cornwell will repurchase from Dealer that portion of the Total Inventory which Cornwell is required to repurchase, if any, in accordance with the terms set forth in the Dealer Franchise Agreement between Cornwell and the Dealer, the terms of which are expressly incorporated herein. If any of the Indebtedness is unpaid at the time of such repurchase, Cornwell will credit against the Indebtedness the net amounts from such repurchase, as determined in accordance with the terms set forth in the Dealer Franchise Agreement.

9. Default. The Dealer shall be in default upon the happening of any of the following events or conditions:

(a) The failure of Dealer to make payment or performance of any of the Dealer's indebtedness to Cornwell, as described in paragraph 3 above, including but not limited to those arising from the sale of inventory described in this Agreement.

(b) If the Dealer defaults under the Dealer Franchise Agreement or any other agreement or contract between the Dealer and Cornwell, including but not limited to paragraph 5 or the obligation to furnish IBN Report Summaries as contained in Paragraph 6 above, or upon the termination of any such agreement.

(c) The failure of the Dealer to have this note and security agreement fully collateralized at all times. Until the Indebtedness is paid in full, Dealer shall own and maintain in Dealer's truck or other vehicle inventory purchased from Cornwell in an amount not less than the lesser of Sixty Thousand Dollars ($60000) or the outstanding balance of this note, including principal, interest and any costs and expenses.

Upon default, all obligations of the Dealer at once become due and payable without any notice or demand, notice and demand having been expressly waived. Payments made shall first be applied to the payment of the interest that accrued and then to the principal amount, which remains unpaid.

10. Acceleration. Upon the happening of any of the following events or conditions:

(a) Default by Dealer in the payment or the performance of any of Dealer's Indebtedness to Cornwell, as described in paragraphs 4, 6, or 7 above, including but not limited to those arising from the sale of inventory described in this agreement;

(b) Loss, theft, destruction, encumbrance, levy against, seizure or attachment of or to any of the Collateral, or any sale of all or any part of the Collateral other than in the regular course of Dealer's business;

(c) Any warranty, representation, financial statement or other information made or furnished to Cornwell by or on behalf of Dealer proves to have been or to have become false in any material respect;

(d) Death, impairment, termination of existence, insolvency, business failure, appointment of a trustee or receiver of any part of the property of, assignment for the benefit of creditors of or the commencement of any proceedings under bankruptcy or any other state or federal law for the relief of debtors by or against Dealer, or any surety for Dealer;

(e) Dealer's ceasing for any reason to be an authorized dealer of Cornwell's products;

(f) A judgment for the payment of any sum of money against Dealer, which shall remain undischarged for a period of 45 days during which time execution shall not be effectively stayed; or

(g) Cornwell deems itself insecure, in good faith believing that the prospect of payment of any of the Indebtedness or the performance of any other obligation of Dealer is impaired.

Cornwell may, at its option, without notice or demand, declare due and payable, and, in addition to other rights and remedies upon default under applicable law, collect the full amount of the Indebtedness or any portion thereof, as calculated below, and will have the further right, without notice or demand, to repossess the Collateral, to enter peacefully upon any premises where the Collateral is located in order to repossess it and to exercise all other rights allowed by law. Without limiting the above, Cornwell shall have all of the rights and remedies of a secured creditor under the Uniform Commercial Code as adopted in Ohio.

Dealer agrees upon the request of Cornwell to assemble the Collateral and to make it available at any place designated by Cornwell. Dealer hereby expressly waives the entitlement, if any, to a judicial hearing prior to the exercise of Cornwell's right of repossession, which right is exercisable by Cornwell on its own behalf or through resort to appropriate judicial process. After repossession, Cornwell will provide at least 10 days prior written notice to Dealer at Dealer's Business Address of the time and place of any public sale or the time after which any private sale or repurchase pursuant to the Dealer Agreement will be made of the Collateral, and Dealer agrees that such 10-day period is reasonable. Dealer further agrees that repurchase of the Total Inventory, or any part thereof, pursuant to the terms of the Dealer Agreement shall constitute a commercially reasonable disposition thereof. The proceeds of any disposition of the Collateral may be applied to the Indebtedness as Cornwell may elect.

Upon Voluntary prepayment in full or upon acceleration as set forth herein, the amount of the Indebtedness will be calculated as follows: total (1) the cash price of each time-deferred sale, less the amounts from previous payments which have been applied to principal; plus (2) time-price charges and late charges on unpaid balances; plus (3) all other outstanding Indebtedness, as defined in paragraph 3 above; plus (4) additional time-price charges of _____ % per annum (or the highest rate allowed by law, whichever is less) on the total of the first three components above, until paid in full. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the Indebtedness shall be reduced accordingly, as may be required.

11. PARTIAL WAIVER OF DEALER'S REMEDIES. DEALER HEREBY EXPRESSLY AGREES THAT, WITH REGARD TO THE INVENTORY DELIVERED UNDER THIS AGREEMENT, DEALER'S REMEDIES UNDER THIS AGREEMENT (INCLUDING WITHOUT LIMITATION, REMEDIES BY WAY OF DEFENSE, COUNTERCLAIM, RECOUPMENT AND SET-OFF) ARE EXCLUSIVELY LIMITED TO ANY WARRANTIES EXPRESSLY GIVEN IN WRITING. WARRANTIES OF MERCHANTABILITY, AND OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED.

12. LIMITATION OF DAMAGES. DEALER HEREBY ALSO EXPRESSLY AGREES THAT DEALER'S DAMAGES FOR CORNWELL'S BREACH OF THE FOREGOING EXCLUSIVE WARRANTIES ARE LIMITED TO THE ENFORCEMENT OF SECTION 7 OF THIS AGREEMENT AND REPLACEMENT OR RECOVERY OF AMOUNTS PAID BY DEALER TO CORNWELL FOR DEFECTIVE PRODUCTS, AS APPLICABLE, AND THAT CORNWELL SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES.

13. Collection Costs. Dealer shall reimburse Cornwell for all costs of collection of the Indebtedness or any portion thereof, including, without limiting the generality of the foregoing, expenses of, and charges for, the repossession and holding of the Collateral for sale and any preparations for such sale, court costs and reasonable attorneys' fees. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the costs of collection shall be reduced accordingly, as may be required.

14. Taxes and Assessments. Dealer will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement or upon any papers evidencing the obligations between the parties and at its option, Cornwell may discharge taxes, liens or other encumbrances at any time levied or placed on the Collateral, pay for the maintenance and preservation of the Collateral and taxes, assessments and insurance on the Collateral should Dealer fail to do so, and Dealer agrees to reimburse Cornwell on demand for any payments so made until such reimbursement, the amount so paid by Cornwell shall be added to the Indebtedness.

15. Application of Amounts Received. All amounts received by Cornwell from Dealer may be applied by Cornwell to the Indebtedness in such order and to principal or to time-price charges, as Cornwell may determine. Dealer authorizes Cornwell at any time, without notice, to appropriate and to apply any Collateral in Cornwell's possession, custody or control towards the payment of the Indebtedness. Dealer waives presentment, demand, notice, acceptance, performance, default, enforcement, exoneration and reimbursement, assents to any acceleration, extension, modification, waiver or postponement or to any other indulgence, to any addition, substitution, exchange or release of the Collateral to the addition or release of any other party or person primarily or secondarily liable, to the settlement, compromise or adjustment of the Indebtedness and/or to the application of any Collateral against the Indebtedness and in any order.

16. Miscellaneous.

(a) This agreement shall continue until such time as there is no outstanding Indebtedness and there are no other agreements in effect between Dealer and Cornwell.

(b) This agreement shall be deemed to have been made in Ohio and shall be governed by Ohio law, and shall be binding upon and inure to the benefit of the parties, their executors, administrators, personal representatives, heirs, successors, and assigns as the case may be.

(c) Any claim or controversy in connection with, arising out of, or relating to this agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s).

Cornwell reserves the right to obtain injunctive or other mandatory relief, including, but not limited to replevin from the act or omission of any activity prohibited or required by this agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell or is otherwise necessary to obtain possession of any or all of the Total Inventory upon Dealer's default.

(d) In the event that this agreement, or any part of it is found to be governed by the law of any other state and/or to be unenforceable, any part found to be unenforceable shall be severed and the agreement given effect according to the intent of the parties, to the fullest extent permitted by law.

(e) This agreement may only be modified by a writing, signed by all of the parties hereto and shall not be effective until accepted by Cornwell in Ohio.

17. Notice and Service of Process. Any notice required to be given under this Order, Note and Security Agreement, or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281, and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Order, Note and Security Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

IN RECOGNITION OF WHICH and intending to be legally bound, the person or persons identified above as Dealer have signed this Order, Note and Security Agreement below.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By: _____
CORNWELL (Corporate Officer)

Statement of Outstanding Liens

There are outstanding liens against some or all of the Collateral described in this Agreement, as follows:

Name	Amount	Collateral

_____
Dealer

EXHIBIT C-2

Amount: **[Insert $60,000 or $80,000]** Wadsworth, Ohio

~~20252026~~

Date: _____

CORNWELL QUALITY TOOLS
FRANCHISE DEVELOPER DSA
DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT

The undersigned, individually and/or collectively, having a franchised dealership of Cornwell Quality Tools products and (if applicable) the individual owner or owners of such dealership if it is an entity, as active partners in the operation of the business (individually and/or collectively referred to as "Dealer"), hereby orders and agrees to purchase from CORNWELL QUALITY TOOLS COMPANY, an Ohio Corporation ("Cornwell"), the inventory and other property to be delivered to Dealer by Cornwell and described on documentation to be sent to Dealer at the times of shipment (the "Inventory"). This order will become binding and effective when accepted in writing by Cornwell in Ohio.

1. Maintaining Franchise Developer status

(a) Dealer and Cornwell are parties to a Franchise Developer Franchise Dealer Agreement ("Dealer Agreement"), of the same date as this Purchase Order, Note and Security Agreement ("DSA Note"). The terms of the Dealer Agreement are expressly incorporated into this DSA Note.

(b) To satisfy this DSA Note other than by the timely completion of all of the payments set forth in paragraph 2(a), the Dealer must meet the requirements set forth below. To the extent the requirements of this paragraph 1 conflict with other provisions of this DSA Note, the requirements of this paragraph shall prevail.

(c) Dealer must (1) Remain a Cornwell Dealer with average purchases of not less than $~~7,700~~7,780 per week for at least 36 months from the date that Dealer first makes sales ("Start Date") or (2) Introduce at least 3 new dealers to Cornwell within 36 months of the Start Date. Dealer must further comply with all of the requirements of this DSA Note and the Dealer Agreement, including but not limited to making the weekly payments towards the principal amount of the Note set forth below.

(d) So long as Dealer maintains Franchise Developer Dealer status, the payment of the time-price charges equivalent to interest on the principal amount of this DSA Note is waived. Dealer must, however, make weekly payments as described in Section 2 below towards the principal amount of the DSA Note. Following each of the first, three 52-week periods after payments have commenced on this DSA Note, if Dealer has

EXHIBIT
tabbies
C-2

complied with the requirements of the Dealer Agreement and this DSA Note during that period, Cornwell will then issue an open account credit to Dealer to be used only for the purchase of additional inventory in the amount of $20,000.

(e) Dealer's status as a Franchise Developer will be reviewed every 52 weeks after the commencement of payments on this DSA Note. If at any time within 36 months of the Start Date the Dealer has introduced at least 3 new dealers to Cornwell up to $60,000 of this DSA Note will be deemed satisfied in full.

(f) If Dealer both fails to satisfy the average purchase requirement and has not introduced a new dealer during the preceding 52 weeks, Dealers status as a Franchise Developer may be terminated by Cornwell. This DSA Note may then be declared in default and accelerated, including accrued time-price charges and late charges, as provided in paragraphs 2(a), (b), (d) and (e) below and paragraphs 9 and 10 below.

(g) "Introduction" of new dealers for the purpose of Franchise Developer status means that new dealers enter into Dealer Franchise Agreements, purchase Starter Inventories and remain Cornwell Dealers for a minimum of 6 months each.

(h) The Dealer Franchise Agreement between the parties ("the Agreement) is incorporated into this Note by reference. Without limitation, the provisions of the Agreement incorporated into this Note include its paragraph 4, pertaining to the portion of the Inventory described as the "Reserve" and the manner of payment for the Reserve. If Cornwell has waived the Reserve requirement or has declined to finance the Reserve, the principal amount of this DSA Note will be $60,000. If Cornwell requires the Reserve and has agreed to finance it, the principal amount of this DSA Note will be $80,000.

2. Promise to Pay Deferred Sales Price.

(a) The balance owed for the Inventory is [Insert $60,000 or $80,000]. Dealer has chosen to pay for the Inventory over time and Dealer therefore agrees to pay Cornwell a deferred sales price of $ [Insert calculated total at current DSA rate for $60,000 or $80,000] . The deferred sales price indicated shall be payable in **156** weekly installments of $ [Insert calculated total ÷ 156] each due on the Monday of each week commencing on _____ , 20 ____ , at Cornwell Quality Tools Company, 667 Seville Road, Wadsworth, Ohio 44281, or such place as Cornwell shall designate.

(b) The time-price charge is the same amount as a _____ % interest charge would be on a loan of money. If this agreement is made by more than one person, first dealer and second dealer, their obligations shall be joint and several, which means that each one can be separately required by Cornwell to pay the entire indebtedness or both can be required to pay it.

(c) All payments are intended to be applied first toward unpaid accrued time-price charges and then as a reduction of the unpaid principal balance, but Cornwell reserves the right to apply such payments in such order as it may determine. This note may be voluntarily pre-paid in part or in full at any time, without penalty, and is subject to involuntary acceleration, as set forth in paragraph 10 below.

(d) If any payment is not made on or before its due date, additional time-price charges will be made at the rate of _____ % per annum and will continue to accrue on the unpaid balance as part of the Indebtedness described in paragraph 4 below. This will result in a slower principal reduction, to be deferred at Cornwell's option to increase the final scheduled payment, if it is not paid sooner and a default is not earlier declared. Conversely, payments received in advance of their due date will result in a faster principal reduction than scheduled, thus decreasing the final scheduled payment.

(e) In addition, Cornwell may impose a weekly late charge of $10.00 each week that Dealer is three or more payments in arrears. The late charge will become an increase in the principal balance, and likewise become part of the Indebtedness, which will increase the amount of the final scheduled payment, if it is not paid sooner and a default is not earlier declared.

(f) Although it is not the present practice, or any intention of Cornwell, to sell, assign, or discount to a third-party, in whole or in part, any note, contract or other instrument executed by the Dealer, Cornwell retains the right to do so.

(g) The installments to be paid to Cornwell by the Dealer, pursuant to subparagraph (a) above, shall be paid by an ACH Debit for automatic payment, which will be automatically processed every Monday according to the schedule set forth in subparagraph 2(a) above, until the obligation is paid in full. The Dealer shall sign an irrevocable ACH Agreement authorizing Cornwell to automatically deduct the weekly payment from the Dealer's bank account until this obligation is paid in full. In the event funds are not available to complete the automatic transfer on that date, it shall be considered an event of default.

3. Title and Shipping. The Inventory will be sent by Cornwell to Dealer at the address designated by the Dealer. Title will pass to Dealer when the Inventory leaves the Cornwell Distribution Center, but costs of shipping and insurance during shipping are included in the prices quoted above and will be paid by Cornwell.

4. Security Interest.

(a) Security Interest and Warranty of Clear Title. This security interest is intended to extend broadly, to make all of Dealer's personal property available to cover any amounts the Dealer may owe Cornwell for the purchase of Inventory, now or in the future and the other amounts described below in the definition of Indebtedness. Without limitation,

the security interest specifically includes all of Dealer's entire inventory ("Total Inventory"), whenever acquired and all of Dealer's accounts receivable ("Accounts"), whenever created.

In order to secure the payment of any and all of Dealer's indebtedness, obligations and liabilities owing to Cornwell and the performance by the Dealer of any or all of Dealer's covenants and warranties contained in any agreement in favor of Cornwell, whether currently existing or arising in the future, contingent or absolute, whether contained in this agreement, the Franchise Developer Dealer Franchise Agreement, or in any other agreement; all costs and expenses incurred in the collection of such obligations and/or indebtedness; and for all taxes levied, insurance and repairs to or maintenance of any collateral (collectively, the "Indebtedness"), Dealer hereby grants to Cornwell a security interest in the following described property, hereinafter referred to as the "Collateral":

> Description of Collateral
> All accounts, accounts receivable, contract rights, chattel paper, general intangibles, instruments, documents, policies and certificates of insurance, all goods, inventory and equipment (such terms having the meaning assigned to them in the Uniform Commercial Code as adopted in Ohio), together with all attachments, and accessories, and all proceeds from insurance, including but not limited to Total Inventory, whether now existing or hereafter arising, now owned or hereafter acquired, due or to become due, including proceeds and products and Dealer's records of such property.

Dealer warrants that Dealer owns good and marketable title to the Collateral, or will own such title upon sale of the Inventory, free and clear of any and all liens, interests and encumbrances, except as set forth below, that Dealer will not permit any lien, security interest or encumbrance (other than the security interest created hereby) to attach to the Collateral and, except for sales of inventory in the normal course of business, that Dealer will not sell, exchange, lease or otherwise dispose of or transfer any interest in the Collateral.

(b) Dealer's Records. Dealer shall maintain at Dealer's place of business accurate and up-to-date records pertaining to the Total Inventory, the Collateral and the Accounts. Cornwell shall have a special property interest in all of Dealer's records pertaining to the Total Inventory, the Collateral and the Accounts, and Cornwell's agents, representatives and employees shall have the right to inspect them at any reasonable time or times. At the request of Cornwell, if any part of the Indebtedness is in default, Dealer agrees to stamp, in form and manner satisfactory to Cornwell, its records pertaining to the Accounts with an appropriate reference to the security interest created herein, and/or to deliver and turn over any and all such records to the Cornwell.

