

Franchise Disclosure Document

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A Delaware Corporation
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As a SuperGreen Solutions franchisee, you will operate a business offering sustainability advisory services, energy auditing, sustainability certification, energy efficient products and services, and other related services.

The total investment necessary to begin operation of a SuperGreen Solutions franchise is \$49,496 to \$75,696. This includes \$38,496 to \$38,996 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Caryn Koppenhoefer at 16A Bel Air South Parkway, Bel Air, MD 21015 and (888) 978-7374

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

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

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

Issuance Date: February 17, 2021

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 or Exhibits E and F.
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 suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit B 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 SuperGreen Solutions 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 SuperGreen Solutions franchisee?	Item 20 or Exhibits E and F list 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 restriction. 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 or updated terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operation 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. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

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

1. **Out of State Dispute Resolution.** The franchise agreement requires you to resolve disputes with us by litigation only in Maryland. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to litigate with us in Maryland than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty and advertising payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

**THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY**

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure,
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration, of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for a good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, First Floor
525 West Ottawa Street
Lansing, MI 48909
Telephone Number: (517) 335-7644

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ATTACHED EXHIBITS:

Exhibit A	Franchise Agreement, State Franchise Agreement Addenda and Schedules
Exhibit B	Financial Statements
Exhibit C	Table of Contents for Operating Manual
Exhibit D	Agents for Service of Process / State Administrators
Exhibit E	List of Current Franchisees
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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language of this Disclosure Document, “we”, “us,” or “our” refers to Legacy Environmental Solutions, Inc. “You” means the person, including any owner, partner or corporation who is looking at our franchise.

About Us. Our name is Legacy Environmental Solutions, Inc.. We are corporation incorporated on November 25, 2020 in the State of Delaware. Our principal place of business is 16A Bel Air South Parkway Bel Air, MD 21015. We do business under our corporate name, SuperGreen Solutions, and SuperGreenSolutions.com. We do not intend to use any other names to conduct business. We do not have a parent entity. Our agents for service of process are listed in Exhibit D to this Disclosure Document. We do not operate a business of the type being franchised. We do not have any other business activities. We have not offered franchises in other lines of business. We do not have any affiliates that offer franchises in other lines of business.

Our affiliate, Fully Promoted of Bel Air, MD, is the sole vendor of apparel and promotional products to our franchisees after they open for business. Otherwise, we do not have any affiliates that provide products or services to our franchisees

Our predecessor is Greener Energy LLC. Its principal business address is 2121 Vista Parkway, West Palm Beach, FL 33411. We acquired the assets of the SuperGreen Solutions business from Greener Energy LLC in December 2020.

The Franchise Offered. If you sign a Franchise Agreement with us, you develop and operate SuperGreen Solutions business that provides a long-term, holistic solution to the energy needs and sustainability goals of businesses and commercial and residential property owners by offering sustainability advisory services; energy auditing; sustainability planning; and energy efficient products which both lower energy bills and the carbon footprint of its customers. These products include solar power, efficient water heating systems, atmospheric water filters, window inserts for sound mitigation, skylighting and natural lighting systems, LED and other efficient lighting, ventilation, weatherization, and insulation, energy management and climate control systems. In addition to selling these products, you can conduct an energy assessment; advise the client on a sustainability program; develop the enhancements plan; coordinate the design, construction and installation of these products at the customer’s location; and promote the client’s status to the market.

Your customers will range from homeowners to large businesses to owners of commercial properties such as apartments and office buildings. The market for energy efficient products has grown substantially in recent years as the costs of energy continue increasing coupled with the increase in awareness of the need to protect the environment by reducing carbon use. Your competitors will include large box retailers that sell and provide installation services for large appliances and building materials and building contractors specializing in remodeling and repair.

Should you wish to do more than coordinate the installation of products for your clients, it may be necessary for you to have a contractor’s license in each state in which you install the products. In some states, this requirement can be met by associating your business with a person or entity that

has a general contractor's license. Should you wish to become a contractor, you will need to have made the decision to acquire this license or have made arrangements to use a third party's license before you can attend our training program. We recommend you contact the state and/or local government agencies that regulate building contractors in the state(s) in which you will be doing business to learn more about these requirements.

In addition to these licensing requirements, there are other state and local laws and ordinances that will affect your SuperGreen Solutions Business. We advise you to contact legal counsel in your state to learn about these laws.

ITEM 2 BUSINESS EXPERIENCE

Dan Dubell – Chief Executive Officer. Dan Dubell has been our Chief Executive Officer in Bel Air, Maryland since our formation in November 2020. He has also been Managing Partner of Legacy Ventures TBA, LLC since January 2018; Partner in AM Group, LLC since December 2008; Founder and President of International Care, Inc., since March 2001; all in Bel Air, Maryland. He has also been Partner in Legacy Ventures Network, LLC, in Merchantville, New Jersey, since January 2018.

Garry McDowall - Executive Vice President & Chief Operating Officer. Garry McDowall has been our Executive Vice President & Chief Operating Officer in Hutto, Texas, since January 2021. He has also been Chief Executive Officer and Managing Partner of IMR Solutions LLC in Hutto, TX since March 2014. He was also a Director of Avant Ministries in Kansas City, Missouri from July 2015 to December 2020.

Matt Ferrer – Director of Operations. Matt Ferrer has been our Director of Operations in West Palm Beach, Florida since January 2021. He was SuperGreen Solutions Brand Manager for our predecessor Greener Energy LLC in West Palm Beach, Florida from November 2018 to December 2020. He was Adjunct Professor at Everglades University in Boca Raton, Florida from June 2018 to April 2019. He was an Energy Analyst for City of Fort Lauderdale in Fort Lauderdale, Florida from February 2016 to May 2018.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

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

ITEM 5 INITIAL FEES

The initial franchise fee is \$29,500. Prior to signing the Franchise Agreement, you will be required to pay a \$9,500 deposit (commonly referred to as a “binder”). This binder is fully refundable if you do not purchase a SuperGreen Solutions franchise. On the date you enter into your Franchise Agreement, the binder is applied against the initial franchise fee leaving a remainder of \$20,000 to be paid at the time of signing the Franchise Agreement. The initial franchise fee is non-refundable.

If you are an owner of an existing SuperGreen Solutions franchise, you will pay a reduced non-refundable franchise fee of \$19,500 for an additional outlet. If you are converting an existing business offering energy efficient products and services to a SuperGreen Solutions franchise you will pay an initial franchise fee of \$19,500, which is nonrefundable and must be paid at the time of signing the Franchise Agreement.

United States military veterans who have received an honorable discharge, will receive a discount equal to 10% of the standard franchise fee.

In addition to the initial franchise fee, you must purchase an equipment package from us. The cost of the equipment package is currently \$8,496, but we estimate it may range as high as \$8,896. The equipment package contains all of the equipment and supplies, except for a few items, to begin operations. The equipment package purchase price is nonrefundable and due at the time of signing of the Franchise Agreement.

If you bring additional persons to the initial training program for new franchisees, such persons will need to complete online courses prior to attending our training program and you will be required to pay a fee of \$495 per person attending with you. The fee covers the online courses and attendance at our initial training program. The fee must be paid prior to our providing your additional attendees with access to the online courses.

An Advertising Fund Initial Fee of \$500 is also required to be paid to us for the Advertising Fund, at the time of signing the Franchise Agreement.

Unless otherwise stated, all initial fees are non-refundable. All of the fees listed above are uniformly applied to franchisees.

