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Provision	Section in Franchise Agreement ("FA")	Section in Area Development Agreement ("ADA")	Summary
			<p>Manager we may operate your Franchised Business or assign another franchisee to service your customers.</p> <p>ADA: None.</p>
<p>q. Non-competition covenants during the term of the franchise</p>	<p>Section 10</p>	<p>Section 8</p>	<p>FA: You will not attempt to divert any business to a similar business, nor will you have any interest in any other competing business, without our prior written consent. You will not franchise or license any concept or system, whether or not a competing business or dissimilar business, during the term, without our prior written consent. You will not solicit our existing franchisees for any other system or party. You will not use any of our account or customer information for any purpose or in any context unrelated to your Franchised Business, <u>subject to applicable state law</u>.</p> <p>ADA: You will not have any interest in any other competing business without our prior written consent, <u>subject to applicable state law</u>.</p>
<p>r. Non-competition covenants after the franchise is terminated or expires</p>	<p>Section 9 and 10</p>	<p>Section 8</p>	<p>FA: No competition for a period of 2 years following the termination or expiration of the Franchise Agreement within 15 miles of your Territory or the territory of any other Pool Scouts franchisees or our affiliate-owned business, <u>subject to applicable state law</u>.</p> <p>ADA: No competition for a period of 2 years following a permitted transfer or expiration or termination of the Area Development Agreement within the Development Area or a 15-mile radius of the territories of any other Pool Scouts franchisees or our affiliate-owned business, <u>subject to applicable state law</u>.</p>
<p>s. Modification of the agreement</p>	<p>Section 16</p>	<p>Section 13</p>	<p>FA: No modifications except to the Operations Manual. Revisions to the Operations Manual will not unreasonably affect your obligations, including economic requirements, under the Franchise Agreement unless mutually agreed to and in writing.</p> <p>ADA: No modifications except by written agreement signed by both parties.</p>

**ADDENDUM TO THE
POOL SCOUTS FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT**

FOR THE STATE OF ILLINOIS

ITEM 17 of the Disclosure Document is amended as follows:

Illinois law shall apply to and govern the Franchise Agreements.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

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 of fraud 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.

Payment of Initial Franchise and Development Fees will be deferred until the Franchisor has met its initial obligations to franchisee, and franchisee has commenced business operations. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

ADDENDUM TO THE
POOL SCOUTS FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

FOR THE STATE OF INDIANA

1. ITEM 8 of the Disclosure Document is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate or in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is promptly accounted for and submitted to you.

2. ITEM 17 of the Disclosure Document is amended to add the following:

Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee and shall not be for a period longer than three (3) years.

ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.

ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action which arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

3. 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 of fraud 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.

**ADDENDUM TO THE
POOL SCOUTS FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT**

FOR THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for POOL SCOUTS FRANCHISING, LLC for use in the Commonwealth of Virginia shall be amended as follows:

~~ITEM 5 of the disclosure document~~[The Special Risks Page](#) is amended to add the following [language](#):

~~The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.~~

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$96,662 to \$133,787. This amount exceeds the franchisor's stockholder's equity as of December 31, 2025, which is \$93,967.

ITEM 17.h of the disclosure document is amended to add the following:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause" as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

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 of fraud 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.

**ADDENDUM TO THE FRANCHISE AGREEMENT
POOL SCOUTS FRANCHISING, LLC**

FOR THE STATE OF ILLINOIS

This Addendum to the Franchise Agreement is entered into this _____ day of _____, 20____, between POOL SCOUTS FRANCHISING, LLC (“we”, “us” or “Franchisor”) and _____ (“you” or “Franchisee”) to amend and revise the Franchise Agreement as follows:

1. In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Franchise Agreement for Pool Scouts Franchising, LLC shall be amended as follows:

a. Section 4.a of the Franchise Agreement shall be amended to add:

Payment of Initial Franchise and Development Fees will be deferred until the Franchisor has met its initial obligations to franchisee, and franchisee has commenced business operations. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor’s financial condition.

b. Section 8 of the Franchise Agreement shall be amended to add:

Franchisees’ rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

c. Section 15.a of the Franchise Agreement shall be amended to add:

Illinois law governs the Franchise Agreement.

d. Section 15.c of the Franchise Agreement shall be amended to add:

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

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

3. 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 of fraud under any applicable state franchise law, including fraud

in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

POOL SCOUTS FRANCHISING, LLC

By: _____
Name: _____
Title: _____

Franchisee: _____

By: _____
Name: _____
Title: _____

ADDENDUM TO THE FRANCHISE AGREEMENT
POOL SCOUTS FRANCHISING, LLC

FOR THE STATE OF INDIANA

This Addendum to the Franchise Agreement is entered into this ____ day of _____, 20__, between **POOL SCOUTS FRANCHISING, LLC** (“we”, “us” or “Franchisor”) and _____ (“you” or “Franchisee”) to amend and revise the Franchise Agreement as follows:

1. In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, IC 23-2-2.7 and the Indiana Franchise Disclosure Law, IC 23-2-2.5, the Franchise Agreement for Pool Scouts Franchising, LLC shall be amended as follows:

- a. Sections 2.b and 13.j of the Franchise Agreement do not provide for a prospective general release of claims against Franchisor which may be subject to the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law.
- b. Section 18 is amended to provide that Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee’s reliance upon or use of procedures or products which were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.
- c. Section 15.a is amended to provide that in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law, 23-2-2.7, will prevail.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Indiana Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

3. 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 of fraud 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.