(c) Financing Statements. Dealer shall execute and immediately deliver to Cornwell with this Order, Note and Security Agreement, or upon demand, such financing statements or other appropriate documentation as may be requested by Cornwell now or hereafter, to evidence and to perfect the security interest created herein.

(d) Good Condition. Until all the Indebtedness is paid in full, Dealer shall keep the Total Inventory in good condition and repair and shall properly maintain it and keep it stored in a safe place, at the Dealer's business address or any other location approved by Cornwell. If the truck or other vehicle where Dealer will keep any or all of the Total Inventory is currently encumbered by a security interest or lease, the name of the secured party or lessor is _____ whose address is _____. If Dealer's vehicle subsequently becomes encumbered or subject to a lease before all the Indebtedness is paid in full, Dealer agrees to immediately notify Cornwell of the name and address of such other secured party or lessor. Cornwell reserves the right to notify such secured party or lessor of the existence of the security interest created by this agreement and to require the removal of the Total Inventory from the vehicle, in the event the vehicle is repossessed.

5. Insurance.

(a) Dealer shall provide that the Collateral is continuously insured with the following minimum insurance coverage: commercial business auto liability insurance with limits of One Million Dollars ($1,000,000); general commercial liability insurance under a comprehensive general liability form that includes coverage of bodily harm, property damage, and product liability with policy limits not less than One Million Dollars ($1,000,000); and cargo insurance with all risk property coverage for full replacement value of Dealer's inventory. Such insurance shall be so written and endorsed as to make losses, if any, payable to Cornwell in addition to the Dealer, as their respective interest may appear. Each policy of insurance shall be written so as to be not subject to cancellation or substantial modification without at least thirty (30) days' written notice to Cornwell. Dealer shall deposit with Cornwell certificates or other evidence satisfactory to Cornwell that the required insurance has been obtained and is in full force and effect and, prior to the expiration of any such insurance, Dealer shall furnish Cornwell with evidence satisfactory to Cornwell that such insurance has been renewed or replaced. Contemporaneous with the execution of this agreement, and from time to time thereafter upon request by Cornwell, Dealer shall provide Cornwell with a Certificate of Insurance evidencing that Dealer has complied with the foregoing requirements of this Agreement.

(b) All amounts received by Cornwell in payment of insurance losses may, at Cornwell's option, be applied in satisfaction of Dealer's Indebtedness to Cornwell or all or any part thereof may be used for the purpose of repairing, replacing, or restoring the Collateral.

(c) Dealer will at all times have and maintain public liability insurance covering such risks and in such amounts and issued by such companies as are acceptable to Cornwell.

(d) Dealer assigns to Cornwell all rights to the proceeds of any insurance not exceeding unpaid balances and hereby directs the insurance carrier and its agents to

pay all proceeds directly to Cornwell, authorizes Cornwell to endorse any draft for and on behalf of Dealer as its attorney-in-fact, coupled with an interest, and further authorizes Cornwell to make adjustments of all insurance losses, sign all applications, receipts, releases and other papers necessary and to make settlements.

(e) Note to Dealer: DEALER IS REQUIRED TO SUBMIT AN INSURANCE AUTHORIZATION FORM. PLEASE FILL IN THE APPROPRIATE BLANKS ON THE FORM WITH THE NAME AND ADDRESS OF THE INSURANCE COMPANY WHICH WILL INSURE THE TOTAL INVENTORY AND ENCLOSE THE FORM WHEN YOU RETURN THIS AGREEMENT TO CORNWELL QUALITY TOOLS COMPANY.

(f) Collection of Accounts: With respect to the Accounts and in addition to and not in limitation of any of the rights provided to Cornwell elsewhere in this agreement or by law, Cornwell may upon the occurrence of any of the events described in Paragraph 9 below or at any time thereafter (such event not having previously been cured or waived), at its option, without prior demand or notice to Dealer, and without resort to legal process or judicial hearing, order or authorization, notify the persons liable for the payment of the Accounts of Cornwell's security interest and direct such persons to make payments directly to Cornwell, and, at Cornwell's request, all bills and statements sent by Dealer to the persons liable for the payment of the Accounts shall state that the Accounts have been assigned to, and are solely payable to Cornwell, and at Cornwell's request, Dealer shall direct the persons liable for the payment of the Accounts to pay directly to Cornwell any sums due or to become due on account thereof.

The Dealer hereby irrevocably appoints Cornwell as its true and lawful attorney-in-fact, coupled with an interest, with full power to send the notices described above, to take possession of and endorse in the name of Dealer any instruments or documents received in payment of all or part of the Accounts, to collect, sue for and give a quittances for monies due on the Accounts, and to withdraw any claims, suits or proceedings pertinent thereto, or arising out of the assignment of the Accounts.

In pursuance of the rights granted hereunder, Cornwell may extend the time for payment of, compromise or settle for cash, credit or otherwise, and upon any terms and conditions, any of the Accounts and thereby discharge the person or persons liable for the payment thereof, without affecting the obligations of Dealer to Cornwell (except to the extent that the Indebtedness shall be reduced by the amount of any sums received by Cornwell).

6. Financial Condition. Upon request by Cornwell, Dealer agrees to furnish Cornwell within a reasonable time accurate and up-to-date information concerning any aspect of Dealer's financial condition

7. Verification of Sales and Inventory. Dealer will maintain written, weekly summaries of its sales and then existing Total Inventory and all Accounts in a form acceptable to Cornwell and Dealer shall each week furnish an IBN Weekly Report Summary to Cornwell's District Sales Manager, Cornwell's Credit Department and as

Cornwell may otherwise direct. Dealer will also allow, upon request and reasonable notice, Cornwell's authorized representative to inspect Dealer's Total Inventory at any time.

8. Repurchase of Inventory. If Dealer ceases for any reason to be an authorized dealer of Cornwell's products, Cornwell will repurchase from Dealer that portion of the Total Inventory which Cornwell is required to repurchase, if any, in accordance with the terms set forth in the Franchise Developer Dealer Franchise Agreement between Cornwell and the Dealer, the terms of which are expressly incorporated herein. If any of the Indebtedness is unpaid at the time of such repurchase, Cornwell will credit against the Indebtedness the net amounts from such repurchase, as determined in accordance with the terms set forth in the Franchise Developer Dealer Franchise Agreement.

9. Default. The Dealer shall be in default upon the happening of any of the following events or conditions:

(a) The failure of Dealer to make payment or performance of any of the Dealer's indebtedness to Cornwell, as described in paragraph 4 above, including but not limited to those arising from the sale of inventory described in this Agreement.

(b) If the Dealer defaults under the Franchise Developer Dealer Franchise Agreement or any other agreement or contract between the Dealer and Cornwell, including but not limited to paragraph 6 or the obligation to furnish MM1 or IBN Report Summaries as contained in paragraph 7 above, or upon the termination of any such agreement.

(c) The failure of the Dealer to have this note and security agreement fully collateralized at all times. Until the Indebtedness is paid in full, Dealer shall own and maintain in Dealer's truck or other vehicle inventory purchased from Cornwell in an amount not less than the lesser of Sixty Thousand Dollars ($60,000) or the outstanding balance of this note, including principal, interest and any costs and expenses.

Upon default, all obligations of the Dealer at once become due and payable without any notice or demand, notice and demand having been expressly waived. Payments made shall first be applied to the payment of the interest that accrued and then to the principal amount which remains unpaid.

10. Acceleration. Upon the happening of any of the following events or conditions:

(a) Default by Dealer in the payment or the performance of any of Dealer's Indebtedness to Cornwell, as described in paragraphs 4, 6, or 7 above, including but not limited to those arising from the sale of inventory described in this agreement;

(b) Loss, theft, destruction, encumbrance, levy against, seizure or attachment of or to any of the Collateral, or any sale of all or any part of the Collateral other than in the regular course of Dealer's business;

(c) Any warranty, representation, financial statement or other information made or furnished to Cornwell by or on behalf of Dealer proves to have been or to have become false in any material respect;

(d) Death, impairment, termination of existence, insolvency, business failure, appointment of a trustee or receiver of any part of the property of, assignment for the benefit of creditors of or the commencement of any proceedings under bankruptcy or any other state or federal law for the relief of debtors by or against Dealer, or any surety for Dealer;

(e) Dealer's ceasing for any reason to be an authorized dealer of Cornwell's products;

(f) A judgment for the payment of any sum of money against Dealer, which shall remain undischarged for a period of 45 days during which time execution shall not be effectively stayed; or

(g) Cornwell deems itself insecure, in good faith believing that the prospect of payment of any of the Indebtedness or the performance of any other obligation of Dealer is impaired.

Cornwell may, at its option, without notice or demand, declare due and payable, and, in addition to other rights and remedies upon default under applicable law, collect the full amount of the Indebtedness or any portion thereof, as calculated below, and will have the further right, without notice or demand, to repossess the Collateral, to enter peacefully upon any premises where the Collateral is located in order to repossess it and to exercise all other rights allowed by law. Without limiting the above, Cornwell shall have all of the rights and remedies of a secured creditor under the Uniform Commercial Code as adopted in Ohio.

Dealer agrees upon the request of Cornwell to assemble the Collateral and to make it available at any place designated by Cornwell. Dealer hereby expressly waives the entitlement, if any, to a judicial hearing prior to the exercise of Cornwell's right of repossession, which right is exercisable by Cornwell on its own behalf or through resort to appropriate judicial process. After repossession, Cornwell will provide at least 10 days prior written notice to Dealer at Dealer's Business Address of the time and place of any public sale or the time after which any private sale or repurchase pursuant to the Franchise Developer Dealer Franchise Agreement will be made of the Collateral, and Dealer agrees that such 10-day period is reasonable. Dealer further agrees that repurchase of the Total Inventory, or any part thereof, pursuant to the terms of the Franchise Developer Dealer Franchise Agreement shall constitute a commercially reasonable disposition thereof. The proceeds of any disposition of the Collateral may be applied to the Indebtedness as Cornwell may elect.

Upon Voluntary prepayment in full or upon acceleration as set forth herein, the amount of the Indebtedness will be calculated as follows: total (1) the cash price of each

time-deferred sale, less the amounts from previous payments which have been applied to principal; plus (2) time-price charges and late charges on unpaid balances; plus (3) all other outstanding Indebtedness, as defined in paragraph 4 above; plus (4) additional time-price charges of _____ % per annum (or the highest rate allowed by law, whichever is less) on the total of the first three components above, until paid in full. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the Indebtedness shall be reduced accordingly, as may be required.

11. PARTIAL WAIVER OF DEALER'S REMEDIES. DEALER HEREBY EXPRESSLY AGREES THAT, WITH REGARD TO THE INVENTORY DELIVERED UNDER THIS AGREEMENT, DEALER'S REMEDIES UNDER THIS AGREEMENT (INCLUDING WITHOUT LIMITATION, REMEDIES BY WAY OF DEFENSE, COUNTERCLAIM, RECOUPMENT AND SET-OFF) ARE EXCLUSIVELY LIMITED TO ANY WARRANTIES EXPRESSLY GIVEN IN WRITING. WARRANTIES OF MERCHANTABILITY, AND OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED.

12. LIMITATION OF DAMAGES DEALER HEREBY ALSO EXPRESSLY AGREES THAT DEALER'S DAMAGES FOR CORNWELL'S BREACH OF THE FOREGOING EXCLUSIVE WARRANTIES ARE LIMITED TO THE ENFORCEMENT OF SECTION 8 OF THIS AGREEMENT AND REPLACEMENT OR RECOVERY OF AMOUNTS PAID BY DEALER TO CORNWELL FOR DEFECTIVE PRODUCTS, AS APPLICABLE, AND THAT CORNWELL SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES.

13. Collection Costs. Dealer shall reimburse Cornwell for all costs of collection of the Indebtedness or any portion thereof, including, without limiting the generality of the foregoing, expenses of, and charges for, the repossession and holding of the Collateral for sale and any preparations for such sale, court costs and reasonable attorneys' fees. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the costs of collection shall be reduced accordingly, as may be required.

14. Taxes and Assessments. Dealer will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement or upon any papers evidencing the obligations between the parties and at its option, Cornwell may discharge taxes, liens or other encumbrances at any time levied or placed on the Collateral, pay for the maintenance and preservation of the Collateral and taxes, assessments and insurance on the Collateral should Dealer fail to do so, and Dealer agrees to reimburse Cornwell on demand for any payments so made until such reimbursement, the amount so paid by Cornwell shall be added to the Indebtedness.

15. Application of Amounts Received. If Dealer fails to maintain Franchise Developer status, all amounts received by Cornwell from Dealer may be applied by Cornwell to the Indebtedness in such order and to principal or to time-price charges, as Cornwell may determine. Dealer authorizes Cornwell at any time, without notice, to appropriate and to apply any Collateral in Cornwell's possession, custody or control

towards the payment of the Indebtedness. Dealer waives presentment, demand, notice, acceptance, performance, default, enforcement, exoneration and reimbursement, assents to any acceleration, extension, modification, waiver or postponement or to any other indulgence, to any addition, substitution, exchange or release of the Collateral to the addition or release of any other party or person primarily or secondarily liable, to the settlement, compromise or adjustment of the Indebtedness and/or to the application of any Collateral against the Indebtedness and in any order.

16. Miscellaneous.

(a) This agreement shall continue until such time as there is no outstanding Indebtedness and there are no other agreements in effect between Dealer and Cornwell.

(b) This agreement shall be deemed to have been made in Ohio and shall be governed by Ohio law, and shall be binding upon and inure to the benefit of the parties, their executors, administrators, personal representatives, heirs, successors, and assigns as the case may be.

(c) Any claim or controversy in connection with, arising out of, or relating to this agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s). Cornwell reserves the right to obtain injunctive or other mandatory relief, including but not limited to replevin, from the act or omission of any activity prohibited or required by this agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell or is otherwise necessary to obtain possession of any or all of the Total Inventory upon Dealer's default.

(d) In the event that this agreement, or any part of it is found to be governed by the law of any other state and/or to be unenforceable, any part found to be unenforceable shall be severed and the agreement given effect according to the intent of the parties, to the fullest extent permitted by law.

(e) This agreement may only be modified by a writing signed by all of the parties hereto and shall not be effective until accepted by Cornwell in Ohio.

17. Notice and Service of Process. Any notice required to be given under this Order, Note and Security Agreement, or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the

address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Order, Note and Security Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

IN RECOGNITION OF WHICH and intending to be legally bound, the person or persons identified above as Dealer have signed this Order, Note and Security Agreement below.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRSTINDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By: _____
CORNWELL (Corporate Officer)

Statement of Outstanding Liens

There are outstanding liens against some or all of the Collateral described in this Agreement, as follows:

Name	Amount	Collateral

_____
Dealer

EXHIBIT C-3

Amount: **[Insert $65,000 or $85,000]** Wadsworth, Ohio

20252026

Date: _____

CORNWELL QUALITY TOOLS
SPECIAL REP DSA
DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT

The undersigned, individually and/or collectively, having a franchised dealership of Cornwell Quality Tools products and (if applicable) the individual owner or owners of such dealership if it is an entity, as active partners in the operation of the business (individually and/or collectively referred to as "Dealer"), hereby orders and agrees to purchase from CORNWELL QUALITY TOOLS COMPANY, an Ohio Corporation ("Cornwell"), the inventory and other property to be delivered to Dealer by Cornwell and described on documentation to be sent to Dealer at the times of shipment (the "Inventory"). This order will become binding and effective when accepted in writing by Cornwell in Ohio.

1. Maintaining Special Representative status

(a) Dealer and Cornwell are parties to a Special Representative Franchised Dealer Agreement ("Dealer Agreement"), of the same date as this Purchase Order, Note and Security Agreement ("DSA Note"). The terms of the Dealer Agreement are expressly incorporated into this DSA Note.

(b) To satisfy this DSA Note other than by the timely completion of all of the payments set forth in paragraph 2(a), the Dealer must meet the requirements set forth below. To the extent the requirements of this paragraph 1 conflict with other provisions of this DSA Note, the requirements of this paragraph shall prevail.

(c) Dealer must (1) Remain a Cornwell Dealer with average purchases of not less than $~~7,700~~7,780 per week for at least 36 months from the date that Dealer first makes sales ("Start Date") or (2) Introduce at least 3 new dealers to Cornwell within 36 months of the Start Date. Dealer must further comply with all of the requirements of this DSA Note and the Dealer Agreement, including but not limited to making the weekly payments towards the principal amount of the DSA Note set forth below.

(d) So long as Dealer maintains Special Representative status, the payment of the time-price charges equivalent to interest on the principal amount of this DSA Note is waived. Dealer must, however, make 156 weekly payments as described in Section 2 below towards the principal amount of the DSA Note. Following each of the first, three 52-week periods after payments have commenced on this Note, if Dealer has complied with the requirements of the Dealer Agreement and this DSA Note during that period, Cornwell

EXHIBIT
tabbies
C-3

will then issue an open account credit to Dealer to be used for the purchase of additional inventory. The credit at the end of the first and second years will be $20,000 and $25,000 at the end of the third year.

(e) Dealer's status as a Special Representative will be reviewed every 52 weeks after the commencement of payments on this DSA Note. If at any time within 36 months of the Start Date the Dealer has introduced at least 3 new dealers to Cornwell, up to $65,000 of this DSA Note will be deemed satisfied in full.