**ITEM 6
OTHER FEES**

Name of fee	Amount	Due Date	Remarks
Royalty ¹	A monthly royalty fee equal to the greater of: 5% of gross revenues for the month or \$300 per month for the first 12 months of operation; 5% of gross revenues for the month or \$500 per month for the next 12 months; and thereafter, 5% of gross revenues for the month or \$700 per month.	Payable monthly. Fee will be withdrawn from your bank account on the 4 th through the 7 th day of the month.	The royalty fee begins in your second full month of operation. Gross revenues include all revenue from the franchise location. Gross revenues do not include sales tax or freight charges.
Marketing Fee ²	The greater of 1% of gross revenues for the month or \$200 per month.	Payable monthly. Fee will be withdrawn from your bank account on the 4 th through the 7 th day of the month.	The marketing fee begins in your second full month of operation.
Transfer Fee	The greater of \$19,500 or then current transfer fee.	Prior to consummation of transfer.	Payable by the seller from the proceeds of the sale of the franchise.
Technology Fees ³	\$75 per month or then current fee.	Payable monthly	Payable to designated vendors or us. The technology fee begins in your second full month of operation.
Employee Training Fee ⁴	\$495 or then current fee per person attending	Payable prior to start of training program	Payable to us

Name of fee	Amount	Due Date	Remarks
Late Fees & Interest Charges	\$100 per late sales report; 18% of any amount past due or the maximum rate allowed by law, whichever is less, plus \$10 per day from day payment is due until payment is made	As incurred	Payable to us
Additional Assistance	Agreed to amount based on estimated costs of travel and assistance needed	Payable prior to assistance	Payable to us; if you request additional assistance we will send a field/marketing representative to your location.
Renewal Fee	\$1,500	30 days before renewal.	To cover costs of closing and processing paperwork
Financial Review ⁵	Cost of financial review plus interest on underpayment	Payable at the time of financial review	Payable only if a financial review shows an understatement of at least 2% on any one-month's reports
Indemnity	Our losses resulting from any breach of the Franchise Agreement on your part, the negligence of any party (other than us), or arising directly or indirectly out of the management or operation of your business, or in connection with your sale, transfer or assignment of the business	On demand	You must indemnify us against all these losses

Name of fee	Amount	Due Date	Remarks
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any arbitration or litigation, the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

Unless indicated otherwise, the fees or payments listed above are nonrefundable. All of the fees listed above are uniformly applied to franchisees.

¹ Our Franchise Agreement requires you to pay to us a continuing royalty as described in the table above payable monthly. You are prohibited from offsetting or deducting this required royalty payment in any form or fashion. Payment of royalties shall be done electronically by such methods as we may direct from time to time. We may charge you interest and/or late fees if we do not receive the royalties and other amounts due to us in a timely manner. Gross revenue is defined in the Franchise Agreement as the entire amount of all your revenues arising out of the ownership or operation of your SuperGreen Solutions business, including without limitation, revenues derived from or relating to all sales and fees charged for products or services rendered through, or from orders placed through or completed for delivery through or from the SuperGreen Solutions business.

² This Marketing Fee will be paid to the SuperGreen Solutions Advertising Fund controlled by us. This fee will be used for national advertising, Internet advertising and web hosting and development and search engine optimization. See Item 11 for more information regarding this advertising fund. In addition, you will conduct your own local marketing as described in Item 11.

³ You receive your initial license for the Business Management Applications, a website and email address(es) as part of an equipment package you purchase from us. We may change the specifications for the Business Management Applications and other technology systems during the term of the franchise. In the future, we may identify a new Business Management System/EPOS vendor, and if we do, you may be required to purchase a license to use this system from us or the vendor of the system and pay periodic fees to us or the vendor for the hosting and maintenance of the system. The fee includes license fees, and hosting and maintenance of your branded website, domain and email addresses. Fees are subject to change during the term of the franchise.

⁴ You may send your manager and other employees to our training programs which are held online through our virtual platform. Prior to attending our virtual training programs on our virtual platform, the attendee must complete two online courses. You will pay \$495 or the then current training fee for each attendee.

⁵ You give us the right at all times to examine your electronic point of sale or business management applications (“EPOS”), accounting software, financial books, bank accounts, bank statements, tax returns and records relating to the SuperGreen Solutions business together with the right to make copies. You must provide us with EPOS and/or accounting software reports and data, copies of your financial books, bank statements, tax returns and other records if we request. You must provide us with the user name and password for access to the EPOS and accounting software. This right to conduct a financial review shall also apply to any other business operated from your SuperGreen Solutions business premises that is owned or controlled by you or a member of your family. You are not permitted to combine or commingle your SuperGreen Solutions business operations with that of any other business. You are not permitted to use the bank account, EPOS or accounting software designated for your SuperGreen Solutions business to process transactions or sales, make deposits or pay expenses for another business. You must keep the financial books and records of your SuperGreen Solutions business separate and apart from your personal financial books and records and from the books and records of any other business you own or operate. You must not file consolidated tax returns for the SuperGreen Solutions business which consolidate the income and deductions of the SuperGreen Solutions business with those of another business. This financial review will be at our sole expense; provided, however, you will pay the reasonable cost of any financial review plus interest at the lesser of 18% or the highest rate allowed by law from the date royalties were due where this financial review discloses that you have paid less than 98% of your royalties in any one month. You will be required to maintain original copies of all of your financial records for a period of 6 years. You will be required to provide us monthly profit and loss statements and/or sales reports, as we may direct. You must also send to us financial reports annually in the form that we request (balance sheet, profit and loss statement, etc.). You must also provide us with copies of your tax returns on an annual basis. Financial statements and reports for the SuperGreen Solutions business must not be consolidated with any other business. If you consolidate, combine or commingle any of the financial books and records, tax returns or financial reports for the SuperGreen Solutions business with those of another business or use your EPOS, accounting software or bank account designated for the SuperGreen Solutions business in the operation of another business, our right to conduct a financial review or financial review will be extended to the complete financial records, tax returns, books and bank accounts of the other business.

If your franchise is located in a jurisdiction where the franchise fee, royalty or any other fees paid by you to us are subject to a tax, then you will be required to pay those taxes.

You must file all local, state and federal financial reports and returns that may be required by law relative to operating your SuperGreen Solutions business. We have the right to request copies of all of these reports or returns.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee	\$29,500 - \$29,500	Lump Sum	\$9,500 deposit prior to signing Franchise Agreement; balance upon signing	Us
Initial Advertising Fund Fee	\$500 - \$500	Lump sum	At signing of Franchise Agreement	Us
Equipment Package ¹	\$8,496 - \$8,896	Lump sum	At signing of Franchise Agreement	Us
Insurance ²	\$500 - \$1,000	As arranged	As incurred	Suppliers
Licenses ³	\$500 - \$8,500	As arranged	As incurred	Licensing agencies
Opening Supplies	\$500 - \$1,000	As arranged	As incurred	Suppliers
Costs to Acquire Virtual or Shared Office Space ⁴	\$0 - \$1,200	As arranged	As incurred	Landlord
Additional Funds (6 – 12 mos.) ⁵	\$9,500 - \$25,000	As incurred	As incurred	Employees, suppliers and other third party vendors and us
Totals	\$49,496 - \$75,596			

Except where noted otherwise, all amounts that you pay to us are nonrefundable. Third party suppliers will decide if payments to them are refundable. Neither we nor any of our affiliates offer financing for any of your initial investment.

Notes:

1. The equipment package contains the equipment, supplies, displays and other items needed to establish a SuperGreen Solutions business.
2. You are obligated under the Franchise Agreement to hold certain business insurance policies including comprehensive general liability policy, a policy covering “all risk” of physical loss and additional policies as may be required under your local laws or ordinances. The amount

listed in this table reflects our estimate of basic insurance for your first six months of operation. Your expenses will vary depending on local insurance rates.

3. If you do not have a general contractor's license, prior to commencing business, and wish to install permitted and licensed products as part of your work, you may either need to obtain one or make arrangements to work as permitted by state and local laws with a person or entity who has a license. You must also register your business with the local city or county along with a fictitious name and comply with other requirements of your local or state government. Each of these entities may charge a fee for your registration and/or certain taxes.

4. You will need to operate the Business via a virtual or shared office space. The costs to acquire a shared office space may require the payment of the first month's rental payment which we estimate as \$300 to \$1,200 per month (depending on your local market). The low estimate in this category is based on an assumption that you incur no cost to acquire a virtual or shared office space. As you expand your business activity you will need a larger facility for business operations and eventually will want an attached warehouse.

5. You will need capital to support your ongoing expenses to the extent that these costs are not covered by sales revenue when you first open. This figure does not include sums necessary for living or personal expenses nor payments for your debt service. New businesses often generate a negative cash flow for a time. We estimate the amount given will be sufficient to cover on-going expenses for the start-up phase of your business that we calculate to be 6 to 12 months (or 4 to 6 months if you are converting an existing business to a SuperGreen Solutions business). However, this is only an estimate and we cannot assure you that additional capital will not be necessary during your start-up phase. Our estimate of the capital you will need to support your ongoing expenses during your start-up phase is based on the experience of our franchisees. Your costs will depend on factors such as how well you follow our systems and procedures, your management skills and experience, your business skills, local economic conditions, the prevailing wage rate, the local market for the SuperGreen Solutions business, competition and sales levels reached during the start-up phase.