**ADDENDUM TO THE FRANCHISE AGREEMENT
POOL SCOUTS FRANCHISING, LLC**

FOR THE COMMONWEALTH OF VIRGINIA

This Addendum to the Franchise Agreement is entered into this ____ day of _____, 20____, between **POOL SCOUTS FRANCHISING, LLC** (“we”, “us” or “Franchisor”) and _____ (“you” or “Franchisee”) to amend and revise the Franchise Agreement as follows:

1. In recognition of the requirements of the Virginia Retail Franchising Act, Va. Code §§13.1-557 et seq., the Franchise Agreement shall be amended as follows:

~~a. Section 4.a shall be amended to add: The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.~~

b. Sections 8.b(x) and 8.c(i) states that the Franchisor may terminate the Franchise Agreement if the Franchisee commits a default under any other franchise agreement with Franchisor; this provision may not be enforceable if the grounds for default or termination do not constitute “reasonable cause” as that term is defined in the Virginia Retail Franchising Act or laws of Virginia.

2. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims of fraud 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.

3. Unless expressly amended by this Addendum, all other terms of the Franchise Agreement remain unchanged.

**ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT
POOL SCOUTS FRANCHISING, LLC**

FOR THE STATE OF ILLINOIS

This Addendum to the Area Development Agreement is entered into this _____ day of _____, 20____, between POOL SCOUTS FRANCHISING, LLC (“we”, “us” or “Franchisor”) and _____ (“you” or “Area Developer”) to amend and revise the Area Development Agreement as follows:

1. In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Area Development Agreement for Pool Scouts Franchising, LLC shall be amended as follows:

a. Section 2.1 of the Area Development Agreement shall be amended to add:

Payment of Initial Franchise and Development Fees will be deferred until the Franchisor has met its initial obligations to franchisee, and franchisee has commenced business operations. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor’s financial condition.

b. Section 6 of the Area Development Agreement shall be amended to add:

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

c. Section 16.1 of the Area Development Agreement shall be amended to add:

Illinois law governs the Area Development Agreement.

d. Section 16.2 of the Area Development Agreement shall be amended to add:

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

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

3. 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 of fraud under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

POOL SCOUTS FRANCHISING, LLC

By: _____
Name: _____
Title: _____

Area Developer: _____

By: _____
Name: _____
Title: _____

ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT
POOL SCOUTS FRANCHISING, LLC

FOR THE STATE OF INDIANA

This Addendum to the Area Development Agreement is entered into this ___ day of _____, 20___, between **POOL SCOUTS FRANCHISING, LLC** (“we”, “us” or “Franchisor”) and _____ (“you” or “Area Developer”) to amend and revise the Area Development Agreement as follows:

1. In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, IC 23-2-2.7 and the Indiana Franchise Disclosure Law, IC 23-2-2.5, the Area Development Agreement for Pool Scouts Franchising, LLC shall be amended as follows:

- a. Section 14 of the Area Development Agreement does not provide for a prospective general release of claims against Franchisor which may be subject to the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law.
- b. Section 16.1 is amended to provide that in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law, 23-2-2.7, will prevail.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Indiana Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Area Development Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

3. 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 of fraud 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.

**ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT
POOL SCOUTS FRANCHISING, LLC**

FOR THE COMMONWEALTH OF VIRGINIA

This Addendum to the Area Development Agreement is entered into this ____ day of _____, 20__, between **POOL SCOUTS FRANCHISING, LLC** (“we”, “us” or “Franchisor”) and _____ (“you” or “Area Developer”) to amend and revise the Area Development Agreement as follows:

1. In recognition of the requirements of the Virginia Retail Franchising Act, Va. Code §§13.1-557 et seq., the Area Development Agreement shall be amended as follows:

a. ~~Section 2.1 shall be amended to add: The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.~~

b. Section 6.3 states that the Franchisor may terminate the Area Development Agreement if the Area Developer commits a default under any franchise agreement with Franchisor; this provision may not be enforceable if the grounds for default or termination do not constitute “reasonable cause” as that term is defined in the Virginia Retail Franchising Act or laws of Virginia.

2. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims of fraud 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.

3. Unless expressly amended by this Addendum, all other terms of the Area Development Agreement remain unchanged.