(f) If Dealer both fails to satisfy the average purchase requirement and has not introduced a new dealer during the preceding 52 weeks, Dealer's status as a Special Representative may be terminated by Cornwell. This DSA Note may then be declared in default and accelerated, including accrued time-price charges on the outstanding balance and late charges, as provided in paragraphs 2(a), (b), (d) and (e) below and paragraphs 9 and 10 below.

(g) "Introduction" of new dealers for the purpose of Special Representative status means that such new dealers enter into Dealer Franchise Agreements, purchase Starter Inventories and remain Cornwell Dealers for a minimum of 6 months each.

(h) The Dealer Franchise Agreement between the parties ("the Agreement) is incorporated into this Note by reference. Without limitation, the provisions of the Agreement incorporated into this Note include its paragraph 4, pertaining to the portion of the Inventory described as the "Reserve" and the manner of payment for the Reserve. If Cornwell has waived the Reserve requirement or has declined to finance the Reserve, the principal amount of this DSA Note will be $65,000. If Cornwell requires the Reserve and has agreed to finance it, the principal amount of this DSA Note will be $85,000.

2. Promise to Pay Deferred Sales Price.

(a) The balance owed for the Inventory is [Insert **$65,000 or $85,000]**. Dealer has chosen to pay for the Inventory over time and Dealer therefore agrees to pay Cornwell a deferred sales price of $ [Insert calculated total based on $65,000 or $85,000] . The deferred sales price indicated shall be payable in 156 weekly installments of $ [Insert calculated total ÷ 156] each due on the Monday of each week commencing on _____ , 20 ____ , at Cornwell Quality Tools Company, 667 Seville Road, Wadsworth, Ohio 44281, or such place as Cornwell shall designate.

(b) The time-price charge is the same amount as a _____ % interest charge would be on a loan of money. If this agreement is made by more than one person, first dealer and second dealer, their obligations shall be joint and several, which

means that each one can be separately required by Cornwell to pay the entire indebtedness or both can be required to pay it.

(c) All payments are intended to be applied first toward unpaid accrued time-price charges and then as a reduction of the unpaid principal balance, but Cornwell reserves the right to apply such payments in such order as it may determine. This note may be voluntarily pre-paid in part or in full at any time, without penalty, and is subject to involuntary acceleration, as set forth in paragraph 10 below.

(d) If any payment is not made on or before its due date, additional time-price charges will be made at the rate of _____ % per annum and will continue to accrue on the unpaid balance as part of the Indebtedness described in paragraph 4 below. This will result in a slower principal reduction, to be deferred at Cornwell's option to increase the final scheduled payment, if it is not paid sooner and a default is not earlier declared. Conversely, payments received in advance of their due date will result in a faster principal reduction than scheduled, thus decreasing the final scheduled payment.

(e) In addition, Cornwell may impose a weekly late charge of $10.00 each week that Dealer is three or more payments in arrears. The late charge will become an increase in the principal balance, and likewise become part of the Indebtedness, which will increase the amount of the final scheduled payment, if it is not paid sooner and a default is not earlier declared.

(f) Although it is not the present practice, or any intention of Cornwell, to sell, assign, or discount to a third-party, in whole or in part, any note, contract or other instrument executed by the Dealer, Cornwell retains the right to do so.

(g) The installments to be paid to Cornwell by the Dealer, pursuant to subparagraph (a) above, shall be paid by an ACH Debit for automatic payment, which will be automatically processed every Monday according to the schedule set forth in subparagraph 2(a) above, until the obligation is paid in full. The Dealer shall sign an irrevocable ACH Agreement authorizing Cornwell to automatically deduct the weekly payment from the Dealer's bank account until this obligation is paid in full. In the event funds are not available to complete the automatic transfer on that date, it shall be considered an event of default.

3. Title and Shipping. The Inventory will be sent by Cornwell to Dealer at the address designated by the Dealer. Title will pass to Dealer when the Inventory leaves the Cornwell Distribution Center, but costs of shipping and insurance during shipping are included in the prices quoted above and will be paid by Cornwell.

4. Security Interest.

(a) Security Interest and Warranty of Clear Title. This security interest is intended to extend broadly, to make all of Dealer's personal property available to cover any amounts the Dealer may owe Cornwell for the purchase of Inventory, now or in the future

and the other amounts described below in the definition of Indebtedness. Without limitation, the security interest specifically includes all of Dealer's entire inventory ("Total Inventory"), whenever acquired, and all of Dealer's accounts receivable ("Accounts"), whenever created.

In order to secure the payment of any and all of Dealer's indebtedness, obligations and liabilities owing to Cornwell and the performance by the Dealer of any or all of Dealer's covenants and warranties contained in any agreement in favor of Cornwell, whether currently existing or arising in the future, contingent or absolute, whether contained in this agreement, the Special Representative Dealer Franchise Agreement, or in any other agreement; all costs and expenses incurred in the collection of such obligations and/or indebtedness; and for all taxes levied, insurance and repairs to or maintenance of any collateral (collectively, the "Indebtedness"), Dealer hereby grants to Cornwell a security interest in the following described property, hereinafter referred to as the "Collateral":

> Description of Collateral
> All accounts, accounts receivable, contract rights, chattel paper, general intangibles, instruments, documents, policies and certificates of insurance, all goods, inventory and equipment (such terms having the meaning assigned to them in the Uniform Commercial Code as adopted in Ohio), together with all attachments, and accessories, and all proceeds from insurance, including but not limited to Total Inventory, whether now existing or hereafter arising, now owned or hereafter acquired, due or to become due, including proceeds and products and Dealer's records of such property.

Dealer warrants that Dealer owns good and marketable title to the Collateral, or will own such title upon sale of the Inventory, free and clear of any and all liens, interests and encumbrances, except as set forth below, that Dealer will not permit any lien, security interest or encumbrance (other than the security interest created hereby) to attach to the Collateral and, except for sales of inventory in the normal course of business, that Dealer will not sell, exchange, lease or otherwise dispose of or transfer any interest in the Collateral.

(b) Dealer's Records. Dealer shall maintain at Dealer's place of business accurate and up-to-date records pertaining to the Total Inventory, the Collateral and the Accounts. Cornwell shall have a special property interest in all of Dealer's records pertaining to the Total Inventory, the Collateral and the Accounts, and Cornwell's agents, representatives and employees shall have the right to inspect them at any reasonable time or times. At the request of Cornwell, if any part of the Indebtedness is in default, Dealer agrees to stamp, in form and manner satisfactory to Cornwell, its records pertaining to the Accounts with an appropriate reference to the security interest created herein, and/or to deliver and turn over any and all such records to the Cornwell.

(c) Financing Statements. Dealer shall execute and immediately deliver to Cornwell with this Order, Note and Security Agreement, or upon demand, such financing

statements or other appropriate documentation as may be requested by Cornwell now or hereafter, to evidence and to perfect the security interest created herein.

(d) Good Condition. Until all the Indebtedness is paid in full, Dealer shall keep the Total Inventory in good condition and repair and shall properly maintain it and keep it stored in a safe place, at the Dealer's business address or any other location approved by Cornwell. If the truck or other vehicle where Dealer will keep any or all of the Total Inventory is currently encumbered by a security interest or lease, the name of the secured party or lessor is _____ whose address is _____. If Dealer's vehicle subsequently becomes encumbered or subject to a lease before all the Indebtedness is paid in full, Dealer agrees to immediately notify Cornwell of the name and address of such other secured party or lessor. Cornwell reserves the right to notify such secured party or lessor of the existence of the security interest created by this agreement and to require the removal of the Total Inventory from the vehicle, in the event the vehicle is repossessed.

5. Insurance.

(a) Dealer shall provide that the Collateral is continuously insured with the following minimum insurance coverages: commercial business auto liability insurance with limits of One Million Dollars ($1,000,000); general commercial liability insurance under a comprehensive general liability form that includes coverage of bodily harm, property damage, and product liability with policy limits not less than One Million Dollars ($1,000,000); and cargo insurance with all risk property coverage for full replacement value of Dealer's inventory. Such insurance shall be so written and endorsed as to make losses, if any, payable to Cornwell in addition to the Dealer, as their respective interest may appear. Each policy of insurance shall be written so as to be not subject to cancellation or substantial modification without at least thirty (30) days' written notice to Cornwell. Dealer shall deposit with Cornwell certificates or other evidence satisfactory to Cornwell that the required insurance has been obtained and is in full force and effect and, prior to the expiration of any such insurance, Dealer shall furnish Cornwell with evidence satisfactory to Cornwell that such insurance has been renewed or replaced. Contemporaneous with the execution of this agreement, and from time to time thereafter upon request by Cornwell, Dealer shall provide Cornwell with a Certificate of Insurance evidencing that Dealer has complied with the foregoing requirements of this Agreement.

(b) All amounts received by Cornwell in payment of insurance losses may, at Cornwell's option, be applied in satisfaction of Dealer's Indebtedness to Cornwell or all or any part thereof may be used for the purpose of repairing, replacing, or restoring the Collateral.

(c) Dealer will at all times have and maintain public liability insurance covering such risks and in such amounts and issued by such companies as are acceptable to Cornwell.

(d) Dealer assigns to Cornwell all rights to the proceeds of any insurance not exceeding unpaid balances and hereby directs the insurance carrier and its agents to pay all proceeds directly to Cornwell, authorizes Cornwell to endorse any draft for and on behalf of Dealer as its attorney-in-fact, coupled with an interest, and further authorizes Cornwell to make adjustments of all insurance losses, sign all applications, receipts, releases and other papers necessary and to make settlements.

(e) Note to Dealer: DEALER IS REQUIRED TO SUBMIT AN INSURANCE AUTHORIZATION FORM. PLEASE FILL IN THE APPROPRIATE BLANKS ON THE FORM WITH THE NAME AND ADDRESS OF THE INSURANCE COMPANY WHICH WILL INSURE THE TOTAL INVENTORY AND ENCLOSE THE FORM WHEN YOU RETURN THIS AGREEMENT TO CORNWELL QUALITY TOOLS COMPANY.

(f) Collection of Accounts: With respect to the Accounts and in addition to and not in limitation of any of the rights provided to Cornwell elsewhere in this agreement or by law, Cornwell may upon the occurrence of any of the events described in Paragraph 9 below or at any time thereafter (such event not having previously been cured or waived), at its option, without prior demand or notice to Dealer, and without resort to legal process or judicial hearing, order or authorization, notify the persons liable for the payment of the Accounts of Cornwell's security interest and direct such persons to make payments directly to Cornwell, and, at Cornwell's request, all bills and statements sent by Dealer to the persons liable for the payment of the Accounts shall state that the Accounts have been assigned to, and are solely payable to Cornwell, and at Cornwell's request, Dealer shall direct the persons liable for the payment of the Accounts to pay directly to Cornwell any sums due or to become due on account thereof.

The Dealer hereby irrevocably appoints Cornwell as its true and lawful attorney-in-fact, coupled with an interest, with full power to send the notices described above, to take possession of and endorse in the name of Dealer any instruments or documents received in payment of all or part of the Accounts, to collect, sue for and give a quittances for monies due on the Accounts, and to withdraw any claims, suits or proceedings pertinent thereto, or arising out of the assignment of the Accounts.

In pursuance of the rights granted hereunder, Cornwell may extend the time for payment of, compromise or settle for cash, credit or otherwise, and upon any terms and conditions, any of the Accounts and thereby discharge the person or persons liable for the payment thereof, without affecting the obligations of Dealer to Cornwell (except to the extent that the Indebtedness shall be reduced by the amount of any sums received by Cornwell).

6. Financial Condition. Upon request by Cornwell, Dealer agrees to furnish Cornwell within a reasonable time accurate and up-to-date information concerning any aspect of Dealer's financial condition

7. Verification of Sales and Inventory. Dealer will maintain written, weekly summaries of its sales and then existing Total Inventory and all Accounts in a form

acceptable to Cornwell and Dealer shall each week furnish an IBN Weekly Report Summary to Cornwell's District Sales Manager, Cornwell's Credit Department and as Cornwell may otherwise direct. Dealer will also allow, upon request and reasonable notice, Cornwell's authorized representative to inspect Dealer's Total Inventory at any time.

8. Repurchase of Inventory. If Dealer ceases for any reason to be an authorized dealer of Cornwell's products, Cornwell will repurchase from Dealer that portion of the Total Inventory which Cornwell is required to repurchase, if any, in accordance with the terms set forth in the Special Representative Dealer Franchise Agreement between Cornwell and the Dealer, the terms of which are expressly incorporated herein. If any of the Indebtedness is unpaid at the time of such repurchase, Cornwell will credit against the Indebtedness the net amounts from such repurchase, as determined in accordance with the terms set forth in the Special Representative Dealer Franchise Agreement.

9. Default. The Dealer shall be in default upon the happening of any of the following events or conditions:

(a) The failure of Dealer to make payment or performance of any of the Dealer's indebtedness to Cornwell, as described in paragraph 4 above, including but not limited to those arising from the sale of inventory described in this Agreement.

(b) If the Dealer defaults under the Special Representative Dealer Franchise Agreement or any other agreement or contract between the Dealer and Cornwell, including but not limited to paragraph 6 or the obligation to furnish IBN Report Summaries as contained in Paragraph 7 above, or upon the termination of any such agreement.

(c) The failure of the Dealer to have this note and security agreement fully collateralized at all times. Until the Indebtedness is paid in full, Dealer shall own and maintain in Dealer's truck or other vehicle inventory purchased from Cornwell in an amount not less than the lesser of Sixty-five Thousand Dollars ($65,000) or the outstanding balance of this note, including principal, interest and any costs and expenses.

Upon default, all obligations of the Dealer at once become due and payable without any notice or demand, notice and demand having been expressly waived. Payments made shall first be applied to the payment of the interest that accrued and then to the principal amount which remains unpaid.

10. Acceleration. Upon the happening of any of the following events or conditions:

(a) Default by Dealer in the payment or the performance of any of Dealer's Indebtedness to Cornwell, as described in paragraphs 4, 6, or 7 above, including but not limited to those arising from the sale of inventory described in this agreement;

(b) Loss, theft, destruction, encumbrance, levy against, seizure or attachment of or to any of the Collateral, or any sale of all or any part of the Collateral other than in the regular course of Dealer's business;

(c) Any warranty, representation, financial statement or other information made or furnished to Cornwell by or on behalf of Dealer proves to have been or to have become false in any material respect;

(d) Death, impairment, termination of existence, insolvency, business failure, appointment of a trustee or receiver of any part of the property of, assignment for the benefit of creditors of or the commencement of any proceedings under bankruptcy or any other state or federal law for the relief of debtors by or against Dealer, or any surety for Dealer;

(e) Dealer's ceasing for any reason to be an authorized dealer of Cornwell's products;

(f) A judgment for the payment of any sum of money against Dealer, which shall remain undischarged for a period of 45 days during which time execution shall not be effectively stayed; or

(g) Cornwell deems itself insecure, in good faith believing that the prospect of payment of any of the Indebtedness or the performance of any other obligation of Dealer is impaired.

Cornwell may, at its option, without notice or demand, declare due and payable, and, in addition to other rights and remedies upon default under applicable law, collect the full amount of the Indebtedness or any portion thereof, as calculated below, and will have the further right, without notice or demand, to repossess the Collateral, to enter peacefully upon any premises where the Collateral is located in order to repossess it and to exercise all other rights allowed by law. Without limiting the above, Cornwell shall have all of the rights and remedies of a secured creditor under the Uniform Commercial Code as adopted in Ohio.

Dealer agrees upon the request of Cornwell to assemble the Collateral and to make it available at any place designated by Cornwell. Dealer hereby expressly waives the entitlement, if any, to a judicial hearing prior to the exercise of Cornwell's right of repossession, which right is exercisable by Cornwell on its own behalf or through resort to appropriate judicial process. After repossession, Cornwell will provide at least 10 days prior written notice to Dealer at Dealer's Business Address of the time and place of any public sale or the time after which any private sale or repurchase pursuant to the Special Representative Dealer Franchise Agreement will be made of the Collateral, and Dealer agrees that such 10-day period is reasonable. Dealer further agrees that repurchase of the Total Inventory, or any part thereof, pursuant to the terms of the Special Representative Dealer Franchise Agreement shall constitute a commercially reasonable disposition

thereof. The proceeds of any disposition of the Collateral may be applied to the Indebtedness as Cornwell may elect.

Upon Voluntary prepayment in full or upon acceleration as set forth herein, the amount of the Indebtedness will be calculated as follows: total (1) the cash price of each time-deferred sale, less the amounts from previous payments which have been applied to principal; plus (2) time-price charges and late charges on unpaid balances; plus (3) all other outstanding Indebtedness, as defined in paragraph 4 above; plus (4) additional time-price charges of _____ % per annum (or the highest rate allowed by law, whichever is less) on the total of the first three components above, until paid in full. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the Indebtedness shall be reduced accordingly, as may be required.

11. PARTIAL WAIVER OF DEALER'S REMEDIES. DEALER HEREBY EXPRESSLY AGREES THAT, WITH REGARD TO THE INVENTORY DELIVERED UNDER THIS AGREEMENT, DEALER'S REMEDIES UNDER THIS AGREEMENT (INCLUDING WITHOUT LIMITATION, REMEDIES BY WAY OF DEFENSE, COUNTERCLAIM, RECOUPMENT AND SET-OFF) ARE EXCLUSIVELY LIMITED TO ANY WARRANTIES EXPRESSLY GIVEN IN WRITING. WARRANTIES OF MERCHANTABILITY, AND OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED.