The totals in this table are an estimate of your initial investment and are based on our estimate of average costs and market conditions prevailing as of the date of this Disclosure Document and our experience in the business. We encourage you to seek the advice of your business advisor, accountant or attorney to help formulate a business plan and a methodology of your business operation. Remember: A Business Plan is an important step in understanding your financial needs. You are cautioned to allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and other local market conditions, which can be highly variable. You must bear any deviation or escalation in costs from the estimates in this Item 7.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to ensure a uniform image and uniform quality of products and services in all SuperGreen Solutions businesses, you must maintain and comply with our quality standards.

You also must use equipment (which includes hardware and software for the computer system), products, supplies, and marketing and sales promotion materials that meet our specifications and/or standards. The standards and specifications imposed on franchisees are formulated and modified based on our experience and industry standards for quality and efficiency. The standards and specifications are issued to franchisees through the Operating Manual and by periodic informational updates. The Franchise Agreement requires you to sell or use only those products and services that we have approved in writing. The purpose of this requirement is to ensure that all franchisees adhere to the uniformity requirements and quality standards associated with SuperGreen Solutions businesses.

You must buy an equipment package from us. The equipment package contains equipment, supplies, displays and other items you will need to begin operations. The equipment package is further described in the Schedule A attached to the Franchise Agreement. You are also required to pay us a monthly fee for website hosting and maintenance and an annual fee for email accounts. We are the only approved supplier of the equipment package, website hosting and maintenance and email accounts.

We currently require that products and services in the following categories be purchased from suppliers approved by us: bookkeeping system, customer relationship management system, solar panels, solar roofing materials, solar bricks, solar glass, solar hot water heaters, skylights, ventilation systems, insulation, weatherization, energy management systems, LED lighting, atmospheric water filters, various batteries, aeroponic systems and supplies, air purification and sanitization systems and supplies and electric vehicle charge points.

We have an approved supplier that provides advisory services to companies who are planning capital improvements. These services include analysis of financial, tax, and technological aspects of a capital improvement project. At your option your customers may obtain these services from our approved supplier.

After you open, you must buy apparel and promotional products directly from Fully Promoted of Bel Air, MD. (Prior to opening, such items are in the Equipment Package you purchase from us). Our Chief Executive Officer, Dan Dubell, owns Fully Promoted of Bel Air, MD.

Should your clients ask you for recommendations for marketing and advertising agencies to market their status as a sustainable business, these recommendations must be approved by us. You are required to use vendors for payroll services, credit card processing and merchant services. We have approved suppliers for these services and for insurance. You may obtain these services and items from our approved suppliers or other suppliers you choose. We reserve the right to add or delete categories of products and supplies which must be purchased from approved suppliers. We locate our approved suppliers through personal contact, franchisee referral, attendance at industry trade shows as well as other various means. We provide you with a list of the names, addresses, and phone numbers of local and national vendors approved for your use when you open your business. Furthermore, in an effort to provide you additional benefits, we do interview, select, and negotiate prices, shipping and other terms with approved suppliers. For your convenience, we maintain an active list of all approved vendors, specials they offer for our franchisees, as well as updating addresses and phone numbers. Although we reserve the right to do so in the future, we do not currently (i) provide written specifications, standards or criteria for approving alternative suppliers

to franchisees, (ii) have a formal procedure for alternative supplier approval or revocation of approval, (iii) charge fees for alternative supplier approval; or (iv) allow franchisees to purchase from alternative suppliers.

We reserve the right to receive payments from approved suppliers in connection with franchisee purchases, but we currently do not do so. Approved suppliers may also sponsor events and/or rent booths at our franchise world expo or regional meetings, training meetings and may advertise in publications issued by us. Except as disclosed above, we derive no revenue or other material benefit from approved suppliers that provide products or services to our franchisees.

Except as described above, we do not require you to purchase your on-going supplies for the operation of your business through us or from our approved suppliers, although you may purchase certain marketing items from us.

None of our officers owns an interest in any supplier to our franchisees, except as disclosed above.

We estimate that your purchase of equipment, products, supplies, and marketing materials from us or that meet our specifications and standards will represent approximately 80% to 90% or more of the cost to establish the franchise business and from approximately 45% to 65% of the cost to operate the franchise business on an ongoing basis.

The Franchise Agreement requires that you purchase and maintain liability insurance in an aggregate amount that we designate periodically. Currently, the Franchise Agreement requires that you purchase the following coverages:

- (i) comprehensive general liability policy with minimum combined single limit covering bodily injury and property damage with respect to products and completed operations of \$1,000,000;
- (ii) owned auto insurance with a minimum combined single limit covering bodily injury and property damage of \$1,000,000; and
- (iii) all insurance required by applicable law, including workers' compensation and disability (limits may vary according geographical location). If the applicable laws in your state do not require the owners of a business to be covered by workers' compensation insurance, you shall elect coverage for yourself.

You also must purchase and maintain any other insurance required by any agreement related to the franchise business or law. You must furnish to us copies of all insurance policies. You may use only marketing and promotional materials that we have approved. (See Items 6 and 11 for more information on marketing).

There are no purchasing or distribution cooperatives in the franchise system that offer to you certain products used in the franchise business.

**ITEM 9
FRANCHISEE’S OBLIGATIONS**

This 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 statement.

	OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	None	Items 7 and 11
b.	Pre-opening purchase/leases	Section 6	Items 5, 7 and 8
c.	Site development and other pre-opening requirements	Sections 3 and 6	Items 5, 7 and 11
d.	Initial and ongoing training	Sections 6.C, 7 and 8	Items 7 and 11
e.	Opening	Section 6	Item 11
f.	Fees	Section 10	Items 5, 6 and 7
g.	Compliance with standards and policies/operating manual	Sections 6, 11, 12, 20 and 26.H	Item 11
h.	Trademarks and proprietary information	Sections 6.E, 6.F, 6.G, 6.H, 6.M, 6.W, 6.Z and 14	Items 13 and 14
i.	Restrictions on products/services offered	Sections 6.M and 6.Y	Item 16
j.	Warranty and customer service requirements	Sections 6 and 21	Item 11
k.	Territorial development and sales quotas	None	Item 12
l.	Ongoing product/service purchases	Sections 6.B, 6.N, 6.Y and 11.A	Item 8
m.	Maintenance, appearance and remodeling requirements	Sections 2.C, 6.I, 6.N, 6.X and 15.C	Item 11

	OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
n.	Insurance	Section 13	Item 8
o.	Advertising	Section 12	Item 11
p.	Indemnification	Section 6.V	Item 6
q.	Owner's participation/ management/staffing	Sections 6.D, 6.E, 6.L, 6.O, 6.P, 6.U and 6.T	Items 11 and 15
r.	Records and reports	Sections 10.H and 11	Item 6
s.	Inspection and audits	Section 11	Items 6 and 11
t.	Transfer	Section 15	Item 17
u.	Renewal	Sections 2.B, 2.C, 2.D and 2.E	Item 17
v.	Post-termination obligations	Section 17	Item 17
w.	Non-competition covenants	Sections 6.S and 17.E	Item 17
x.	Dispute resolution	Sections 23, 24, 25 and 26	Item 17
y.	Other	Not applicable	Not applicable

ITEM 10 FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

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

Except as provided below, we are not required to provide you with any assistance.

OUR PREOPENING OBLIGATIONS

Prior to opening your franchise to the public, we are required under the Franchise Agreement to provide the following assistance and service to you:

1. We will provide you with access to approximately 43.25 hours of online training courses. We will provide training for your employees at your expense. You will incur expenses for each of your employees who attend our virtual training program and a training fee of \$495 per employee will be paid by you. (See the Franchise Agreement Sections 4 and 7).
2. We will advise you with regard to establishing the Business including assistance with establishing a marketing program (See the Franchise Agreement Section 4.A). We send qualified field/marketing representatives and representatives of the equipment vendors to your location for approximately 40 hours during this period. (See the Franchise Agreement Section 4.C). Our representative will help you with additional training, guidance on beginning your business and other means of assistance.
3. All of your equipment will come from us. (See the Franchise Agreement Sections 4.B and 6 as well as Items 5 and 8 of this Disclosure Document). We deliver your opening package to you two to three weeks prior to your scheduled opening date and upon its arrival assist you in setting it up. Your website is included with your equipment package and will be installed and activated by us.
4. We help you to locate local and national vendors, suppliers and contractors for the ongoing work of your SuperGreen Solutions business. (See the Franchise Agreement Section 4.D).
5. We provide you with a suggested bookkeeping system and a format for your invoices. (See the Franchise Agreement Section 4.J).
6. We provide you with a detailed operating manual together with other relevant manuals and written material which will aid you in the operation of your SuperGreen Solutions business. (See the Franchise Agreement Sections 4.F and 4.G).
7. We provide you with an initial supply of letterhead, envelopes, flyers and business cards and with samples of newspaper advertising in digital format for your use. (See the Franchise Agreement Section 4.H).