12. LIMITATION OF DAMAGES DEALER HEREBY ALSO EXPRESSLY AGREES THAT DEALER'S DAMAGES FOR CORNWELL'S BREACH OF THE FOREGOING EXCLUSIVE WARRANTIES ARE LIMITED TO THE ENFORCEMENT OF SECTION 8 OF THIS AGREEMENT AND REPLACEMENT OR RECOVERY OF AMOUNTS PAID BY DEALER TO CORNWELL FOR DEFECTIVE PRODUCTS, AS APPLICABLE, AND THAT CORNWELL SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES.

13. Collection Costs. Dealer shall reimburse Cornwell for all costs of collection of the Indebtedness or any portion thereof, including, without limiting the generality of the foregoing, expenses of, and charges for, the repossession and holding of the Collateral for sale and any preparations for such sale, court costs and reasonable attorneys' fees. Cornwell expressly states its intention not to collect any amount in excess of that permitted by law and the costs of collection shall be reduced accordingly, as may be required.

14. Taxes and Assessments. Dealer will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement or upon any papers evidencing the obligations between the parties and at its option, Cornwell may discharge taxes, liens or other encumbrances at any time levied or placed on the Collateral, pay for the maintenance and preservation of the Collateral and taxes, assessments and insurance on the Collateral should Dealer fail to do so, and Dealer agrees to reimburse Cornwell on demand for any payments so made until such reimbursement, the amount so paid by Cornwell shall be added to the Indebtedness.

15. Application of Amounts Received. If Dealer fails to maintain Special Representative status, all amounts received by Cornwell from Dealer may be applied by Cornwell to the Indebtedness in such order and to principal or to time-price charges, as Cornwell may determine. Dealer authorizes Cornwell at any time, without notice, to appropriate and to apply any Collateral in Cornwell's possession, custody or control towards the payment of the Indebtedness. Dealer waives presentment, demand, notice, acceptance, performance, default, enforcement, exoneration and reimbursement, assents to any acceleration, extension, modification, waiver or postponement or to any other indulgence, to any addition, substitution, exchange or release of the Collateral to the addition or release of any other party or person primarily or secondarily liable, to the settlement, compromise or adjustment of the Indebtedness and/or to the application of any Collateral against the Indebtedness and in any order.

16. Miscellaneous.

(a) This agreement shall continue until such time as there is no outstanding Indebtedness and there are no other agreements in effect between Dealer and Cornwell.

(b) This agreement shall be deemed to have been made in Ohio and shall be governed by Ohio law, and shall be binding upon and inure to the benefit of the parties, their executors, administrators, personal representatives, heirs, successors, and assigns as the case may be.

(c) Any claim or controversy in connection with, arising out of, or relating to this agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s). Cornwell reserves the right to obtain injunctive or other mandatory relief, including but not limited to replevin, from the act or omission of any activity prohibited or required by this agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell or is otherwise necessary to obtain possession of any or all of the Total Inventory upon Dealer's default.

(d) In the event that this agreement, or any part of it is found to be governed by the law of any other state and/or to be unenforceable, any part found to be unenforceable shall be severed and the agreement given effect according to the intent of the parties, to the fullest extent permitted by law.

(e) This agreement may only be modified by a writing signed by all of the parties hereto and shall not be effective until accepted by Cornwell in Ohio.

17. Notice and Service of Process. Any notice required to be given under this Order, Note and Security Agreement, or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Comwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Order, Note and Security Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

IN RECOGNITION OF WHICH and intending to be legally bound, the person or persons identified above as Dealer have signed this Order, Note and Security Agreement below.

_____
NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

_____ _____
FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT FIRST INDIVIDUAL DEALER NAME

_____ _____
SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____, 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By: _____
CORNWELL (Corporate Officer)

Statement of Outstanding Liens

There are outstanding liens against some or all of the Collateral described in this Agreement, as follows:

Name	Amount	Collateral

Dealer

2025 2026

CORNWELL QUALITY TOOLS CORNWELL QUALITY TOOLS

EXHIBIT D
APPENDIX STATE SPECIFIC INFORMATION

List of State Administrators

Arizona
Arizona Corporation Commission
Securities Division
1300 W. Washington Street
Phoenix, AZ 85007

California
California Department of Financial
Protection and Innovation
One Sansome Street, Suite 600
San Francisco, CA 94104

Washington, DC
Department of Consumer and
Regulatory Affairs
1100 4th Street, SW
Washington, DC 20024

Florida
Florida Dept. of Agriculture &
Consumer Services
P.O. Box 6700
Tallahassee, FL 32314

Georgia
Georgia Department of Law
Consumer Protection Unit
2 Martin Luther King Dr., Ste. 356
Atlanta, GA 30334-9077

Idaho
Idaho Department of Finance
Securities Bureau
800 E. Park Blvd., Ste. 200
Boise, ID 83712

or
P.O. Box 83720
Boise, ID 83720-0031

Illinois
Franchise Bureau
Illinois Attorney General
500 S. Second Street
Springfield, IL 62701

Indiana
Indiana Securities Division
302 W. Washington Street
Room E111
Indianapolis, IN 46204

Kentucky
Office of the Attorney General
700 Capitol Avenue, Ste. 118
Frankfort, KY 40601-3449

Louisiana
Office of the Attorney General
Consumer Protection Division
2610-A Woodale Boulevard
Baton Rouge, LA 70804

Maine
Maine Dept. of Professional &
Financial Regulation
Office of Securities
121 State House Station
Augusta, ME 04333

Maryland
Office of the Attorney General
Securities Division
200 Saint Paul Place
Baltimore, MD 21202

Michigan
Dept. of Attorney General
Consumer Protection Division
Attn: Franchise
P.O. Box 30213
Lansing, MI 48909

Minnesota
Minnesota Dept. of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

Missouri
Missouri Attorney General's
Office, Supreme Court Bldg.
207 W. High Street
P.O. Box 899
Jefferson City, MO 65102

Montana
Commissioner of Securities
and Insurance
Montana State Auditor's Office
Securities Department
840 Helena Avenue
Helena, MT 59601

Nebraska
Dept. of Banking and Finance
1526 K Street, #300
Lincoln, NE 68508

Nevada
The Nevada Secretary of State
Securities Division
555 E. Washington Avenue
Suite 5200
Las Vegas, NV 89101

New Mexico
The New Mexico Regulation and Licensing Department
Securities Division
P.O. Box 25101
Santa Fe, NM 87505

New York
New York Atty. General's Office
120 Broadway
New York, NY 10271

North Carolina
NC Secretary of State
Business Opportunity Registration
P.O. Box 29622
Raleigh, NC 27626-0622

North Dakota
~~The Securities Commissioner's Office~~
~~North Dakota Securities Dept.~~
~~State Capitol, 5th Floor~~North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505-~~0510~~0320

Oklahoma
The Oklahoma Securities Division
Department of Securities
204 N. Robinson Avenue, Ste. 400
Oklahoma City, OK 73102

Oregon
Oregon Division of Finance and Corporate Securities
P.O. Box 14480
Salem, OR 97309-0405

Rhode Island
Dept. of Business Regulation
Securities Division
1511 Pontiac Avenue, Bldg. 69-1
John O. Pastore Complex

South Carolina
South Carolina Secretary of State's Office
Attn: Business Opportunities Division
1205 Pendleton St., Ste. 525
Columbia, SC 29201

South Dakota
South Dakota Division of Insurance Securities Regulation
124 S. Euclid Ave., Suite 104
Pierre, SD 57501

Tennessee
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, TN 37243-0565

Texas
Texas Secretary of State
Executive Division
P.O. Box 12697
Austin, TX 78711

Utah
Utah Dept. of Commerce
Division of Securities
160 E. 300 South, 2nd Flr.
P.O. Box 146760
Salt Lake City, UT 84114

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street
9th Floor
Richmond, VA 23219
(804) 371-9051

Washington
State of Washington
Dept. of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504-1200

Wisconsin
State of Wisconsin
Division of Securities
P.O. Box 1768
Madison, WI 53701-1768

Wyoming
Secretary of State
Compliance Division
State Capitol Building
200 W. 24th Street
Cheyenne, WY 82002-0020

Cranston, RI 02920

List of Agents for Service of Process for Cornwell Quality Tools Company

Alabama
CT Corporation System
2 North Jackson Street, Ste. 605
Montgomery, AL 36104

Arizona
CT Corporation System
3800 North Central Ave., Ste. 460
Phoenix, AZ 85012

Arkansas
The Corporation Company
124 W. Capitol Ave., Ste. 1900
Little Rock, AR 72201

California
CT Corporation System
555 Capitol Mall, Suite 1000
Sacramento, CA 95814

or

California Department of Financial Protection and Innovation
One Sansome Street, Suite 600
San Francisco, CA 94104

Colorado
The Corporation Company
7700 East Arapahoe Road, Ste. 220
Centennial, CO 80112

Connecticut
CT Corporation System
One Corporate Center, Flr. 11
Hartford, CT 06103

Delaware
The Corporation Trust Company
Corporation Trust Center
1209 N. Orange Street
Wilmington, DE 19801

District of Columbia
CT Corporation System
1015 15th Street, NW, Ste. 1000
Washington, DC 20005

Florida
CT Corporation System
1200 South Pine Island Road
Plantation, FL 33324

Georgia
CT Corporation System
1201 Peachtree, N.E., Ste. 1240
Atlanta, GA 30361

Idaho
CT Corporation System
921 S. Orchard Street, Ste. G
Boise, ID 83705

Illinois
Illinois Attorney General
500 South Second Street
Springfield, IL 62701

or

CT Corporation
208 S. LaSalle Street, Ste. 814
Chicago, IL 60604

Indiana
Indiana Securities Division
302 W. Washington St., Rm. E111
Indianapolis, IN 46204

or

CT Corporation System
150 W. Market St., Ste. 800
Indianapolis, IN 46204

Iowa
CT Corporation System
400 E. Court Avenue, Ste. 110
Des Moines, IA 50309

Kansas
The Corporation Company, Inc.
112 SW 7th Street, Suite 3C
Topeka, KS 66603

Kentucky
CT Corporation System
306 W. Main Street, Ste. 512
Frankfort, KY 40601

Louisiana
CT Corporation System
3867 Plaza Tower Drive
Baton Rouge, LA 70816

Maine
CT Corporation System
128 State St., #3
Augusta, ME 04330

Maryland
Maryland Securities Commissioner
200 St. Paul Place, 20th Flr.
Baltimore, MD 21202-2020

or

CT Corporation
351 West Camden Street
Baltimore, MD 21201

Massachusetts
CT Corporation System
155 Federal Street, Ste. 700
Boston, MA 02110

Michigan
The Corporation Company
40600 Ann Arbor Road E.
Ste. 201
Plymouth, MI 48170

Minnesota
CT Corporation System, Inc.
1010 Dale Street N.
St. Paul, MN 55117

or

Minnesota Department of
Commerce
85 7th Place East, Ste. 280
St. Paul, MN 55101

Mississippi
CT Corporation System
645 Lakeland East Drive, Ste. 101
Flowood, MS 39232

Missouri
CT Corporation System

Montana
CT Corporation System
3011 American Way
Missoula, MT 59808

Nebraska
CT Corporation System
5601 South 59th Street
Lincoln, NE 68516

Nevada

The Corporation Trust Company
of Nevada
701 S. Carson St., Ste. 200
Carson City, NV 89701

New Hampshire
CT Corporation System
9 Capitol Street
Concord, NH 03301

New Jersey
The Corporation Trust Company
820 Bear Tavern Road
West Trenton, NJ 08628

New Mexico
CT Corporation System
206 S. Coronado Ave.
Espanola, NM 87532

New York
New York Dep. of State's Office
Division of Corporations
State Records and Uniform
Commercial Code
One Commerce Plaza
99 Washington Avenue, 6th Flr.
Albany, NY 12231

or

North Carolina
CT Corporation System
160 Mine Lake Court, Ste. 200
Raleigh, NC 27615

North Dakota
~~Securities Commissioner's Office~~
~~North Dakota Securities~~
~~Dept.~~North Dakota Insurance
Commissioner
North Dakota Insurance &
Securities Department
~~State Capitol, 5th Floor~~
600 E. Boulevard Avenue, Dept.
401
Bismarck, ND 58505-~~0510~~0320

or

CT Corporation System
314 E. Thayer Avenue
Bismarck, ND 58501

Ohio
CT Corporation System
4400 Easton Commons Way
Suite 125
Columbus, OH 43219

Oklahoma
The Corporation Company
1833 South Morgan Road
Oklahoma City, OK 73128

Oregon
CT Corporation System
780 Commercial Street, SE
Salem, OR 97301

Pennsylvania
CT Corporation System
116 Pine Street, Suite 320
Harrisburg, PA 17101

Rhode Island
Department of Business Regulation
Securities Division

120 S. Central Ave., Ste. 400
Clayton, MO 63105

CT Corporation System
111 Eighth Avenue
New York, NW 10011

John O' Pastore Complex
1511 Pontiac Ave., Bldg. 69-1
Cranston, RI 02920

South Carolina
CT Corporation System
2 Office Park Court, Suite 103
Columbia, SC 29223

South Dakota
South Dakota Division of Insurance
Securities Regulation
124 S. Euclid Ave., Ste. 104
Pierre, SD 57501

or

CT Corporation
319 S. Coteau Street
Pierre, SD 57501

Tennessee
CT Corporation System
800 S. Gay Street, Suite 2021
Knoxville, TN 37929

Texas
CT Corporation
1999 Bryan Street, Ste. 900
Dallas, TX 75201-3136

Utah
CT Corporation System
1108 East South Union Avenue
Midvale, UT 84047

Vermont
CT Corporation System
17 G W Tatro Drive
Jeffersonville, VT 05464

Virginia
Clerk of the State Corporation
Commission
1300 E. Main Street, 9th Floor
Richmond, VA 23219

or

CT Corporation System
4701 Cox Road, Suite 285
Glen Allen, VA 23060

Washington
CT Corporation System
505 Union Avenue SE, Ste. 120
Olympia, WA 98501

or

Department of Financial
Institutions
Securities Administrator
150 Israel Road, SW
Turnwater, WA 98501

West Virginia
CT Corporation System
5400 D Big Tyler Road
Charleston, WV 25313

Wisconsin
Division of Securities
P.O. Box 1768
Madison, WI 53701

or

CT Corporation
301 S. Bedford St., Ste. 1
Madison, WI 53703

Wyoming
CT Corporation System
1712 Pioneer Ave., Ste. 120
Cheyenne, WY 82001

FOR USE IN CALIFORNIA

Form E-Franchise Seller Disclosure Form

1. List the Persons who will offer or sell franchises in this state. For each person, state:

   a) Name: **Brian Baldwin**

   b) Business/home address and telephone number:

   c) Present employer: **Cornwell Quality Tools Company**

   d) Present title: **District Manager**

   e) Social Security number:

   f) Birth date:

   g) Employment during the last five years. For each employment, state the name of the employer, position held and beginning and ending dates:
   - **Brian Baldwin's Cornwell Tools - Owner 12/01/2015-12/30/2018**
   - **Truck Works, Inc. – Foreman 12/01/2010-11/01/2015**

2. State whether any person identified in 1. above:

A. Has any administrative, civil or criminal action pending alleging a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable allegations?

YES ____ NO _X__

B. Has during the 10 year period immediately before the Disclosure Document date:

(1) been convicted of a felony or pleaded no lo contendere to a felony charge or been held liable in a civil action by final judgment if the felony or civil action involved a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable violations of law?

YES ____ NO _X__

(2) entered into or been named in any consent judgment, decree, order or assurance under federal or state franchise, securities anti-trust, monopoly, trade practice, or trade regulation law?

YES ____ NO _X__

(3) been subject to any order of any national securities association or national securities exchange (as defined in the Securities And Exchange Act of 1934, 15 U.S.C. 78a) suspending or expelling the person from membership in the association or exchange?

YES ____ NO _X__

C. For each above question answered "Yes" state: **N/A**

1. the name of the person or entity involved;
2. the court, agency, association or exchange involved;
3. a summary of the allegations;
4. if applicable, the date of the conviction, judgment, decree, order or assurance; and
5. the penalty imposed, damages assessed, terms and conditions of the Judgment, decree, or order or assurance.

Form E-Franchise Seller Disclosure Form

1. List the Persons who will offer or sell franchises in this state. For each person, state:

   a) Name: **Lacey Brown**

   b) Business/home address and telephone number:

   c) Present employer: **Cornwell Quality Tools Company**

   d) Present title: **Regional Sales Analyst**

   e) Social Security number:

   f) Birth date:

   g) Employment during the last five years. For each employment, state the name of the employer, position held and beginning and ending dates:

7-Eleven, Field Consultant Area Leader	**07/2018-07/2022**
Matco Tools, District Manager	**01/2024-04/2025**
Perkins Tools, dba Matco Tools, Matco Tools Distributor	**04/2025-12/2025**
Cornwell Quality Tools Company, Regional Sales Analyst	**01/2026-Present**

2. State whether any person identified in 1. above:

A. Has any administrative, civil or criminal action pending alleging a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable allegations?

YES ____ NO _X__

B. Has during the 10 year period immediately before the Disclosure Document date:

(1) been convicted of a felony or pleaded no lo contendere to a felony charge or been held liable in a civil action by final judgment if the felony or civil action involved a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable violations of law?

YES ____ NO _X__

(2) entered into or been named in any consent judgment, decree, order or assurance under federal or state franchise, securities anti-trust, monopoly, trade practice, or trade regulation law?

YES ____ NO _X__

(3) been subject to any order of any national securities association or national securities exchange (as defined in the Securities And Exchange Act of 1934, 15 U.S.C. 78a) suspending or expelling the person from membership in the association or exchange?