OUR CONTINUING OBLIGATIONS

During the ongoing operation of your SuperGreen Solutions business, we are required by our Franchise Agreement to provide the following assistance and services to you.

1. We are constantly researching and developing ideas that we believe will improve our system. As we do so, we will provide you with details. In addition, we will periodically update your operating manual to reflect these alterations and/or improvements. (See the Franchise Agreement Section 5.A).
2. We will visit with you in person, or via virtual methods such as Skype[®], FaceTime[®], or Zoom[®], at least once each year in order to ascertain the progress of your SuperGreen Solutions business and to assist you. Furthermore, you may at any time request that we send out a field/marketing representative to aid you in your business. If we have a

representative available at the time of your request, we will send them at an agreed to cost. (See the Franchise Agreement Section 5.B).

3. As of the date of this Disclosure Document, we plan to provide one regional meeting per year. We will invite vendors, suppliers and outside contractors to these meetings in order to make you aware of technological advancements and to potentially save you money on your ongoing supplies. In addition, we will conduct seminars on many topics relating to your ongoing training and improved operation of your SuperGreen Solutions business. Furthermore, we update you on the progress of our brand and the SuperGreen Solutions franchise system as a whole. All of these meetings occur from time to time at our discretion. We invite and encourage all of our franchisees to attend each of these conventions, meetings and seminars; but attendance is not mandatory except that you are required to attend at least one convention or regional meeting within each 24 month period. (See the Franchise Agreement Section 5.C).
4. We will send you a copy of our corporate newsletter in electronic format from time to time. The corporate newsletter contains useful and pertinent information relating to the ongoing operation of your SuperGreen Solutions business as well as money saving specials provided to you by outside vendors. (See the Franchise Agreement Section 5.D).
5. From time to time we will send you bulletins on sales and service methods, marketing development and techniques, and business and operating procedures. (See the Franchise Agreement Section 5.E).
6. We will offer you continual advice and technical assistance and support for all your SuperGreen Solutions equipment, hardware and software by toll free telephone, email and the Internet. (See the Franchise Agreement Sections 5.F and G).

ADVERTISING

At the time of signing the Franchise Agreement, you pay an initial fee of \$500 to a marketing fund (the "Fund"). You are also required to pay a monthly marketing fee to the Fund, equal to the greater of 1% of monthly revenue per month or \$200 per month. This fee will be paid by such electronic billing method as we may designate from time to time. If we were to open any company-owned businesses, such businesses would pay the same marketing fee as a new franchisee at that time. The Fund uses the marketing fees paid by franchisees for marketing and related purposes and costs. We will formulate, develop and conduct marketing and promotion programs in a form and media we determine in our sole discretion to be appropriate. We reserve the right to use marketing fees to reimburse us for all costs that we incur related to the marketing and promotion programs, including the proportionate compensation of employees who devote time and render service in the conduct, formulation, development and production of the marketing and promotion programs or the administration of the marketing and promotional programs. There is no obligation to spend any amount in your Designated Territory. No money from the Fund is spent principally to solicit new franchise sales.

We will formulate, develop and conduct the marketing and promotion programs in-house. We also reserve the right, however, to use a national or regional advertising agency for the marketing

and promotion programs. We may appoint franchisees to a Franchisee Advisory Council (“FAC”) to serve in an advisory capacity only on marketing and promotion programs. We have the power to form, change or dissolve the FAC. We also believe in and encourages you to participate in cooperative advertising where available. Although we does not currently do so, we also reserve the right to require regional marketing cooperatives to be formed, changed, dissolved or merged.

During calendar year 2020, expenditures by the Fund by category on a percentage basis were as follows: SEO –25%, social media –20%, graphics/emails –20%, PCA (Pay-Per-Click Ads) –30%, and administrative costs –5%. If marketing fees are not spent in any fiscal year, the excess will be carried over for future use. We will account for the marketing fees separately, but we will not hold them in trust or in an escrow account. The marketing fees are our property and you have no property rights of any kind with respect to the monies. We do not have any fiduciary obligations to you or other franchisees regarding the marketing fees. In addition, from time to time, we may loan money to assist in funding certain marketing programs, which money will be repaid out of the marketing fees without interest. A copy of the annual unaudited financial statement showing receipts and disbursements of the marketing fees is supplied to franchisees upon request.

You will be responsible for all of your own direct marketing and local advertising of the business. You must expend at least an amount equal to 5% of all gross revenues on direct marketing or local advertising (including public relations) in each year. For the purposes of this paragraph, the term “direct marketing or local marketing” shall mean all marketing and public relations costs, advertising and promotions effected through the medium of the internet, mobile marketing, email and other digital communications media, local radio or television broadcasts, newspapers, periodicals, telephone, billboard advertising and public relations. Upon our request, you must submit to us an accounting of the monies you have spent, together with copies/proof of all marketing. You must present all marketing plans to us for approval at least 30 day prior to run. We will not unreasonably withhold approval of any marketing materials that you propose to use, if your materials are factually accurate and current, conform to the highest standards of ethical marketing and all applicable laws and regulations, and are in good condition and accurately depict the SuperGreen Solutions Marks.

COMPUTER HARDWARE AND SOFTWARE SYSTEMS

You must install computer systems meeting our standards, as modified from time to time in response to business, operations and marketing condition. The computer hardware and software system described below is included in the equipment package we provide to you, unless noted.

Hardware

1 Tablet
1 Keyboard
1 Printer

Software

Quick Books Online Plus
Microsoft Office and Project

The computer hardware and software will be used to communicate with us, your clients and prospective clients, vendors, business data regarding clients and vendors and maintain the inventory and accounting records for your Business. The cost of this hardware and software is \$1,973 which is included in the cost of the Schedule A equipment package price. In addition to the computer and hardware software listed above, you will need: Internet access and a cell phone. We will have independent access to your computer system and the information that is electronically collected in the system. There are no contractual limits imposed on our access to your computer system.

We may change our specifications for your computer system from time to time and you may have to replace, modify or upgrade your computer system and hardware and software from time to time. There is no limitation on the cost of any required replacement, modification or upgrade. You will pay a monthly fee of \$75 or the then current fee to us or third-party vendors. These fees are for licensing a Business Management Application and for hosting and maintenance of your branded website, domain and email addresses. Your monthly fee payment obligations start the second month your Business is open. We have no contractual obligation to provide maintenance, repairs, updates and upgrades to your computer system and hardware and software. You are responsible for all maintenance, repairs, updates, upgrades, modifications to and replacements of your computer system and hardware. There is no requirement to pay for any support contracts.

We require that during the term of the Franchise Agreement you use and maintain the Internet web page supplied as part of the equipment package described in Schedule A to the Franchise Agreement. We retain the right to control the content of this web page. You cannot use any other web page in connection with the operation of your SuperGreen Solutions business without our consent.

SITE SELECTION

We do not assist in the selection of nor approve the location for your SuperGreen Solutions business; however, the site must be within your Designated Territory. We do not approve a specific area within your Designated Territory in which you select a location for your SuperGreen Solutions business. You are permitted to establish your SuperGreen Solutions business in a virtual office or shared office space that is located and has a mailing and shipping address within your Designated Territory. As your business activity increases you will need a larger facility for your business operations and will need to lease an office with an attached warehouse. The Franchise Agreement does not have any provision that addresses termination if you do not select a site within a prescribed period, however, your Franchise Agreement may be terminated if you have not commenced business within 90 days from the date of your Franchise Agreement.

A SuperGreen Solutions franchisee is required to select their location prior to attending our franchisee virtual training program. The total time from the signing of the Franchise Agreement to the commencement of your Business is expected to be 30-60 days. Factors that may affect these time periods include how quickly you are able to complete the virtual training courses and satisfactorily complete our onsite training program, the decision to operate from a virtual office, shared office space or leased premises, ability to procure and install equipment and computers,

make acceptable financial arrangements, obtain any required licenses to conduct the SuperGreen Solutions business.

TRAINING PROGRAM

Prior to attending our virtual training program, you must complete approximately 40 hours of prerequisite online training to which we provide you access. This prerequisite online training must be completed by the end of the month preceding the next month’s virtual training schedule. The subjects taught in the online training courses include: (1) commercial building energy auditing and assessments; (2) LED lighting; and (3) Solar Sales and Marketing.