YES ____ NO _X__

C. For each above question answered "Yes" state: **N/A**

1. the name of the person or entity involved;
2. the court, agency, association or exchange involved;
3. a summary of the allegations;
4. if applicable, the date of the conviction, judgment, decree, order or assurance; and
5. the penalty imposed, damages assessed, terms and conditions of the Judgment, decree, or order or assurance.

Form E-Franchise Seller Disclosure Form

1. List the Persons who will offer or sell franchises in this state. For each person, state:

   a) Name: **Matthew Messick**

   b) Business/home address and telephone number:

   c) Present employer: **Cornwell Quality Tools Company**

   d) Present title: **District Manager**

   e) Social Security number:

   f) Birth date:

   g) Employment during the last five years. For each employment, state the name of the employer, position held and beginning and ending dates:

Pavement Recycling Systems Fleet manager	**09/2016-10/2017**
Cornwell Franchise Owner	**01/2018-1/2021**
Cornwell Tools District Manager	**01/2021-Present**

2. State whether any person identified in 1. above:

A. Has any administrative, civil or criminal action pending alleging a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable allegations?

YES ____ NO _X__

B. Has during the 10 year period immediately before the Disclosure Document date:

(1) been convicted of a felony or pleaded no lo contendere to a felony charge or been held liable in a civil action by final judgment if the felony or civil action involved a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable violations of law?

YES ____ NO _X__

(2) entered into or been named in any consent judgment, decree, order or assurance under federal or state franchise, securities anti-trust, monopoly, trade practice, or trade regulation law?

YES ____ NO _X__

(3) been subject to any order of any national securities association or national securities exchange (as defined in the Securities And Exchange Act of 1934, 15 U.S.C. 78a) suspending or expelling the person from membership in the association or exchange?

YES ____ NO _X__

C. For each above question answered "Yes" state: **N/A**

1. the name of the person or entity involved;
2. the court, agency, association or exchange involved;
3. a summary of the allegations;
4. if applicable, the date of the conviction, judgment, decree, order or assurance; and
5. the penalty imposed, damages assessed, terms and conditions of the Judgment, decree, or order or assurance.

Form E-Franchise Seller Disclosure Form

1. List the Persons who will offer or sell franchises in this state. For each person, state:

   a) Name: **Jerry Young**

   b) Business/home address and telephone number:

   c) Present employer: **Cornwell Quality Tools Company**

   d) Present title: **District Manager**

   e) Social Security number:

   f) Birth date:

   g) Employment during the last five years. For each employment, state the name of the employer, position held and beginning and ending dates:
   Cornwell Tools District Manager 01/01/2018-Present

2. State whether any person identified in 1. above:

A. Has any administrative, civil or criminal action pending alleging a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable allegations?

YES ____ NO _X__

B. Has during the 10 year period immediately before the Disclosure Document date:

(1) been convicted of a felony or pleaded no lo contendere to a felony charge or been held liable in a civil action by final judgment if the felony or civil action involved a violation of franchise or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or other comparable violations of law?

YES ____ NO _X__

(2) entered into or been named in any consent judgment, decree, order or assurance under federal or state franchise, securities anti-trust, monopoly, trade practice, or trade regulation law?

YES ____ NO _X__

(3) been subject to any order of any national securities association or national securities exchange (as defined in the Securities And Exchange Act of 1934, 15 U.S.C. 78a) suspending or expelling the person from membership in the association or exchange?

YES ____ NO _X__

C. For each above question answered "Yes" state: **N/A**

1. the name of the person or entity involved;
2. the court, agency, association or exchange involved;
3. a summary of the allegations;
4. if applicable, the date of the conviction, judgment, decree, order or assurance; and
5. the penalty imposed, damages assessed, terms and conditions of the Judgment, decree, or order or assurance.

For Use in Maryland
EXHIBIT I
RECEIPT

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

If Cornwell offers you a franchise, Cornwell must provide this Franchise Disclosure Document to you by the earliest of the time required by your state as set forth in Exhibit D, referenced in Item 22 of the Franchise Disclosure Document or:

1. **The first personal meeting to discuss our franchise; or**
2. **Ten (10) business days before the signing of a binding agreement; or**
3. **Ten (10) business days before a payment to Cornwell.**

You must also receive a Franchise Agreement containing all material terms at least five (5) business days before you sign a Franchise Agreement.

If Cornwell does not deliver this Franchise 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 state agency listed for your state in Exhibit D of the Franchise Disclosure Document, if applicable.

The franchise is offered by Cornwell Quality Tools Company, 667 Seville Road, Wadsworth, Ohio 44281, (330) 336-3506 and Cornwell's district managers are: Ben DeCraene, 1095 German Chapel Road, Prince Frederick, MD 20678, (443) 841-5613; and Joe Galuppo, 5032 Shady Dell Road, Dover, Pennsylvania 17315, (717) 668-2055.

Issuance date: January 1, 202526

Cornwell's agent for service of process is Maryland Securities Commissioner, 200 St. Paul Place, Baltimore, Maryland 21202-2020.

I have received a Disclosure Document dated _____, 202526, that included the following Exhibits:

A. FINANCIAL STATEMENTS
B. DEALER FRANCHISE AGREEMENT
B-1. ADDENDUM TO DEALER FRANCHISE AGREEMENT (SECOND FRANCHISE, IF APPLICABLE)
B-2. FRANCHISE DEVELOPER DEALER FRANCHISE AGREEMENT (IF APPLICABLE)
B-3. SPECIAL REPRESENTATIVE DEALER FRANCHISE AGREEMENT (IF APPLICABLE)
C. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT
C-1. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT (VETERANS/FIRST RESPONDERS INCENTIVE PROGRAM)(IF APPLICABLE)
C-2. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT – FRANCHISE DEVELOPER (IF APPLICABLE)
C-3. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT – SPECIAL REPRESENTATIVE (IF APPLICABLE)
D. APPENDIX WITH STATE-SPECIFIC INFORMATION
E. TECH-CREDIT DEALER CREDIT ASSIGNMENT AGREEMENT
F. ACH AGREEMENT – AUTHORIZATION AGREEMENT FOR AUTOMATIC PAYMENT
G. DCA AUTHORIZATION- DEALER CREDIT ACCOUNT PROGRAM AUTHORIZATION
H. IRONMAN BUSINESS NETWORK (IBN)-END USER LICENSE AGREEMENT
I. RECEIPT

Dealership name if an entity: _____

Dated:_____
(Do not leave blank)

Owner Operator name: _____
(Please print)

Owner Operator signature: _____

Dated:_____
(Do not leave blank)

Other Owner name: _____
(Please print)

Other Owner signature: _____

Exhibit I is a Receipt prepared in duplicate. You must sign both copies of the Receipt. Please retain one copy for your records and return the other copy to the District Manager who disclosed this document.

For Use in Maryland

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document. You should also read the Notes included below.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
a. Term of the franchise	Section 10	No set term
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for you to renew or extend	Not Applicable	Not Applicable
d. Termination by you	Section 13	30 days' written notice, subject to state law
e. Termination by Cornwell without cause	Section 13, 16	Five years from the date of the Franchise Agreement, if Cornwell ceases selling its products in the state. Cornwell will give one year notice.
f. Termination by Cornwell with cause	Section 13	Cornwell may terminate if you default in any obligation under Franchise Agreement.
g. "Cause" defined – defaults which can be cured	Section 13	You have thirty days to cure default due to non-payment, failure to maintain inventory purchase level or other reasons not set forth in subsection h below. Cornwell may agree to waive any default.
h. "Cause" defined – defaults which cannot be cured	Section 13	You have no right to cure default caused by bankruptcy or similar

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
		proceedings against you, the appointment of a receiver, assignment for benefit of creditors or a felony conviction. Cornwell may agree to waive any default on such terms as Cornwell determines.
i. Your obligations on termination/nonrenewal	Section 15	Obligation includes payment of amount due, discontinuance of use of marks, and shipment merchandise to be purchased by Cornwell within 30 days of termination date.
j. Assignment of contract by Cornwell	Section 11	No restriction on Cornwell's right to assign.
k. "Transfer" by you – definition	Section 11	Includes transfer of franchise or assets.
l. Cornwell's approval of transfer by franchisee	Section 11	Cornwell has full right of approval of franchise transfer, which will not be unreasonably withheld. You may transfer assets freely, subject to Cornwell's security interest.
m. Conditions for Cornwell approval of transfer	Section 11	Active family member, in Cornwell's sole discretion, for transfer of franchise on death or disability; satisfaction of debt, for assets.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
n. Cornwell's right of first refusal to acquire your business	Not Applicable	Not Applicable
o. Cornwell's option to purchase your business	Not Applicable	Not Applicable
p. Your death or disability	Sections 11, 14	Terminates franchise; transfer possible to active family member.
q. Non-competition covenants during the term of the franchise	Not Applicable	Subject to state law
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Subject to state law
s. Modification of the agreement	Section 18	Only in writing signed by Cornwell and You.
t. Integration/merger clause	Section 19	Only terms of agreement are binding (subject to state law). Any other promise may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 20	Except for injunctive relief by Cornwell and claims arising under the Maryland Franchise Registration and Disclosure Law, all claims must be arbitrated, subject to state law.
v. Choice of forum	Section 20	Arbitration must be in Ohio, claims arising under the Maryland Franchise Registration and Disclosure Law must be brought in

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
		Maryland, subject to state law.
w. Choice of law	Section 20	Ohio law applies, except to claims arising under the Maryland Franchise Registration and Disclosure Law, subject to state law.

For Use in New York

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document. You should also read the Notes included below.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
a. Term of the franchise	Section 10	No set term
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for you to renew or extend	Not Applicable	Not Applicable. However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in 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.
d. Termination by you	Section 13	30 days' written notice, subject to state law. You may terminate the agreement on any grounds available by law.
e. Termination by Cornwell without cause	Section 13, 16	Five years from the date of the Franchise Agreement, if Cornwell ceases selling its products in the state. Cornwell will give one year notice.

For Use in New York

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
f. Termination by Cornwell with cause	Section 13	Cornwell may terminate if you default in any obligation under the Franchise Agreement.
g. "Cause" defined – defaults which can be cured	Section 13	You have thirty days to cure default due to non-payment, failure to maintain inventory purchase level or other reasons not set forth in subsection h below. Cornwell may agree to waive any default.
h. "Cause" defined – defaults which cannot be cured	Section 13	You have no right to cure default caused by bankruptcy or similar proceedings against you, the appointment of a receiver, assignment for benefit of creditors or a felony conviction. Cornwell may agree to waive any default on such terms as Cornwell determines.
i. Your obligations on termination/nonrenewal	Section 15	Obligation includes payment of amount due, discontinuance of use of marks, and shipment merchandise to be purchased by Cornwell within 30 days of termination date
j. Assignment of contract by Cornwell	Section 11	No restriction on Cornwell's right to assign
k. "Transfer" by you – definition	Section 11	Includes transfer of franchise or assets

For Use in New York

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
l. Cornwell's approval of transfer by franchisee	Section 11	Cornwell has full right of approval of franchise transfer, which will not be unreasonably withheld. You may transfer assets freely, subject to Cornwell's security interest.
m. Conditions for Cornwell approval of transfer	Section 11	Active family member, in Cornwell's sole discretion, for transfer of franchise on death or disability; satisfaction of debt, for assets. However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in 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.
n. Cornwell's right of first refusal to acquire your business	Not Applicable	Not Applicable
o. Cornwell's option to purchase your business	Not Applicable	Not Applicable

For Use in New York

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
p. your death or disability	Sections 11, 14	Terminates franchise; transfer possible to active family member
q. Non-competition covenants during the term of the franchise	Not Applicable	Subject to state law
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Subject to state law
s. Modification of the agreement	Section 18	Only in writing signed by Cornwell and You
t. Integration/merger clause	Section 19	Only terms of agreement are binding (subject to state law). Any other promise may not be enforceable
u. Dispute resolution by arbitration or mediation	Section 20	Except for injunctive relief by Cornwell, all claims must be arbitrated, subject to state law.
v. Choice of forum	Section 20	Arbitration must be in Ohio, subject to state law The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

For Use in New York

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
w. Choice of law	Section 20	Ohio law applies, subject to state law The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

For Use in Virginia

STATE OF VIRGINIA

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document. You should also read the Notes included below.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
a. Term of the franchise	Section 10	No set term
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for you to renew or extend	Not Applicable	Not Applicable
d. Termination by you	Section 13	30 days' written notice, subject to state law.
e. Termination by Cornwell without cause	Section 13, 16	Five years from the date of the Franchise Agreement, if Cornwell ceases selling its products in the state. Cornwell will give one year notice.
f. Termination by Cornwell with cause	Section 13	Cornwell may terminate if you default in any obligation under the Franchise Agreement.
g. "Cause" defined – defaults which can be cured	Section 13	You have thirty days to cure default due to non-payment, failure to maintain inventory purchase level or other reasons not set forth in subsection h below. Cornwell may agree to waive any default.
h. "Cause" defined – defaults which cannot be cured	Section 13	You have no right to cure default caused by bankruptcy or similar proceedings against

For Use in Virginia

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
		you, the appointment of a receiver, assignment for benefit of creditors or a felony conviction. Cornwell may agree to waive any default on such terms as Cornwell determines.
i. Your obligations on termination/nonrenewal	Section 15	Obligation includes payment of amount due, discontinuance of use of marks, and shipment merchandise to be purchased by Cornwell within 30 days of termination date.
j. Assignment of contract by Cornwell	Section 11	No restriction on Cornwell's right to assign
k. "Transfer" by you – definition	Section 11	Includes transfer of franchise or assets
l. Cornwell's approval of transfer by franchisee	Section 11	Cornwell has full right of approval of franchise transfer, which will not be unreasonably withheld. You may transfer assets freely, subject to Cornwell's security interest.
m. Conditions for Cornwell approval of transfer	Section 11	Active family member, in Cornwell's sole discretion, for transfer of franchise on death or disability; satisfaction of debt, for assets
n. Cornwell's right of first refusal to acquire your business	Not Applicable	Not Applicable
o. Cornwell's option to purchase your business	Not Applicable	Not Applicable

For Use in Virginia

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
p. Your death or disability	Sections 11, 14	Terminates franchise; transfer possible to active family member
q. Non-competition covenants during the term of the franchise	Not Applicable	Subject to state law
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Subject to state law
s. Modification of the agreement	Section 18	Only in writing signed by Cornwell and You
t. Integration/merger clause	Section 19	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 20	Except for injunctive relief by Cornwell, all claims must be arbitrated, subject to state law
v. Choice of forum	Section 20	Arbitration must be in Ohio, subject to state law
w. Choice of law	Section 20	Ohio law applies, subject to state law

STATE ADDENDUMS

ARKANSAS ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Arkansas law and is supplemented, amended and modified as set forth below:

1. The Franchise Agreement can only be terminated for good cause. Notice of termination must be given at least ninety (90) days in advance of the action, with at least thirty (30) days to rectify any claimed deficiency.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

CALIFORNIA APPENDIX

This Appendix to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by California law and is supplemented, amended and modified as set forth below:

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

Section 31125 of the Franchise Investment Law requires us to give to you a Disclosure Document approved by the Commissioner of Corporations before we ask you to consider a material modification of your franchise agreement.

We add the following paragraphs:

Item 3: Neither Cornwell, nor any person identified in Item 2 above, is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or any federal, state or Canadian franchise, securities, anti-trust, trade regulation, or trade practice law as the result of a concluded or pending action or proceeding brought by a public agency, or any currently effective order of any national securities association or national securities exchange (as defined in the Securities and Exchange Act of 1934, 15 U.S.C. § 78a, et seq.) suspending or expelling such person from membership in such association or exchange.

Item 10: Cornwell will comply with all laws governing any direct financing offered by Cornwell, including, if applicable, the California Finance Lenders Law.

Item 17: California Business & Professions Code § 20000 through 20043 provides rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control. In particular, you should note the following most pertinent parts of the Code provisions:

"Good cause," for the purpose of authorizing termination of the Franchise Agreement prior to the end of its term means your failure to substantially comply with the lawful requirements imposed upon you by the Franchise Agreement after being given notice and a reasonable opportunity to cure the failure. Notice shall be given at least 60 days in advance and you will have a reasonable opportunity to cure any non-monetary failure in no less than 60 days from the date of the notice of noncompliance. However, your failure for a period of 5 days after notification of noncompliance to cure a monetary failure or for a period of 10 days to comply with any federal, state or local laws or regulations including, but not limited to, all health, safety, building and labor laws or regulations applicable to operation of the franchise shall constitute grounds for immediate termination of the franchise agreement by Cornwell.

Upon the lawful termination of the franchise, Cornwell will compensate you, at the value of price paid minus depreciation, for all inventory, supplies, equipment, fixtures, and furnishings purchased or paid for by you from Cornwell or its approved suppliers and

sources under the terms of the Franchise Agreement or any ancillary or collateral agreement, that are, at the time of the notice of termination your possession or used in the franchise business, with exceptions specified by law.

You may sell or transfer the franchise, or all or substantially all of the assets of the franchise business, or a controlling or non-controlling interest of the business, to another person, provided that certain conditions are met, including that: a) the person is qualified under Cornwell's then-existing standards for approval of new or renewing franchisees; b) the standards are made available to you and are consistently applied to similarly situated franchisees; and c) you and the buyer comply with the transfer conditions specified in the Franchise Agreement. However, you shall not have the right to sell, transfer, or assign the franchise without the written consent of Cornwell, except that consent shall not be withheld unless the buyer, transferee, or assignor does not meet the standards for new franchisees or does not comply with the transfer conditions specified in the Franchise Agreement.

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

The Franchise Agreement requires binding arbitration. The arbitration will occur at the location that you and Cornwell agree, or, in the absence of any agreement, in Akron, Ohio. Each party shall pay its own costs and expenses, including reasonable attorney's fees incurred by it; provided, however, any costs incident to enforcing the award, shall to the maximum extent permitted by the law, be charged against the party resisting the enforcement. This provision may not be enforceable under California law.

The Franchise Agreement requires application of the laws of the State of Ohio. This provision may not be enforceable under California law.

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.

We may not refuse to grant a franchise or provide financial assistance, based on certain characteristics of a franchisee or the composition of the neighborhood of the prospective franchise. These characteristics include sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status.

We must notify you of the approval or disapproval of an application within 60 days. We are prohibited from disclaiming or denying representations made to you, or reliance by you on any representations as provided. These include, without limitation, the following:

(a) Representations made by us or our personnel or agents to you.

(b) Reliance by you on any representations made by us or our personnel or agents.

(c) Reliance by you on the franchise disclosure document, including any exhibit thereto.

We are prohibited from requiring you to waive any of the protections of the California Franchise Relations Act. Upon the termination or nonrenewal of your franchise, we may only offset the amount owed to you with amounts owed by you if you agree to the amount owed or if we have a judgment for that amount. We are prohibited from modifying a franchise agreement or requiring a general release in exchange for the assistance related to a declared state or federal emergency.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

CONNECTICUT ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

This Agreement is governed by Connecticut law and is supplemented, amended and modified as set forth below:

1. If Cornwell 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 Cornwell in writing and demand that the contract be cancelled.

2. The Agreement may only be terminated for good cause, meaning your failure to comply substantially with any material and reasonable obligation under the Agreement, for your voluntary abandonment of the franchise, or for other reasons such as criminal activity. If the termination is for good cause, you must be given at least sixty days' notice and an opportunity to cure. Otherwise, notice must be at least thirty days for abandonment and can be immediate for other reasons.

_____
NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

_____ _____
FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

_____ _____
SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

DELAWARE ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Delaware law and is supplemented, amended and modified as set forth below:

1. The Franchise Agreement can only be terminated justly. Termination of a franchise by a franchisor shall be deemed to be "unjust," or to have been made "unjustly", if such termination is without good cause or in bad faith. Notice of termination must be given at least ninety (90) days in advance of the action, with at least thirty (30) days to cure any claimed deficiency.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

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IDAHO ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Idaho law and is supplemented, amended and modified as set forth below:

1. Idaho Code Section 29-110 prohibits Cornwell from requiring arbitration or litigation to be conducted outside Idaho.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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ILLINOIS ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Illinois law and is supplemented, amended and modified as set forth below:

Item 17: 815 ILCS 705/19 and 705/20 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with law, the law will control. Illinois Law will govern the Franchise Agreement.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

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IOWA ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Iowa law and is supplemented, amended and modified as set forth below:

1. The Franchise Agreement can only be terminated for good cause. Notice of termination for non-monetary reasons must be given at least ninety (90) days in advance of the action, with at least ninety days (90) days to rectify any claimed deficiency that is non-monetary.

2. The law of Iowa applies to this Franchise Agreement.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

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SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

MAINE ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Maine law and is supplemented, amended and modified as set forth below:

Pursuant to Maine Statute, you have the right to avoid the contract for purchase of this business opportunity within 3 business days following the signing of the contract. You should obtain and study a copy of the law regulating the sale of business opportunities before you attempt to avoid the contract. This law is found in the Maine Revised Statutes, Title 32, Section 4698.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

MARYLAND ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Maryland law and is supplemented, amended and modified as set forth below:

The following provisions amend and supplement what is stated in the Disclosure Document and are made a part of this Franchise Agreement and all other agreements that you enter into with Cornwell:

1. Any representations requiring you to assent to a release, estoppel or waiver of liability 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.

2. Pursuant to Code of Maryland Regulations, 02.02.08.16L, any general release that Cornwell might require as a condition of renewal, sale, and/or assignment/transfer of your franchise shall not apply to any liability of Cornwell to you under the Maryland Franchise Registration and Disclosure Law.

3. You are permitted to bring a lawsuit in Maryland for any claims you may have against Cornwell arising under the Maryland Franchise Registration and Disclosure Law.

4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought by you within 3 years after the grant of the franchise.

5. Any provision in the franchise agreement which provides for termination upon the filing of bankruptcy petition by or against you may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

6. 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.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

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MINNESOTA ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement (the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Minnesota law and is supplemented, amended and modified as set forth below:

1. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400(J) prohibit Cornwell from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minn. Stat. Chapter 80C or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

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

3. Pursuant to Minn. Stat. § 80C.12 SUBD. 1(G) Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. The Franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

4. Minn. Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

5. Pursuant to Minn. Rule 2860.4400(J), the franchisee cannot waive any rights. Accordingly, the franchisee cannot consent to the franchisor obtaining injunctive relief. However, the franchisor may seek injunctive relief.

6. The limitations of Claims section must comply with Minn. Stat. § 80C.17 SUBD. 5.

7. 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.

Cornwell and Dealer have set their hands hereunto as of the date first set forth above.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

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PRINT SECOND INDIVIDUAL DEALER NAME

MISSISSIPPI ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Ohio law and is supplemented, amended and modified as set forth below:

1. Cornwell must give you notice of the cancellation, termination or failure to renew in writing at least ninety (90) days in advance of the cancellation, termination or failure to renew, except that when criminal misconduct, fraud, abandonment, bankruptcy or insolvency of the franchisee, or the giving of a no account or insufficient funds check is the basis or grounds for cancellation or termination, the ninety-day notice shall not be required.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

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PRINT SECOND INDIVIDUAL DEALER NAME

MISSOURI ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Ohio law and is supplemented, amended and modified as set forth below:

1. Cornwell must give you notice of the cancellation, termination or failure to renew in writing at least ninety (90) days in advance of the cancellation, termination or failure to renew, except that when criminal misconduct, fraud, abandonment, bankruptcy or insolvency of the franchisee, or the giving of a no account or insufficient funds check is the basis or grounds for cancellation or termination, the ninety-day notice shall not be required.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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NEBRASKA ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Ohio law and is supplemented, amended and modified as set forth below:

1. Cornwell cannot terminate or cancel your franchise without having first given written notice setting forth all the reasons for such termination or cancellation at least sixty days in advance of such termination, cancellation, or failure to renew, except (1) when the alleged grounds are voluntary abandonment by you of the franchise relationship in which event the written notice may be given fifteen days in advance of such termination or cancellation; and (2) when the alleged grounds are (a) your conviction in a court of competent jurisdiction of an indictable offense directly related to the business conducted pursuant to the franchise agreement, (b) insolvency, the institution of bankruptcy or receivership proceedings, (c) default in payment of an obligation or failure to account for the proceeds of a sale of goods by you to Cornwell, (d) falsification of records or reports required by Cornwell, (e) the existence of an imminent danger to public health or safety, or (f) loss of the right to occupy the premises from which your franchise is operated, in which event such termination or cancellation may be effective immediately upon the delivery and receipt of written notice of the same. Cornwell may not terminate or cancel your franchise without good cause.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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NEW JERSEY ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Ohio law and is supplemented, amended and modified as set forth below to reflect New Jersey law:

Cornwell may not terminate or cancel your franchise without having first given written notice setting forth all the reasons for such termination, cancellation, or intent not to renew to you at least 60 days in advance of such termination or cancellation, except (1) where the alleged grounds are voluntary abandonment by you of the franchise relationship in which event the aforementioned written notice may be given 15 days in advance of such termination or cancellation; and (2) where the alleged grounds are your conviction in a court of competent jurisdiction of an indictable offense directly related to the business conducted pursuant to the franchise in which event the aforementioned termination or cancellation or failure to renew may be effective immediately upon the delivery and receipt of written notice of same at any time following the aforementioned conviction. Cornwell may not terminate or cancel your franchise without good cause. For this purpose, good cause for terminating or canceling your franchise shall be limited to your failure to substantially comply with those requirements imposed upon you by the franchise.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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NORTH DAKOTA ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by North Dakota law and is supplemented, amended and modified as set forth below:

We add the following paragraph:

Item 17: The following provisions apply instead of those contained in the main body of the Franchise Disclosure Document:

A. Restrictive Covenants: Any covenants restricting competition contrary to Section 9-08-06, N.D.C.C. will be subject to that statute.

B. Situs of Arbitration Proceedings: Arbitration of disputes may not be at a location that is remote from the site of your business.

C. Restriction on Forum: You may not be required to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: You may not be required to consent to liquidated damages or termination penalties.

E. Applicable Laws: The Franchise Agreements are to be governed by the laws of North Dakota.

F. Waiver of Trial by Jury: You may not be required to consent to consent to the waiver of a trial by jury.

G. Waiver of Exemplary & Punitive Damages: You may not be required to consent to consent to a waiver of exemplary and punitive damages.

H. General Release: You may not be required to consent to sign a general release upon renewal of the franchise agreement.

I. Limitation of Claims: You may not be required to consent to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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PRINT SECOND INDIVIDUAL DEALER NAME

RHODE ISLAND ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Rhode Island law and is supplemented, amended and modified as set forth below:

We add the following paragraph:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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PRINT SECOND INDIVIDUAL DEALER NAME

TENNESSEE ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Tennessee law and is supplemented, amended and modified as set forth below:

Pursuant to Tennessee Statute,

(a) Except as otherwise provided below, Cornwell may not terminate your franchise prior except for good cause asserted in good faith, by providing written notice of the facts and circumstances establishing good cause, and giving you a reasonable opportunity of at least thirty (30) days to cure the alleged failure.

(b) If Cornwell fails to provide services or products to you, which services or products are material to the operation of your franchise, on the same terms, conditions and availability as any other franchisee in this state, Cornwell shall be deemed to have terminated your franchise.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

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PRINT SECOND INDIVIDUAL DEALER NAME

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

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Washington law and is supplemented, amended and modified as set forth below:

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

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

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

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site shall 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 of mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute

of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19. **Washington Dealership Terminations.** Nationally in 2024~~2~~25, ~~129~~ 93 Cornwell dealerships ceased operations. The categories of reasons are stated below. Two dealerships ceased to operate in Washington, while ~~one~~ four new dealerships began to operate. The reason ~~that~~ the two ~~one~~ ceased to operate ~~was a~~ were voluntary terminations ~~and the other was an involuntary termination~~ (both in the "Other terminations" category below). You may wish to compare this information with similar information concerning other companies that offer franchised mobile tool dealerships in Washington.

Became a District Manager - ~~0~~2
Retired - ~~9~~8
Deceased - ~~2~~1
Other terminations – ~~11~~82

The undersigned parties do hereby acknowledge receipt of this addendum.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

WISCONSIN ADDENDUM

This Addendum to Cornwell's Dealer Franchise Agreement ("the Agreement") is made and entered into on the same date as the Agreement and provides as follows:

The Agreement is governed by Wisconsin law and is supplemented, amended and modified as set forth below:

1. Cornwell may not terminate, cancel, fail to renew or substantially change the competitive circumstances of your dealership agreement without good cause. The burden of proving good cause is on Cornwell.

2. Cornwell must provide you at least 90 days' prior written notice of termination, cancellation, nonrenewal or substantial change in competitive circumstances. The notice shall state all the reasons for termination, cancellation, nonrenewal or substantial change in competitive circumstances and shall provide that you have 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days the notice shall be void. The notice provisions of this section shall not apply if the reason for termination, cancellation or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors or bankruptcy. If the reason for termination, cancellation, nonrenewal or substantial change in competitive circumstances is nonpayment of sums due under your dealership, you shall be entitled to written notice of such default, and shall have 10 days in which to remedy such default from the date of delivery or posting of such notice.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

EXHIBIT E

~~2025~~2026

CORNWELL TECH-CREDIT FINANCE PLAN
Dealer Credit Assignment Agreement

This Agreement is made this _____ day of _____, 20___, between Cornwell Tech-Credit ("Assignee"), a division of Cornwell Quality Tools Company ("Cornwell") and [Entity Name, if applicable] _____ and [First Individual Name] _____of [Residence street address], _____, [City] _____, [State] _____, [Zip] _____, and (if applicable) [Second Individual Name] _____, his or her spouse or person in a similar legal relationship, as individual owners of the franchised dealership if it is an entity and in all events as active partners in the operation of the franchised dealership (individually and/or collectively referred to as "Dealer").

WHEREAS, Dealer is a franchised independent Cornwell Dealer engaging in the sale of Cornwell's automotive tools, equipment and other products ("Equipment") to the professional mechanic and technician, pursuant to a Dealer Franchise Agreement ("Franchise Agreement"); and

WHEREAS, the Assignee is willing to provide financing for the sale of certain Equipment by Dealer to Dealer's credit-worthy customers, provided Dealer complies with the Terms and Conditions contained within this Dealer Credit Assignment Agreement ("this Agreement").

NOW, the parties agree to the following:

1. If Dealer wishes Assignee to finance a purchase of Equipment by one of Dealer's customers ("Borrowers"), Dealer will submit to Assignee such documents as Assignee may request relating to the proposed sale ("Application Documents"). The Application Documents will include without limitation a Master Contract & Security Agreement and Cornwell Tech-Credit Purchase and Security Agreement and Sales Slip ("Sales Slip") in substantially the form included in the Tech-Credit Operation Manual. Assignee shall have the sole discretion to determine whether or not to finance any purchase and nothing herein shall be construed as obligating Assignee to finance any purchase.

2. Assignee shall communicate its decision to Dealer concerning the request to finance within a reasonable time. Dealer shall then obtain and execute such further documentation as Assignee shall require completing the transaction. Without limitation, such documentation shall provide for the assignment to Assignee of the right to collection of the net amount payable from Borrower to Dealer, representing the time purchase balance due for the purchase of the Equipment ("Obligation").

3. The amount to be credited to the Dealer's Cornwell account by Assignee with respect to the purchase being financed will be subject to a discount as determined by Assignee in its sole discretion, which shall be communicated to Dealer at the time of the approval of the transaction.

4. The amount to be credited will be calculated as a discount from the net cash price charged by Dealer to Borrower (principal amount of new sale net of any trade-in, down payment and sales tax charge). Criteria for determining the discount will be disclosed in the Cornwell Tech-Credit Operation Manual ("Manual") for Dealer's information, but such criteria shall be solely for Assignee's internal use and shall not affect Assignee's discretion to determine the discount offered with respect to any particular transaction. Within 24 hours of acceptance of the document evidencing Borrower's obligation to pay Dealer, with Dealer's executed assignment, the Assignee will credit Dealer's open account with Cornwell and Cornwell will send a confirming document to Dealer.

5. The Dealer shall at all times comply with the policies and procedures that are outlined in the Manual, which shall be considered a part of this Agreement. The policies and procedures may from time to time be modified by the Assignee in its sole discretion, except that the Dealer will be notified at least thirty (30) days in advance of any change in the Manual.

6. The Dealer will act as the primary collecting agent of Assignee. The Dealer will collect payments as requested by Assignee from any person indebted on its Obligation to Assignee who is employed or has a place of business within the Dealer's territory, regardless of whether the Dealer has sold Equipment to the Borrower or not. The Dealer will remit all monies to Assignee promptly upon collecting them and in any case not longer than ten (10) days from when they are collected. For administrative ease, Assignee will supply the Dealer a report that the Dealer can use to summarize the collections for each customer.

7. Dealer agrees to repossess Equipment located in Dealer's territory for Assignee's benefit, upon Assignee's request, at Dealer's sole cost and expense, unless Assignee gives its prior written consent to Dealer that it will pay some or all of the cost and expense. Further, the Dealer agrees to purchase Equipment from the Assignee at fair market value (to be agreed upon by the district manager and the

Dealer), less a discount of thirty percent (30%) or such other discount as may be established by Assignee from time to time and set forth in the Manual.

8. Dealer agrees to abide by all laws of the jurisdictions in which Dealer is operating the dealership and all provisions of Dealer's agreements with Cornwell. This includes, but is not limited to, never breaching the peace when attempting repossession, never violating the stay when a customer is under the protection of the bankruptcy laws, and never harassing, threatening, assaulting or intimidating a Borrower. The Dealer agrees to always act in a professional and business-like manner.

9. Dealer agrees that upon termination of this Agreement by Cornwell, Dealer will accept the reassignment by Assignee to Dealer of all Borrower Obligations previously purchased during the sixty (60) day period immediately prior to termination of this Agreement, except those Obligations which Assignee agrees in writing to retain. Notwithstanding the preceding provision, Dealer agrees that upon termination of this Agreement because Dealer terminates Dealer's Franchise Agreement or this Agreement, Dealer will accept the reassignment by Assignee to Dealer of all Borrower Obligations previously purchased during the ninety (90) day period immediately prior to Dealer's giving notice of termination of the Franchise Agreement or of this Agreement, whichever is earlier, except those Obligations which Assignee agrees in writing to retain. Dealer agrees to accept such assignment without recourse, setoff or deduction and authorizes Assignee to debit Dealer's open account with Cornwell in the amount equal to the amounts due on the reassigned Obligations.

10. Dealer agrees upon notice of the termination of the Franchise Agreement with Cornwell, whether such notice is given by Dealer or Cornwell, Dealer will provide all reasonable assistance to Assignee in arranging for the orderly collection thereafter by Assignee of Obligations not being reassigned to Dealer under the provisions of subparagraph 8 above. Such assistance shall include but not be limited to the verification of outstanding balances on Dealer's Borrower Obligations prior to the settlement of all Dealer's own accounts with Cornwell (i.e. DSA, open account).