Once you have successfully completed these courses, then you must attend and complete to our satisfaction our extensive training program held virtually on our virtual platform. Currently, this training program consists of approximately 43.25 hours. Hours of our virtual training program and prerequisite online training may vary depending on minor modifications we make from time to time in the subjects taught and the time devoted to each subject, or if we substitute instructors or courses.

Our training program is offered throughout the year on an as-needed basis.

If you purchased a new Business, your training fees are covered in your initial franchise fee. If you purchased a resale, then your training fee was either paid by the Seller out of the proceeds of the sale or by you. An additional trainee may attend the training program with you. He or she must also complete the virtual training courses if they choose to attend. There will be a training fee of \$495 or the then current fee per additional trainee attending.

Although it is not required, you may request a refresher-training program or request a refresher training program for your representative to be trained at any time in the future. You will pay a training fee of \$495 or the then current fee.

Matthew Ferrer is our Director of Operations and current Training Instructor. Matthew has spent more than a decade working with organizations to improve and increase their sustainable track record. His more visible work includes launching the City of West Palm Beach, Florida’s Green Business Challenge and working to release the City of Fort Lauderdale, Florida’s first Building Energy Efficiency Plan. He completed his Master’s in Environmental Sustainability from the University of Pittsburgh and a Bachelors from the University of West Florida. In addition to serving as our Training Instructor, Matthew also serves as the Director of Operations for SuperGreen Solutions. Matthew has 12 years of experience in our industry and 2 years of experience with us or our predecessors.

OUR TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Business Management	3	3	3hrs virtual and 3hrs owner location

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Sustainable Business Operations	19.25	0	19.25hrs virtual and 0hrs owner location
Administrative Set Up	2	2	2hrs virtual and 2hrs owner location
Products Overview	10	10	10hrs virtual and 10hrs owner location
Sales Strategies	9	25	9hrs virtual and 25hrs owner location
TOTALS:	43.25	40	

The virtual training of 43.25 hours will be completed on our virtual platform. The instructional materials used in our training program include videos, webinars, PowerPoint presentations, success guides, books, sample kits, our Operating Manual and handouts. You must complete the virtual training to our satisfaction at least four weeks before opening your business.

OPERATING MANUAL

A copy of the table of contents of our Operating Manual is attached to this Disclosure Document as Exhibit C. The Operating Manual contains 124 pages.

ITEM 12 TERRITORY

You are granted the right to operate a SuperGreen Solutions business within a Designated Territory. Your Designated Territory will be a geographic area including the premises of your SuperGreen Solutions business. The area may consist of a specific mile radius or other area defined by city limits, highways or streets, zip codes, or other similar factors as we may determine. The Designated Territory will contain a minimum of 8,000 registered businesses. The size of your Designated Territory will vary depending on the population and business counts.

We grant you an exclusive territory. During the term of your Franchise Agreement, we will not establish either a company or affiliate owned “SuperGreen Solutions” business, or another “SuperGreen Solutions” franchise within your Designated Territory. We will not modify your Designated Territory without your written permission, provided that you are in complete compliance with the terms and conditions of your Franchise Agreement. The continuation of your franchise is dependent upon the active penetration of your Designated Territory through active sales and marketing efforts by you and your team. You may only operate your Business from within your Designated Territory. You cannot actively market to customers located outside your Designated Territory. You have the right to use other channels of distribution, such as the Internet, catalogue sales, telemarketing or other direct marketing to solicit and make sales outside your Designated Territory; however, these other channels of distribution or other direct marketing cannot be used to directly solicit and make sales in the designated territory of another SuperGreen Solutions franchisee. You cannot use Internet tools such as search engine optimization to promote your Business to customers in the designated territory of another SuperGreen Solutions franchisee.

We reserve the right and may use other channels of distribution such as the Internet, catalogues, telemarketing and other direct marketing to promote the services offered by SuperGreen Solutions using the SuperGreen Solutions Marks or any other trademarks through the Internet, telemarketing and direct marketing but cannot conduct such activities using any other trademarks. Any potential customers received through such promotional efforts will be forwarded to the franchisee in the designated territory in which the potential customer's residence or business is located. No compensation will be paid to franchisees as the franchisor will not realize revenues from these promotional activities and the referrals resulting from our promotional activities will be forwarded to our franchisees. Except for these activities, we will not be soliciting or accepting orders from persons or businesses located in your Designated Territory.

Although we do not do any of the following as of the date of this Disclosure Document, we reserve the right in your Designated Territory to establish: (i) franchises or company-owned businesses other than a business offering energy efficient products and services under any trademarks or trade names; (ii) similar franchised or company-owned businesses offering energy efficient products and services under any trademark or trade name other than the SuperGreen Solutions name but only if these businesses are acquired as part of a merger or acquisition with another local, regional or national chain or system. We also reserve the right to develop and operate and to franchise or license others to develop and operate the SuperGreen Solutions business at any location outside your Designated Territory.

You may relocate your SuperGreen Solutions business under the following conditions:



1. Prior to relocation, you submit your request in writing to us and obtain written approval of your relocation from us.
2. You must not be in default of the terms of your Franchise Agreement.
3. We will evaluate your request with respect to the proximity of your proposed location to other energy efficient products stores (both SuperGreen Solutions businesses and competitors) as well as demographic information.

You have no options, right of first refusal or similar rights to acquire an additional franchise within any particular territory, although you may ask us at any time to purchase additional franchises. Typically, we will base our decision on whether or not you may purchase additional franchises on whether you have complied Franchise Agreement, your financial history and the financial stability of your existing location; and your experience managing your existing location.

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so.

**ITEM 13
TRADEMARKS**

The following are the principal trademarks that we license to you. These trademarks are owned by us. They are registered on the Principal Register of the United States Patent and Trademark Office. All required affidavits for registration have been filed. The registered trademarks have not yet been renewed.

Trademark	Registration Date	Registration Number
	1/1/2019	87896312
SUPERGREEN SOLUTIONS	4/10/2012	4125259
	4/10/2012	4125260

Your use of the Marks and any related goodwill is to our exclusive benefit and you retain no rights in the Marks. You retain no rights in the Marks upon termination of the Franchise Agreement. You are not permitted to make any changes or substitutions of any kind in or to the use of the Marks unless we direct in writing.

There are no currently effective determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the principal Marks. There are no superior prior rights in the Marks or infringing uses actually known to us that could materially affect your use of the Marks. There are currently no agreements in effect that significantly limit our rights to use or license the use of any Marks in any manner material to the franchise.

We are not required to protect you against infringement or unfair competition claims arising out of your use of the Marks, or to participate in your defense and/or indemnify you. We reserve the right to control any trademark litigation and will be the sole judge as to whether suit will be brought or settled in any instance when any person or entity infringes the Marks. You must notify us promptly of any infringement or unauthorized use of the Marks that you become aware of and to cooperate with any action that we undertake. If any party claims that its rights to use any of the Marks are superior and if we determine that the claim is valid, you must, at your expense, immediately make the changes and use the substitutions to the Marks as we require.

If we require, you must modify or discontinue the use of any Mark and use other trademarks or service marks we designate. We do not have to reimburse you for modifying or discontinuing the use of a Mark or substituting another trademark or service mark for a discontinued Mark. If we

adopt and use new or modified Marks, you must add or replace supplies, materials, signs, fixtures and equipment (as applicable) and make other modifications we designate as necessary to adapt your business for the new or modified Marks. These changes may require additional investment to conform your business to changes to the Marks and other System modifications. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents:

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights:

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Manual as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Manual and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Manual and other proprietary information, and you must use our confidential information only for your franchised business.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL
OPERATION OF THE FRANCHISED BUSINESS

You are not required to sign a personal guarantee, however, you are required to personally sign the Franchise Agreement, even if you form a corporation, partnership or other business entity for the operation of the franchise. If you form a corporation or other business entity, you will sign the Franchise Agreement both personally and on behalf of the business entity as an officer or director of the company. If you form a partnership, you and your partners will sign the Franchise Agreement personally. If you are an individual, you must directly supervise and manage your SuperGreen Solutions business. If you are a corporation, partnership or other business entity, a principal, general partner or your fully trained manager must devote full-time and best efforts to the management and operation of the SuperGreen Solutions business. The SuperGreen Solutions business must at all times be under the direct supervision of someone who has completed our training program. You are required to create and conduct a full-time marketing program and devote time either personally, through an employee or outside marketing agency to promote your business.

We do not have the right to approve or disapprove of your choice for manager, although the manager must satisfactorily complete our training program. Your manager is not required to have an equity interest in your business. Your manager must sign a non-competition and confidentiality agreement which is the same as or similar to the standard form agreement attached as Exhibit J to this Disclosure Document, agreeing to maintain confidentiality of our trade secrets and other proprietary information described in Item 14 and abide by the non-compete covenants described in Item 17, which are valid for two years after the termination of their employment.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to offer and sell only goods and services that we have approved. We reserve the right to designate certain services and goods as mandatory offerings. There are no limits on our right to make modifications to the approved goods and services from time to time as set forth in the Operating Manual or otherwise in writing.

You are not limited in the customers to whom you may sell products and services in your Designated Territory. You cannot actively market to customers located outside your Designated Territory. You cannot serve customers located in the territory of another franchisee.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

	Provision	Section In Franchise or Other Agreement	Summary
a.	Length of franchise term	Section 2.A	15 years
b.	Renewal or extension of the term	Section 2.B	15 years
c.	Requirements for franchisee to renew or extend	Sections 2.C, 2.D and 2.E	Upon renewal, you will be required to sign a new Franchise Agreement with terms which are materially different from the terms of your original Franchise Agreement, pay \$1,500 renewal fee and sign releases.
d.	Termination by franchisee	None	Not applicable (subject to state law)
e.	Termination by franchisor without cause	None	Not applicable
f.	Termination by franchisor with cause	Section 16	We can terminate only if you default.
g.	“Cause” defined – curable defaults	Section 16	You have 15 days to cure our requirements regarding non-payment of amounts due and owing, non-submission of reports, and 30 days for any other default.
h.	“Cause” defined – non-curable defaults	Section 16	Non-curable defaults: failure to commence business within 90 days from date of Franchise Agreement, failure to keep open, falsification of franchise application, insolvency and bankruptcy, commencement of dissolution proceedings, unsatisfied or unbonded judgment, falsification of books, records or reports, 2 or more prior defaults in 12 consecutive months, charge or conviction of a felony, commission of an act that materially and unfavorably affects our brand; unauthorized assignment, and communication of proprietary information to competitor.

	Provision	Section In Franchise or Other Agreement	Summary
i.	Franchisee's obligations on termination/non-renewal	Section 17	Obligations include provide us with list of customers, invoices, address card file and business cards; turn over customer files; payment of all amounts due; return original and copies of Operating Manual and other proprietary materials; discontinue use of copyrighted materials and all items identifying our Marks; assign contracts with customers; assign telephone numbers; discontinue use of marks, confidential information or the System; refrain from representing any current or former association with us; refrain from disclosing confidential information to third parties and comply with covenants against competition.
j.	Assignment of contract by franchisor	Section 15.I	No restriction on our right to assign.
k.	"Transfer" by franchisee - defined	Section 15.G	Includes transfer of beneficial interest in Franchise Agreement.
l.	Franchisor approval of transfer by franchisee	Section 15.A	We retain the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Section 15.C	Qualified purchaser, training completed, execution of new franchise agreement, payment of transfer fee, not in default, and payment of all costs and obligations.
n.	Franchisor's Right of First Refusal to Acquire franchisee's business	Sections 15.E and 15.F	We can match any offer.
o.	Franchisor's option to purchase franchisee's business	Section 17.E	Upon expiration or termination, we can buy certain assets at a price equal to your cost or fair market value, whichever is less.
p.	Death or disability of franchisee	Section 15.H	The Franchise Agreement is transferable without additional fee or penalty, subject to our approval, which shall not be unreasonably withheld.
q.	Non-competition covenants during the term of the franchise	Section 6.S	No involvement in a similar or competitive business. Subject to state law.

	Provision	Section In Franchise or Other Agreement	Summary
r.	Non-competition covenants after the franchise is terminated or expires	Section 17.E	No competing business for 2 years within your designated territory or within the designated territory of any other SuperGreen Solutions business. For 1 year, you cannot solicit customers of your business. Subject to state law.
s.	Modification of the agreement	Section 26.B	No modifications generally but Operating Manual subject to change.
t.	Integration/merger clause	Sections 18 and 26.I	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable. No claim made in any franchise agreement or in any related agreement is intended to disclaim the franchisor's representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Section 25	Either party may request non-binding mediation prior to a suit, action or legal proceeding.
v.	Choice of forum	Sections 25.A, 25.E and 26.D	Harford County, Maryland (subject to applicable state law)
w.	Choice of law	Section 26.D	Maryland law applies (subject to state law)

ITEM 18 PUBLIC FIGURES

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

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual financial performance of its franchises and/or franchisor-owned units, 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 of under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our

employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Dan Dubell, 16A Bel Air South Parkway, Bel Air, MD 21015, (888) 978-7374, the Federal Trade Commission and the appropriate state agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

**Table 1
Systemwide Outlet Summary
For Years 2018 to 2020**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2018	30	39	+9
	2019	39	26	-13
	2020	26	13	-13
Company-Owned	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	30	39	+9
	2019	39	26	-13
	2020	26	13	-13

**Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2018 to 2020**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
N/A	2018	0
	2019	0
	2020	0
Total	2018	0
	2019	0
	2020	0

Table 3
Status of Franchised Outlets
For Years 2018 to 2020

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Arizona	2018	2	0	0	0	0	0	2
	2019	2	0	1	0	0	0	1
	2020	1	0	0	0	0	1	0
California	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	1	1
Colorado	2018	1	0	1	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Florida	2018	5	4	1	0	0	1	7
	2019	7	1	5	0	0	0	3
	2020	3	1	0	0	0	3	1
Idaho	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	1	0
Illinois	2018	2	0	0	0	0	0	2
	2019	2	0	1	0	0	0	1
	2020	1	1	0	0	0	1	1
Indiana	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Iowa	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Kentucky	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Maryland	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Massachusetts	2018	3	0	0	0	0	0	3
	2019	3	0	1	0	0	0	2
	2020	2	0	0	0	0	2	0
Minnesota	2018	0	4	1	0	0	0	3
	2019	3	1	0	0	0	0	4
	2020	4	0	0	0	0	3	1
Missouri	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	1	0
New Hampshire	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
New Jersey	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	2	0
New York	2018	0	1	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
North Carolina	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	1	2
North Dakota	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Pennsylvania	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
South Carolina	2018	1	1	0	0	0	0	2

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	1	1
Tennessee	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Texas	2018	1	1	0	0	0	0	2
	2019	2	0	1	0	0	0	1
	2020	1	0	0	0	0	1	0
Utah	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Virginia	2018	1	1	0	0	0	1	1
	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	1	1
Totals	2018	30	14	3	0	0	2	39
	2019	39	3	13	0	0	0	26
	2020	26	4	0	0	0	19	13

**Table 4
Status of Company-Owned Outlets
For Years 2018 to 2020**

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
N/A	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Totals	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0

Table 5
Projected Openings As Of December 31, 2020

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
California	0	1	0
Colorado	0	1	0
Illinois	0	1	0
Indiana	0	1	0
Maryland	0	1	0
Nevada	0	1	0
New Mexico	0	1	0
Oregon	0	1	0
Tennessee	0	1	0
Texas	0	1	0
Utah	0	1	0
Washington	0	1	0
Totals	0	15	0

The names, addresses and telephone numbers of our current franchisees in the United States as of January 1, 2021 are listed in Exhibit E.

The name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date are listed in Exhibit F.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

We do not have any trademark-specific franchisee associations.

**ITEM 21
FINANCIAL STATEMENTS**

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit B contains our audited financial statements for the fiscal year ending December 31, 2020.

**ITEM 22
CONTRACTS**

Copies of all proposed agreements regarding this franchise offering are included in this Disclosure Document as follows:

1. Exhibit A - Franchise Agreement, State Franchise Agreement Addenda and Schedules
2. Exhibit G - General Release Agreement
3. Exhibit J - Employee Non-Competition and Confidentiality Agreement

**ITEM 23
RECEIPTS**

COPIES OF AN ACKNOWLEDGMENT OF YOUR RECEIPT OF THIS DISCLOSURE DOCUMENT APPEAR AS EXHIBIT M. PLEASE SIGN AND DATE TWO COPIES AND RETURN ONE FULLY EXECUTED COPY TO US. YOU MAY RETAIN THE SECOND COPY FOR YOUR RECORDS

EXHIBIT A
FRANCHISE AGREEMENT, STATE FRANCHISE AGREEMENT ADDENDA
AND SCHEDULES



SUPERGREEN SOLUTIONS

FRANCHISE AGREEMENT

Franchisee (individual name): _____

Franchisee (corporate/LLC name): _____

Address: _____

Designated Territory: _____

FRANCHISE AGREEMENT

Between:

Legacy Environmental Solutions, Inc., a Delaware corporation, doing business as **SuperGreen Solutions**, located at 16A Bel Air South Parkway Bel Air, MD 21015 (hereinafter referred to as “SGS”) and the franchisee named on the cover page (hereinafter referred to as “You” or “Your”).