11. Assignee's acceptance of Obligations shall be subject to the following terms and conditions:

    a. If any documents submitted or assigned to Assignee pursuant to this Agreement are later reasonably claimed by Assignee to be, in whole or part, altered, modified, forged or not genuine, accurate or in compliance with the Terms and Conditions of this Agreement in any respect, the Obligations evidenced by such documents shall be immediately reassigned by Assignee to Dealer. Dealer hereby agrees to accept such reassignment, without recourse, setoff or deduction of any kind and agrees to pay Cornwell

the full amount to the Borrower's balance that is outstanding at all times of the reassignment. Dealer agrees that Assignee may charge Dealer's open account with Cornwell in the amount of such balance and that Assignee may pursue any other available remedy at law or in equity to recover such balance, with interest at the rate provided in the Obligation documents to have been paid by Borrower and Assignee's reasonable costs of collection.

b. Upon failure of the Dealer to collect payments or to remit payments or other funds within ten (10) days of collection, as required in paragraph 6 above, Dealer authorizes Assignee and Cornwell to charge Dealer's open account with Cornwell in the amount equal to the amount not collected or collected but not remitted and to pursue any other available remedy at law or in equity to recover such amount not collected or collected but not remitted, with interest at the highest rate allowed by law and Assignee's reasonable costs of collection.

c. Assignee reserves the right to require that Dealer obtain and perfect a security interest in any Equipment sold to a Borrower, as a condition of acceptance of the assignment of Borrower's Obligation. In the event such a security interest is created, Dealer agrees to assign such interest in full to Assignee and Dealer shall not release any such security interest, without prior written consent of the Assignee. Further, Dealer shall not release or substitute any Equipment described in the documents without the prior written consent of the Assignee. Any of these actions by the Dealer may result in the reassignment of the Obligation to Dealer and the exercise of Assignee's rights described above in connection with such reassignment, as well as any other remedies provided for in this Agreement or available to Assignee or Cornwell at law or in equity.

d. Assignee reserves the right to suspend the Dealer, either temporarily or permanently, from using the Cornwell Tech-Credit Financing Plan, if Dealer violates any of the terms and provisions of this Agreement, or Dealer's Franchise Agreement with Cornwell or the Manual. At Assignee's sole option, Assignee may notify Dealer of the violations which have occurred and give the Dealer the opportunity to cure the violations according to a schedule established by Assignee. Assignee may establish collection and charge off maximums for all Dealers, which shall be provided for the information of Dealers in the Manual. If Dealer exceeds the average charge offs / delinquency maximums, Assignee may suspend the Dealer from using the Plan, either temporarily or permanently. At Assignee's sole option, Assignee may notify Dealer that Assignee intends to suspend Dealer from participation in the Plan pursuant to the provisions of this paragraph and to give Dealer the opportunity to improve collections and charge offs according to a schedule established by Assignee.

12. Dealer hereby agrees that the following warranties and representations shall apply to every purchase from Dealer financed by Assignee, without further documentation. Dealer shall indemnify Assignee against any loss arising from a breach of any of the warranties or inaccuracy of any of the representations.

    a. The Obligations not have been offered previously to any other financial institution or other entity for purchase or as collateral against advances.

    b. All Application Documents and other Obligation documentation executed by Borrower and Dealer shall be genuine, valid and complete, and Dealer and Borrower shall have signed such documentation in good faith, with the legal capacity to do so and not in contravention of any law, judgment, ruling, undertaking or other prohibition which would cause Borrower or Dealer not to be obligated according to the stated terms of the documentation, or to be unable legally to perform the obligations created by the documentation.

    c. Borrower shall be the same individual as the person represented on the Application Documents and other Obligation documentation and shall have signed the Master Contract & Security Agreement.

    d. Each CTC Sale Slip and other item of Obligation documentation shall accurately and completely evidence a bona fide sale transaction according to its terms. Without limitation, this shall mean that all Equipment described shall have been delivered and the Sale Slip completed accurately prior to its being signed by Borrower. The individual signing the Sale Slip and other documentation shall have been the same person who has signed the Master Contract & Security Agreement.

    e. There shall be no other agreement, oral or written, between the Dealer and Borrower, which would impair the obligations evidenced by the documents being submitted.

    f. The Dealer will not change or modify the terms of any of the documents without the prior written consent of the Assignee.

    g. The sale of the Equipment to be financed shall only be for commercial use by the Borrower, to be used by the Borrower primarily in the Borrower's trade or occupation. The Equipment shall not be intended for personal, family or household use.

    h. All Equipment sold by the Dealer through financing by Assignee shall have been purchased from Cornwell. No other product from sources other than Cornwell may be financed on the Cornwell Tech-Credit Finance Plan, without prior written consent from Assignee.

i. The Dealer shall have timely paid any taxes (including but not limited to sales tax) that Dealer's jurisdiction may require pertaining to the transaction.

j. Dealer shall have complied in all respects with every requirement of law and with all agreements between Dealer and Cornwell and Dealer and Assignee with respect to the transaction.

13. Notwithstanding any other provisions of this Agreement and in addition to any other rights of suspension or termination, which are described, Dealer, Assignee or Cornwell may terminate this Agreement at any time upon thirty (30) days written notice, with or without cause. Unless otherwise provided in this Agreement, such termination shall not affect the respective rights and obligations of the parties as to the Obligations acquired by Assignee from Dealer, including but not limited to Assignee's right to reassign Obligations to Dealer prior to termination and Dealer's indemnification of Assignee, which rights and obligations shall survive following termination.

14. This Agreement contains the entire understanding of the parties with respect to the provision of financing by Assignee and shall only be amended or modified in writing and signed by both parties. None of the provisions of this Agreement shall be deemed in any way to limit such rights as the parties may have by statute or at law or in equity against one another, and any such remedies provided for in this Agreement shall be in addition to and not exclusive of any other remedy available by statute or under principles of common law or equity and such remedies may be exercised by the party(s) consecutively or concurrently and such exercises shall not be deemed to waive any other rights or remedies which may be available to a party.

15. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns, provided however, the Agreement shall not be assigned by the Dealer without prior written consent of the Assignee. Assignee reserves the right in its sole discretion and without Dealer's consent to re-assign (sell) Obligations to third parties that will collect them for their own benefit, whether or not the Obligations are then in default.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

17. Any provision of this agreement at variance with the laws of any State or Territory in which it is or becomes operative, or of the United States shall be deemed modified to conform with such laws and the remaining provisions shall remain in effect.

18. Any claim or controversy in connection with, arising out of, or relating to the Agreement between Dealer and Assignee or Cornwell shall be settled by binding

arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s).

Cornwell and Assignee reserve the right to obtain injunctive relief from the act or omission of any activity prohibited or required by this Agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell or Assignee.

19. Any notice required to be given under this Agreement or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Assignee at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, Assignee, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

IN WITNESS WHEREOF, the parties hereto caused this Agreement to be executed as of the date and year first written above.

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

FIRST PRINCIPAL INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____ , 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By: _____
CORNWELL (Tech-Credit Representative)

EXHIBIT F

April 1, ~~2025~~2026
Supersedes: April 1, ~~2024~~2025

CORNWELL QUALITY TOOLS COMPANY

AUTHORIZATION AGREEMENT FOR AUTOMATIC PAYMENT (ACH DEBITS)

I hereby authorize Cornwell Quality Tools Company to initiate debit entries and to initiate, if necessary, credit entries and adjustments for any debit in error to my (our) account or accounts listed below:

Financial Institution Information

Name Listed on Account: _____

Institution Name: _____

Transit/ABA Number*: _____

Account Number: _____

Type of Account: ☐ Checking ☐ Savings

The authority is to remain in full force until Cornwell Quality Tools Company has received written notification from me (us) of its termination in such time and such manner as to afford Cornwell Quality Tools Company and the Financial Institution(s) a reasonable opportunity to act on it.

_____
NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

_____ _____
FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) Date

_____ _____
SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE) Date

Attach Voided Check Here

***Notes on Transit/ABA Numbers**

*Provide the nine-digit number that appears on the bottom of a check. Attach a voided check to verify the accuracy of this important number.
*This number is not valid if the first number is 4, 5, 6, 7, 8 or 9.
*Financial Institutions must be a receiving Institution of the Federal Reserve.
*If the financial institution is a Credit Union, transit and ABA number 0219-0947-8 is not valid for Direct debit and credit activity. You must get transit and ABA number from the Credit Union.

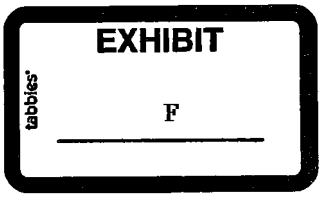


EXHIBIT G

20252026

CORNWELL QUALITY TOOLS CORNWELL QUALITY TOOLS

DEALER CREDIT ACCOUNT PROGRAM AUTHORIZATION

This authorization is given on this _____ day of _____ , 20 _____ by _____ , a Cornwell Dealer ("Dealer"), to Cornwell Quality Tools Company Co. ("Cornwell").

RECITALS

A. Cornwell is a manufacturer and distributor of various tools and other items of use in the automotive repair business.

B. Dealer is a franchised independent Cornwell Dealer engaged in the sale of Cornwell's automotive tools, equipment and other products to the professional mechanic and technician, pursuant to a Dealer Franchise Agreement.

In consideration of the mutual promises set forth, the Dealer and Cornwell agree as follows:

1. Cornwell will provide Dealer with an account within the Dealer Credit Account Program ("DCA") for Dealer to accumulate broken tool credits and/or incentive credits throughout the year.

2. Funds can be used at any time throughout the year. Any unused funds on April 1st of each year will automatically be credited to dealer's open account. The process then automatically restarts.

3. Interest will be accumulated on a weekly basis at a nominal rate, which will be determined every 90 days.

4. Dealer agrees that Cornwell may, in its absolute discretion, apply credits toward Dealer's open account if the same becomes past due for more than thirty (30) days.

5. Accumulated credits are not transferable to other Cornwell Dealers.

EXHIBIT

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6. Accumulated funds shall not be refunded with cash if the same are not used for Cornwell purchases or applied to Dealer's open account. In the event that Dealer's Franchise is terminated, voluntary or otherwise, all accumulated credits shall be applied to any indebtedness owed on Dealer's open account.

7. Cornwell or Dealer may terminate this Agreement and the DCA at any time after mailing written notice to the other, thirty (30) days before the effective date of such termination. This authorization in no way modifies any of the terms or conditions of Dealer's Dealer Franchise Agreement and/or Dealer Purchase Order, Note And Security Agreement. All provisions of those written agreements remain in full force and effect.

Dealer elects the following options for the DCA:

_____ Broken Tool Credits to DCA (Only)

_____ Incentive Credits only to DCA (Only)

_____ Both Broken Tool Credits and Incentive Credits to DCA

_____ Neither Broken Tool Credits or Incentive Credits to DCA

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

EXHIBIT H

CORNWELL QUALITY TOOLS COMPANY
IRONMAN BUSINESS NETWORK ("IBN")
HARDWARE, FIRMWARE, SOFTWARE LICENSE AND SUBLICENSE,
MAINTENANCE AND SUPPORT AGREEMENT
(END USER LICENSE AGREEMENT)

The Cornwell Quality Tools Company ("Cornwell") agrees to provide to: [Entity Name, if applicable] _____ and [First Individual Name] _____ of [Residence street address] _____, [City] _____, [State] _____, [Zip] _____, and (if applicable) [Second Individual Name] _____, his or her spouse or person in a similar legal relationship, as individual owners of the franchised dealership if it is an entity and in all events as active partners in the operation of the franchised dealership (individually and/or collectively referred to as, "Dealer") and the Dealer agrees to acquire from Cornwell the following:

(1) License to one copy of the applications software system known as the Cornwell Ironman Business Network ("IBN Software") consisting of computer programs and associated documentation, subject to the terms and conditions set forth in this Agreement ("the License Agreement");

(2) One laptop computer ("Computer"), one bar code/driver's license scanner ("Scanner"), one credit/debit card ~~processer~~processing device ("Processor") and one signature pad ("Pad") (together "the Hardware);

(3) One sublicense ("Sublicense") of other software and firmware pre-loaded into the Hardware (together, "Other Software").

Cornwell and the Dealer are parties to a Dealer Franchise Agreement dated as of _____, 20____ (the "Franchise Agreement"). The terms of this License Agreement and the Franchise Agreement are incorporated into one another. If the Franchise Agreement exists prior to this License Agreement, it is deemed amended to include this License Agreement. In the event of a conflict between the two, the terms of this License Agreement shall prevail.

1. LICENSE OF IBN SOFTWARE; PERMITTED USE AND COPYING.

Cornwell grants a limited, nonexclusive license to the Dealer to use the IBN Software only for the operation of the Dealer's Cornwell dealership. Cornwell will provide the IBN

EXHIBIT
tabbies
H

Software and its documentation to the Dealer upon order of the IBN Software by the Dealer. The IBN Software shall always remain exclusively the property of Cornwell.

All title, including but not limited to copyrights, in and to the IBN Software and any copies of it are and shall remain owned exclusively by Cornwell. The Dealer may not sublicense, assign, sell, transfer or dispose of any part of the IBN Software, or any copies of the IBN Software, to any person or entity. The Dealer may not reverse engineer, decompile, or disassemble the IBN Software. The Dealer agrees that the IBN Software will be used only in connection with the operation of the Dealer's Cornwell dealership, and will not be used for any other purposes. The Dealer may make a reasonable number of backup copies of the IBN Software only for the purpose of operating the dealership.

All rights not expressly granted in the IBN Software by this License Agreement are reserved by Cornwell.

2. SALE OF HARDWARE

Cornwell will sell the Hardware to the Dealer for the operation of the Dealer's Cornwell dealership. The Hardware is sold to the Dealer for business purposes only and personal use is prohibited. The Dealer shall not use any other Hardware on the Dealer's truck in connection with the dealership, except Replacement Hardware described below and other debit/credit card processing hardware.

The Hardware will be sold to the Dealer at Cornwell's cost, estimated to be $3,500.00. Cornwell will credit the Dealer's open account in the amount of $1,500.00 as an offset against the purchase price of the Hardware. The Dealer understands that Cornwell will issue an IRS Form 1099 to the Dealer for the amount of the credit. The Dealer further understands and agrees that the Dealer must acquire a windows compatible ~~DeskJet~~ printer ~~(LaserJet recommended)~~ and mobile internet ~~connection card and~~ service at the Dealer's own cost, as set forth in Section 6 below.

Cornwell will at any time the Dealer's Franchise Agreement is in effect replace any or all of the Hardware at the Dealer's request ("Replacement Hardware"). The Replacement Hardware will be sold to the Dealer at Cornwell's cost, but no offsetting credit will be provided unless separately agreed.

3. SUBLICENSE OF OTHER SOFTWARE; PERMITTED USE AND COPYING.

Cornwell grants a limited, nonexclusive sublicense to the Dealer to use the Other Software with the Hardware only for the operation of the Dealer's Cornwell dealership. Cornwell warrants that it has a license to the Other Software and has the right to grant this sublicense to the Other Software. The Other Software is provided to the Dealer for business purposes only and personal use is prohibited. The Dealer shall not use any other software with the Hardware. Cornwell will provide the Other Software and its documentation with the Hardware to the Dealer upon order of the IBN Software by the

Dealer. The license to the Other Software shall always remain exclusively the property of Cornwell.

The Dealer may not further sublicense, assign, sell, transfer or dispose of any part of the Other Software, or any copies of the Other Software, to any person or entity. The Dealer may not reverse engineer, decompile, or disassemble the Other Software. The Dealer agrees that the Other Software will be used for the operation of the Dealer's Cornwell dealership, and will not be used for any other purposes. The Dealer may make a reasonable number of backup copies of the Other Software only for the purpose of operating the dealership and as the documentation to the Other Software permits.

As set forth below, no payment will be required to be made by the Dealer for the Other Software. All rights not expressly granted to the Dealer as to Cornwell's license in the Other Software by this License Agreement are reserved by Cornwell.

4. CHARGES AND PAYMENT TERMS.

The initial startup fee for the IBN Software is $100.00. The current monthly maintenance and support fee is $50.00. Such fee is subject to change by Cornwell from time to time. There will also be a one-time $~~175~~30.00 license set up fee and up to $50.00 monthly fees for Credit Card Processing Software that interfaces with the IBN Software, if used.

5. TERM.

This Agreement will remain in effect while the Franchise Agreement is in effect, unless terminated by either party in accordance with the terms of this Agreement. This Agreement will terminate upon the termination of the Franchise Agreement. Upon termination of this Agreement, the Dealer shall permit Cornwell to remove the IBN Software from the Hardware.

6. OTHER SYSTEM HARDWARE and INTERNET CONNECTIVITY.

Dealer agrees to obtain and maintain ~~high speed Internet access via a standalone Network Access Device from a mobile wireless broadband carrier, to be able to communicate electronically with Cornwell~~ a commercial-grade, high-bandwidth internet connection sufficient to support all Cornwell business systems, including real-time order entry, payment processing, cloud synchronization, and remote communication. Consumer-grade mobile hotspots, personal cellular tethering, or limited-data mobile plans are not acceptable to meet this requirement. The connection must utilize a dedicated broadband service designed for continuous mobile business use, such as a low Earth orbit satellite broadband service, multi-carrier cellular router, or an equivalent high-throughput solution with latency sufficient for uninterrupted connectivity while operating the mobile store.

Additionally, the Dealer agrees to purchase or lease a ~~DeskJet~~ printer compatible with the Hardware and IBN Software. ~~(LaserJet recommended) and to ensure reliable wireless connectivity to the Internet via an internal wireless card or a vendor-supplied wireless card.~~

It is the Dealer's responsibility to handle all equipment hardware/warranty issues other than for the Hardware and Other Software directly with the equipment vendor or manufacturer. Cornwell is not responsible for other hardware reliability or service.