INTRODUCTION

- A. SGS has expended time, effort, and money developing knowledge about the sustainability, energy efficient and sustainable products and services business (“the **SuperGreen Solutions** business”), which includes sustainability advisory services; energy auditing and determination of client need; sustainability planning; design, sale and installation of energy efficient products including, but not limited to, solar power, efficient water heating, atmospheric water filters, skylighting and natural lighting systems, LED and other efficient lighting, ventilation, weatherization, and insulation products, energy management and climate control systems; and promotion of client’s sustainability accomplishments (the “Products” and “Services”) and has established a reputation and goodwill in parts of the world in the **SUPERGREEN SOLUTIONS** trademark.
- B. SGS is the owner of the **SUPERGREEN SOLUTIONS** trademark and related trademarks and trade names (“the Trademarks”) which have become associated with the Products and Services, and the **SuperGreen Solutions** System, and SGS has agreed to You using the Trademarks and the System upon the terms and conditions hereinafter appearing.
- C. The methods and know-how of assessment, design, construction, monitoring, post-installation services, distribution, production, promotion and marketing used in connection with the sale and installation of the Products and Services under the Trademarks (the “System”) are secret and confidential and are the exclusive property of SGS. The System also relates to the training, equipment, standards of quality and uniformity of the Products and Services offered.
- D. The Trademarks are associated with uniformly high quality standards of the Products and Services.
- E. SGS may from time to time grant franchises in the United States and its territories and protectorates permitting the operation of **SuperGreen Solutions** businesses under the Trademarks to sell the Products and Services (“the **SuperGreen Solutions** Network” or the “Network”).
- F. You desire the benefits of SGS’ knowledge, skill, and experience and the right to sell the Products and Services under the Trademarks hereinafter described (“the **SuperGreen Solutions** Business”).

NOW IT IS AGREED as follows:

One: RIGHTS GRANTED

- A. Subject to and in accordance with the terms hereof, SGS grants to You the non-exclusive right to use in the Business (as defined below):
- i. the System;
 - ii. the Trademarks and the symbols owned by SGS together with SGS' accumulated experience and knowledge relating to the **SuperGreen Solutions** business; and
 - iii. the Products and Services.
- B. In this Agreement the expression "the Business" shall mean the business carried on by You in exercise of the above rights and pursuant to this Agreement.
- C. The Business shall only be conducted by You from a location within the Designated Territory stated on the cover page hereto. So long as You are not in default under this Agreement, SGS shall not open and operate for its own account (or through an affiliate) or franchise others to operate a Business from any physical premises located in the Designated Territory. The Designated Territory granted under this Agreement does not in any way grant or imply any other area, market, development, or territorial rights to You, except as expressly provided above in this Section.
- D. SGS and/or its affiliates reserve the right to establish and operate or license others to establish and operate at any location or premises within the Designated Territory (including a location which may be in proximity to Your Business): (i) different businesses other than a retail business offering the Products and the Services under any trademarks or trade names, and (ii) similar franchised or company-owned businesses offering energy efficient products and services under any trademark or trade name other than **SuperGreen Solutions** if such businesses are acquired as part of a merger or acquisition with another local, regional or national chain or system. In addition, SGS and/or its affiliates will have the right anywhere outside the Designated Territory to operate or license others to establish and operate **SuperGreen Solutions** businesses. You acknowledge and agree that the premises for another Business may be located immediately outside Your Designated Territory, however, the premises for the other Business will not be located within Your Designated Territory.
- E. The rights and privileges granted to You under this Agreement are personal in nature and may not be used at any location outside the Designated Territory. You will not open any other Businesses in the Designated Territory. You will not have the right to subfranchise or sublicense any of Your rights under this Agreement.
- F. In this Agreement the word "Goodwill" includes
- i. the goodwill and all rights associated with SGS' copyright material, the System, the Trademarks and any other intellectual property rights of SGS, and
 - ii. any additional goodwill generated from their use in the Business.

- G. The Goodwill shall, at all times, belong to and be vested in SGS and You only have the right to benefit from the Goodwill to the extent provided by this Agreement.

Two: TERM

- A. **Initial Term.** This Agreement shall be for a term of 15 years from the date of this Agreement (the “Term”), unless sooner terminated as hereinafter provided.
- B. **Additional Term.** You shall have the right to require SGS to enter into a new agreement (the “New Agreement”) to take effect immediately following the end of the initial Term subject to the conditions and terms which follow.
- C. Subject to the following conditions precedent, You shall exercise Your right by giving written notice to SGS so that it is received 9 months before the Term ends. The conditions precedent are:
- i. that You shall not have any outstanding breach of the terms of this Agreement at the time of Your notice and at the time the New Agreement becomes effective, and
 - ii. that You shall be compliant with the then current standards, including but not limited to brand standards, and specifications of the Network, and to comply with any relevant statutory or other requirements or regulations.
- D. The terms of the New Agreement shall be that You and SGS shall enter into the New Agreement for a period at least equal to the Term and upon the terms contained in SGS' then current form of franchise agreement provided however:
- i. You shall not pay any sum expressed to be by way of initial fee but shall pay a renewal fee in the sum of \$1,500.00 to cover the costs of closing and processing paperwork upon renewal,
 - ii. You will not receive additional renewal or successor terms; and
 - iii. SGS shall not be obliged to provide any of the initial or other obligations contained in such agreement that are appropriate to the establishment of a new franchise.
- E. You shall, upon the execution of the New Agreement, be deemed to have released and discharged SGS from and against all claims and demands not at issue in mediation and/or litigation proceedings at the time of renewal, whether or not contingent, which You may have against SGS arising from this Agreement or in any way out of the relationship between SGS and You.

Three: THE PREMISES

The location of the virtual, shared, leased or owned office from which You conduct Your Business will be determined by You in Your sole discretion provided that the premises must be within the Designated Territory. You may relocate Your Business to another premises within the Designated Territory with the written consent of SGS which consent shall not be unreasonably withheld provided that such relocation shall not change Your Designated Territory.

Four: SGS' INITIAL OBLIGATIONS

To assist You in opening for business, SGS will (in addition to the online training courses and an initial onsite training program at franchisee location to be provided pursuant to the provisions that follow in Section Seven below) provide for or make available to You the following services and/or goods:

- A. advice with regard to establishing the Business including assistance with establishing a marketing program;
- B. sell to You the equipment and other items (the "Equipment Package") listed in Schedule "A" to this Agreement;
- C. provide for a period of approximately 40 hours a suitably-qualified member(s) of its staff and representatives of the equipment vendors to assist in initial on-site training and guidance on commencement of the Business. SGS shall pay the travel and other costs of its staff member for the purpose of an initial on-site training;
- D. assistance in establishing suppliers of products and materials used in, and the Products and Services offered and sold by, Your Business;
- E. provide You with a suggested bookkeeping system and a format for Your invoices;
- F. provide You, on loan, with an Operating Manual, which includes statements of policies and procedures, together with instruction and advice in the operation of a Business;
- G. provide You with other relevant manuals and written material which, in its discretion, SGS deems necessary; and
- H. provide You with a starter supply of printed material consisting of letterhead, envelopes, flyers, and business cards.

SGS may delegate the performance of any or all of its obligations hereunder to such third parties as it deems advisable.

Five: SGS' CONTINUING OBLIGATIONS

SGS shall at all times during the term of this Agreement:

- A. provide You with details of any alterations and/or improvements in or to the System to enable You to keep the Operating Manual up to date. In the event of any dispute, the authentic text of the Operating Manual shall be the copy kept as such by SGS at its principal Corporate Office. The Operating Manual in its original form and all copies shall at all times remain the property of SGS. You acknowledge that the copyright in the Operating Manual is vested in SGS;
- B. make at least one visit in person, or via virtual methods such as Skype[®], FaceTime[®], or Zoom[®], each year to Your Business at SGS' own expense by a member(s) of SGS' staff as

SGS considers suitably experienced for the purpose of assisting You and monitoring Your compliance with quality standards;

- C. provide You with information relating to conventions, seminars and franchise meetings organized by SGS for its franchisees and permit You at Your own expense, to attend;
- D. provide You from time to time with copies of SGS' corporate newsletter;
- E. offer to You from time to time, free of charge, bulletins on sales and service methods, marketing development and techniques, and business and operating procedures;
- F. use reasonable efforts to offer advice and technical assistance and support for equipment, computer hardware and software, and our business processes by telephone or video call. Ensure this clearly defined and set up and via the Internet; and
- G. provide access to a website from which You may download additional programs and data.