The Dealer is responsible for acquiring and maintaining an Internet email account and must promptly notify Cornwell's Customer Service Department of any changes. This account must be established prior to attending the New Dealer Training. The Dealer is further responsible for entering the shop, customer, tax rates and other data needed to run the IBN Software.

The Dealer is responsible for maintaining antivirus and endpoint protection on all business systems, keeping all operating system, application, and browser security updates current, following PCI-compliant standards for data handling and submission an annual attestation of compliance through the designated payment processor, notifying Cornwell promptly of any data breach or data loss, adhering to all formally communicated maintenance and security directives, and maintaining security systems. Dealer is liable for any repercussions resulting from failure to comply.

7. CORNWELL'S MAINTENANCE AND SUPPORT RESPONSIBILITIES.

The Dealer agrees to obtain maintenance and support for the IBN Software, Hardware and Other Software only from Cornwell.

Cornwell will make on-call support available to the Dealer twenty-four (24) hours per day, seven (7) days per week. All notices of errors or malfunctions must be clearly stated by telephone or in writing by the Dealer and must provide details sufficient to diagnose or reproduce such errors. Cornwell will make a reasonable effort to respond within an industry-customary time, targeted to be two (2) hours for calls received between 8:00AM and 7:00PM E.T. Monday thru Friday or four (4) hours or less for calls received during all other time periods.

If the Dealer notifies Cornwell of a suspected error in the IBN Software, Cornwell will use all reasonable efforts to confirm the existence of and correct such reproducible error by exercising standard test programs and taking necessary corrective actions. If, in analyzing a suspected error in the IBN Software at the Dealer's request, Cornwell determines that no error exists in the IBN Software program logic and/or documentation, and/or if the program malfunction is due to the Dealer's alteration of the IBN Software, and/or if the Dealer is using hardware other than the Hardware or if the Hardware is infected with viruses, worms and/or spyware of any nature, Cornwell will proceed with further efforts to diagnose and correct the malfunction only if the Dealer agrees to pay Cornwell for its time and efforts at Cornwell's then-current rates. The current rate is $150.00/hour.

Cornwell will from time to time review the IBN Software for improved functionality and operating efficiency. Cornwell will, based on its own judgment, make such improvements

and enhancements to the IBN Software from time to time as it deems appropriate. Cornwell will provide such updated software and documentation to the Dealer. Cornwell will also provide to the Dealer, as updates under the terms of this Agreement, any program logic and documentation changes made by Cornwell to correct any proven reproducible errors in the IBN Software which cause the IBN Software to deviate materially from the specifications for that system.

Any changes to IBN Software or its program logic or documentation made by Cornwell under the terms of this Agreement will be downloaded to the Dealer on the Internet.

To ensure performance and software compatibility, the use of the Hardware and Other Software must be restricted to the Dealer's Cornwell business-related functions. For example, the Hardware shall not be used to browse the Internet for personal use, it should not be used for gaming, and other third-party software shall not be loaded and executed on the Hardware.

If either the Hardware or the Other Software fail to perform properly, the Dealer shall promptly notify Cornwell and Cornwell will within a reasonable time take those steps that it determines in its sole discretion are appropriate, which may or may not include replacing or repairing the Hardware or Other Software. No charge will be made to the Dealer for maintenance and support related to the Hardware or Other Software, except as set forth above and elsewhere in this Agreement.

9. LIMITED WARRANTY.

a. SOFTWARE. Cornwell hereby warrants the IBN Software for a period of ninety (90) days from the time of shipment to materially conform to the specifications described in the documentation in the shipment. Within the warranty period, if the Dealer finds that the IBN Software does not materially conform to the specifications, the Dealer will promptly provide Cornwell with sufficient documentation of such nonconformity such that Cornwell can reproduce and verify the same. Cornwell will, within a reasonable time, upon its confirmation of the nonconformity, provide the Dealer with either instructions for correcting the nonconformity or an updated copy of the IBN Software that is free of the nonconformity.

In the event that Cornwell is unable to accomplish any of the above, it will accept a return of the nonconforming IBN Software and fully refund to the Dealer the license fee paid. The foregoing will constitute Cornwell's sole obligation, and the Dealer's sole remedy, for breach of warranty. Cornwell's warranty is conditioned upon the installation by the Dealer of any and all updates to the IBN Software provided to the Dealer by Cornwell and the Dealer's compliance with the terms of this License Agreement.

Because Cornwell retains ownership of the license to the Other Software that is sublicensed by this Agreement, no warranties are extended to the Dealer by Cornwell as to the Other Software.

b. HARDWARE. Cornwell will extend the Hardware manufacturers' warranties to the Dealer. In addition, Cornwell will warrant for three (3) years of date of delivery of the Hardware that the Hardware will be fit for its intended purposes in the operation of the Dealer's Cornwell dealership. Cornwell may repair or replace unfit Hardware in its sole discretion, at no cost to the Dealer. Cornwell agrees to provide the Dealer temporary replacement Hardware (with IBN Software and Other Software) by overnight delivery while the Dealer's Hardware is in Cornwell's possession on a warranty claim.

This warranty shall not be effective if the Hardware is rendered unfit by damage occurring to it that is not the fault of Cornwell. The Dealer must obtain any desired insurance coverage for such damage to the Hardware. Service, repair and replacement of such damaged Hardware will be provided by Cornwell at the Dealer's cost.

EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH ABOVE, CORNWELL HEREBY DISCLAIMS AND DEALER HEREBY EXPRESSLY WAIVES, ANY AND ALL OTHER EXPRESS WARRANTIES AND REPRESENTATIONS OF ANY KIND OR NATURE. UPON THE EXPIRATION OF THE EXPRESS LIMITED WARRANTY PERIOD SET FORTH ABOVE, CORNWELL DISCLAIMS, AND DEALER HEREBY EXPRESSLY WAIVES, ANY AND ALL IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY OTHER PARTICULAR PURPOSE THAN THE ONE SET FORTH AS TO THE HARDWARE IN THIS AGREEMENT.

CORNWELL DOES NOT WARRANT THAT USE OF THE IBN SOFTWARE WILL CAUSE THE DEALER'S BUSINESS TO IMPROVE, TO SUCCEED, OR TO PERFORM AT ANY PARTICULAR LEVEL.

IN NO EVENT WILL CORNWELL BE LIABLE TO DEALER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS OR LOST SAVINGS, IN ANY WAY ARISING OUT OF OR RELATING TO THIS LICENSE AGREEMENT, WHETHER IN CONTRACT OR IN TORT.

CORNWELL MAKES NO WARRANTIES WHATSOEVER AS TO THE OTHER SOFTWARE AND THE DEALER TAKES THE SUBLICENSE TO THE OTHER SOFTWARE AS-IS.

10. CONFIDENTIALITY.

The Dealer will not disclose the IBN Software to any person other than other persons who have need to use the IBN Software in connection with the operation of the Dealer's Cornwell dealership. The Dealer will not alter or remove any ownership, trademark or copyright notices from the IBN Software or any associated documentation.

11. DEFAULT; TERMINATION.

Either party will have the right to terminate this License Agreement upon the same terms that the Franchise Agreement may be terminated. This License Agreement will also terminate immediately and automatically upon the termination of the Franchise Agreement. In addition, this License Agreement and the licenses and sublicense granted by it may be terminated by Cornwell on not less than (30) days' written notice if Dealer defaults in the payment or performance of his obligations under this License Agreement. Such default will also be a material breach of the Franchise Agreement and may lead to termination of the dealership.

Dealer shall have 30 days to cure default caused by failure to pay as agreed. Cornwell may agree to waive any default, in its sole discretion. No action or failure to act on the part of Cornwell shall operate as a waiver or otherwise of the subsequent right to terminate this License Agreement, unless expressly so stated in writing.

In the event of termination of the License Agreement, the Dealer will immediately cease using the IBN Software and the Other Software and will immediately return to Cornwell all copies of the IBN Software and the Other Software and documentation related to them in the Dealer's possession or under the Dealer's control. No refund of any fees paid by the Dealer pursuant to this License Agreement will be owed by Cornwell to the Dealer in the event of the termination of this License Agreement.

Cornwell reserves the right to all legal and equitable remedies if the IBN Software or Other Software are not returned, including but not limited to damages, injunctions and replevin. The Dealer shall pay all of Cornwell's costs and expenses, including but not limited to attorney fees and expert expenses, if Cornwell must pursue such remedies.

12. MISCELLANEOUS.

This License Agreement will be governed by, and construed and enforced in accordance with the laws of the State of Ohio. If any provision will be held invalid or unenforceable, such provision will be severable from the License Agreement and will not be construed to have any effect on the remaining provisions.

13. DISPUTE RESOLUTION.

Any claim or controversy in connection with, arising out of, or relating to this License Agreement between Dealer and Cornwell shall be settled by binding arbitration in accordance with the rules pertaining to commercial dispute arbitration then existing with the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Such arbitration shall take place in such locations as the parties mutually agree, and in the absence of such agreement, in Akron, Ohio. The laws applicable to the arbitration procedure shall be the laws of the State of Ohio. The award of the arbitrator(s) shall be the sole remedy between the parties regarding any claims, counterclaims, issues presented or pled to the arbitrator(s).

Cornwell reserves the right to obtain injunctive relief from the act or omission of any activity prohibited or required by this License Agreement in any court having jurisdiction, when such act or omission will cause irreparable harm to Cornwell, or replevin to obtain possession of any property.

14. NOTICE.

Any notice required to be given under this License Agreement or service of process for the purposes of arbitration or litigation of issues arising out of it, shall be given to Cornwell at 667 Seville Road, Wadsworth, Ohio 44281 and to First Dealer and Second Dealer, if applicable, at the address or addresses last provided by them to Cornwell. Service on Cornwell, First Dealer, or Second Dealer shall conclusively be deemed to have been completed for all purposes if made by regular U.S. mail or any other usual and reliable form of delivery to the address last given. The parties will continue to have the obligation to notify one another of any change of address during and after the termination of this License Agreement, if they wish to be assured of the receipt of notices and service of process, and they expressly waive any objection to notice provided or service made to the last address they have given.

15. ENTIRE AGREEMENT; AMENDMENTS.

This License Agreement supersedes all previous agreements on the same subject matter between Dealer and Cornwell. No modification or amendment of this License Agreement shall be effective unless made in writing and signed by a representative of Cornwell and Dealer.

IN RECOGNITION OF WHICH and intending to be legally bound, Cornwell and the person or persons identified as Dealer above have signed duplicate copies of this Agreement on the dates stated below at Wadsworth, Ohio and _____, _____.

_____

NAME OF BUSINESS ENTITY (ONLY COMPLETE FOR CORPORATION, PARTNERSHIP, LLC, LLP)

_____ _____

FIRST INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT FIRST INDIVIDUAL DEALER NAME

_____ _____

SECOND INDIVIDUAL DEALER SIGNATURE, FOR SELF AND ENTITY (IF APPLICABLE)

PRINT SECOND INDIVIDUAL DEALER NAME

FOR OFFICE USE ONLY

Agreed to and accepted this _____ day of _____, 20 _____ in Wadsworth, Ohio.

CORNWELL QUALITY TOOLS COMPANY

By:

CORNWELL (Corporate Officer)

LIST OF 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Except as indicated below, the Effective Date of this Disclosure Document in your state is April 1, 202~~5~~26.

California	January 1, 202~~5~~26
Hawaii	N/A
Illinois	April 1, 202~~5~~26
Indiana	April 1, 202~~5~~26
Maryland	January 1, 202~~5~~26
Michigan	April 1, 202~~5~~26
Minnesota	~~April 8, 2025~~Pending
New York	April 1, 202~~5~~26
North Dakota	~~April 1, 2025~~Pending
Rhode Island	~~May 6, 2025~~Pending
South Dakota	April 1, 202~~5~~26
Virginia	~~April 4, 2025~~Pending
Washington	~~April 28, 2025~~Pending
Wisconsin	April 1, 202~~5~~26

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 I

EXHIBIT I
RECEIPT

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

If Cornwell offers you a franchise, Cornwell must provide this Franchise Disclosure Document to you by the earliest of the time required by your state as set forth in Exhibit D, referenced in Item 22 of the Franchise Disclosure Document or:

1. **The first personal meeting to discuss our franchise; or**
2. **Ten (10) business days before the signing of a binding agreement; or**
3. **Ten (10) business days before a payment to Cornwell.**

You must also receive a Franchise Agreement containing all material terms at least five (5) business days before you sign a Franchise Agreement.

If Cornwell does not deliver this Franchise 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 state agency listed for your state in Exhibit D of the Franchise Disclosure Document, if applicable.

The franchise is offered by Cornwell Quality Tools Company, 667 Seville Road, Wadsworth, Ohio 44281,

330-336-3506 and Cornwell's district manager _____,
(Print District Manager's Name)

_____
(Print District Manager's Address and Phone Number)

Issuance date: April 1, 202~~5~~26

I have received a Disclosure Document dated _____, 202~~5~~26, that included the following Exhibits:

A. FINANCIAL STATEMENTS
B. DEALER FRANCHISE AGREEMENT
B-1. ADDENDUM TO DEALER FRANCHISE AGREEMENT (SECOND FRANCHISE, IF APPLICABLE)
B-2. FRANCHISE DEVELOPER DEALER FRANCHISE AGREEMENT (IF APPLICABLE)
B-3. SPECIAL REPRESENTATIVE DEALER FRANCHISE AGREEMENT (IF APPLICABLE)
C. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT
C-1. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT (VETERANS/FIRST RESPONDERS INCENTIVE PROGRAM)(IF APPLICABLE)
C-2. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT – FRANCHISE DEVELOPER (IF APPLICABLE)
C-3. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT – SPECIAL REPRESENTATIVE (IF APPLICABLE)
D. APPENDIX WITH STATE-SPECIFIC INFORMATION
E. TECH-CREDIT DEALER CREDIT ASSIGNMENT AGREEMENT
F. ACH AGREEMENT – AUTHORIZATION AGREEMENT FOR AUTOMATIC PAYMENT
G. DCA AUTHORIZATION- DEALER CREDIT ACCOUNT PROGRAM AUTHORIZATION
H. IRONMAN BUSINESS NETWORK (IBN)-END USER LICENSE AGREEMENT
I. RECEIPT

Dealership name if an entity: _____

Dated: _____ (Do not leave blank)

Owner Operator name: _____ (Please print)

Owner Operator signature: _____

Dated: _____ (Do not leave blank)

Other Owner name: _____ (Please print)

Other Owner signature: _____

Exhibit I is a Receipt prepared in duplicate. You must sign both copies of the Receipt. Please retain one copy for your records and return the other copy to the District Manager who disclosed this document.

EXHIBIT I
RECEIPT

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

If Cornwell offers you a franchise, Cornwell must provide this Franchise Disclosure Document to you by the earliest of the time required by your state as set forth in Exhibit D, referenced in Item 22 of the Franchise Disclosure Document or:

1. **The first personal meeting to discuss our franchise; or**
2. **Ten (10) business days before the signing of a binding agreement; or**
3. **Ten (10) business days before a payment to Cornwell.**

You must also receive a Franchise Agreement containing all material terms at least five (5) business days before you sign a Franchise Agreement.

If Cornwell does not deliver this Franchise 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 state agency listed for your state in Exhibit D of the Franchise Disclosure Document, if applicable.

The franchise is offered by Cornwell Quality Tools Company, 667 Seville Road, Wadsworth, Ohio 44281,

330-336-3506 and Cornwell's district manager _____,
(Print District Manager's Name)

_____
(Print District Manager's Address and Phone Number)

Issuance date: April 1, 202526

I have received a Disclosure Document dated _____, 202526, that included the following Exhibits:

A. FINANCIAL STATEMENTS
B. DEALER FRANCHISE AGREEMENT
B-1. ADDENDUM TO DEALER FRANCHISE AGREEMENT (SECOND FRANCHISE, IF APPLICABLE)
B-2. FRANCHISE DEVELOPER DEALER FRANCHISE AGREEMENT (IF APPLICABLE)
B-3. SPECIAL REPRESENTATIVE DEALER FRANCHISE AGREEMENT (IF APPLICABLE)
C. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT
C-1. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT (VETERANS/FIRST RESPONDERS INCENTIVE PROGRAM)(IF APPLICABLE)
C-2. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT – FRANCHISE DEVELOPER (IF APPLICABLE)
C-3. DEALER PURCHASE ORDER, NOTE AND SECURITY AGREEMENT – SPECIAL REPRESENTATIVE (IF APPLICABLE)
D. APPENDIX WITH STATE-SPECIFIC INFORMATION
E. TECH-CREDIT DEALER CREDIT ASSIGNMENT AGREEMENT
F. ACH AGREEMENT – AUTHORIZATION AGREEMENT FOR AUTOMATIC PAYMENT
G. DCA AUTHORIZATION- DEALER CREDIT ACCOUNT PROGRAM AUTHORIZATION
H. IRONMAN BUSINESS NETWORK (IBN)-END USER LICENSE AGREEMENT
I. RECEIPT

Dealership name if an entity: _____

Dated: _____ (Do not leave blank)

Owner Operator name: _____ (Please print)

Owner Operator signature: _____

Dated: _____ (Do not leave blank)

Other Owner name: _____ (Please print)

Other Owner signature: _____

Exhibit I is a Receipt prepared in duplicate. You must sign both copies of the Receipt. Please retain one copy for your records and return the other copy to the District Manager who disclosed this document.