SGS may delegate the performance of any or all of its obligations hereunder to such third parties as it deems advisable.

Six: FRANCHISEE'S OBLIGATIONS

In order to maintain the common identity and reputation of the Franchise Network, to maintain the uniformly high standards among franchisees carrying on business under the Trademarks in accordance with the System, and to protect SGS, You, the Franchise Network, the Goodwill and the demand for the Products and Services sold, supplied or provided by the Business under the Trademarks, You shall:

- A. purchase the Equipment Package from SGS prior to opening the business and use it exclusively for the purpose of operating the Business;
- B. acquire any other miscellaneous equipment, books of account, and any other items which are necessary for the performance by You of Your obligations under this Agreement;
- C. have one person, comprised of either Yourself or Your Manager, at Your sole cost and expense (excluding SGS approved training material and trainers), undertake and complete to SGS' satisfaction such training, at such times, as SGS may reasonably require;
- D. devote an adequate amount of Your time and attention to the Business as is necessary to perform the administrative, marketing, promotional and accounting functions required in operating the System. You shall diligently carry on the Business and use Your greatest efforts to promote the Business. You shall continuously operate the Business during normal business hours for a minimum of 40 hours per week.
- E. operate the System and Your Business properly and in strict accord with the required provisions of the Operating Manual, provided that such provisions do not conflict with applicable laws or regulations. In the case of a conflict, You shall request a variance and SGS shall grant You an automatic variance for the purpose of compliance with applicable

laws or regulations. You also acknowledge that the required provisions are intended to protect the goodwill of the Trademarks and not to exercise control over the day to day operations of the Business, which remains your sole responsibility. You shall not make use of or disclose the Operating Manual to any other person or for any purpose other than for the conduct of the Business, nor shall You make any copies of the Operating Manual or any part thereof. You shall further ensure that Your copy of the Operating Manual and all copies made are kept up to date at all times. You acknowledge the Operating Manual and all copies made to be the exclusive property of SGS. You agree to promptly comply (but no later than 30 days from delivery) with all revisions to the Operating Manual that may be made from time to time;

- F. You may exercise Your option to operate Your Business through a limited liability company, corporation or other legal business entity (a “business entity”), provided that: (i) the Franchise Agreement shall remain in Your name, and the full legal name of the business entity shall be added to the Franchise Agreement as an additional Franchisee; (ii) the business entity shall be newly organized and its activities are confined exclusively to operating the Business licensed under this Agreement; (iii) You are the owner of all the stock or membership units of the business entity and are the principal executive officer thereof; (iv) You furnish SGS with the name, address, telephone number and percentage of ownership of each officer, director, shareholder and member of the business entity; and (v) no part of the Trademarks shall form part of Your legal business entity name. In furtherance of this Section 6.F, in the event You operate the Business through a business entity which is not named as an additional Franchisee in the Franchise Agreement, You hereby grant an irrevocable power of attorney to SGS and appoint SGS as Your attorney-in-fact to add the business entity to this Agreement as an additional Franchisee;
- G. operate the Business only under the name or names specified by SGS without any accompanying words or symbols of any nature (save as required by the provisions of this Agreement) unless first approved in writing by SGS. You shall not do anything that may adversely affect SGS’ rights in the Trademarks;
- H. acquire such licenses and permits as maybe required by federal, state or local governments and agencies to operate the Business; comply with all applicable state and federal laws and regulations and the ordinances, regulations and requirements of local, state and federal governmental authorities, pay any and all city, county, state and/or federal sales and/or use taxes, excise taxes, occupation taxes, license fees and other taxes, assessments and levies arising out of or in connection with all or any part of this Agreement, and You shall not misappropriate or infringe on the copyrights, trademarks, patents or other intellectual property rights of third parties; SGS assumes no, and disclaims any and all, liability or responsibility with respect to Your dealings with and compliance with the requirements of any licensing or permitting agency of Your state;
- I. indicate Your status as an independently owned and operated franchise by:
 - i. displaying in the location that SGS may direct signs bearing the following words (or other words to similar effect as may from time to time be specified by SGS) “Independently Owned and Operated by” followed by Your name;

- ii. placing upon all letterhead, bills, invoices, and any other documents or literature used by You, and within the body or signature field of all email communications sent in connection with the Business the following words (or other words to similar effect as may from time to time be specified by SGS) “Independently Owned and Operated by” followed by Your name;
- J. place on all of Your promotional materials, business cards, web site and any other media used to promote the Business the national toll-free telephone designated by SGS from time to time. No other telephone number may be used on any advertising media without the written consent of SGS;
- K. answer the telephone at the Business initially reciting the full name “**SuperGreen Solutions**” or such other trade name as SGS may specify from time to time. You shall not answer the telephone under any other name without the prior written consent of SGS;
- L. continuously (during regular business hours and days) operate the Business unless prohibited from so doing by an act of God, a religious holiday, or conditions beyond Your control (“Non-controllable Events”). You further agree to exercise Your greatest efforts, skills, and diligence in the conduct of the Business. In this connection, You agree to supervise Your employees to ensure compliance with the SGS System. In addition, You and Your employees shall wear approved uniforms (*i.e.*, **SuperGreen Solutions** logoed apparel) during the operation of the Business;
- M. shall not sell anything or provide any service which does not conform with the standards associated with the Trademarks or of which SGS does not approve thereof which consent shall not be unreasonably withheld. You shall offer any products or services which SGS deems mandatory. You shall comply with all instructions given to You by SGS with regard to the standards or quality of the SGS System and the Products and Services (including display kits and advertising). You shall comply with any requirements that SGS establishes from time to time for national accounts or customers. You shall not actively market to businesses and individuals located outside Your Designated Territory and cannot indicate in any media, print or electronic, that You have a location or provide services in any area outside of Your Designated Territory. You acknowledge that You have no remedy against SGS for any marketing and promotion conducted by other franchisees that occurs within your Designated Territory. In the event of a customer complaint, You shall follow the procedures outlined in the Operating Manual and provide to SGS such information as SGS may require to enable SGS to monitor the performance of the Business and to offer guidance to You;
- N. replace any equipment items as may become obsolete or inoperable with items that meet SGS’ new requirements in respect to opening a new Business. If, by reason of any change to the SGS System, additional or different equipment is required, then You shall acquire and install these items as commercially practicable, within a reasonable period of time as specified by SGS;
- O. use Your greatest efforts to maintain the highest standards in all matters connected with the Business and increase the revenues of the Business;

- P. only employ as a Manager of the Business a person who has successfully completed the online training courses SGS requires;
- Q. procure from any Manager and from such other staff, as SGS shall require, an agreement to be supplied by SGS not to use or disclose to any third party any information or knowledge concerning SGS' business, the Business, or the SGS System and to comply with the non-compete requirements set forth in Section Seventeen F.(i) and (ii) of this Agreement for two years following termination of his or her employment with You;
- R. not do anything which may bring the System into disrepute or which may damage the interests of SGS or the Franchise Network;
- S. not own, manage, or have any involvement with any business other than the Business which is similar to a **SuperGreen Solutions** business, regardless of location;
- T. maintain the System and other information relating to the conduct of the Business in strict confidence and secret and shall only use them for the purpose of conducting the Business during the term of this Agreement. You shall not use, disclose, publish or otherwise make this confidential information available to any third party during or at any time after the term of this Agreement.
- U. not interfere with SGS' prospective franchise sales by soliciting SGS' prospective franchise buyers for another business opportunity and/or for employment with Your Business;
- V. indemnify and hold SGS harmless against all claims, demands, damages, cost or expenses which may be incurred or received by SGS resulting from any breach of this Agreement on Your part, the negligence of any party (other than SGS), or arising directly or indirectly out of the management or operation of the Business, or in connection with Your sale, transfer or assignment of the Business and franchise license, which indemnification obligation survives the expiration or termination of this Agreement. It is the intention of the parties to this Agreement that SGS shall not be deemed a joint employer with You for any reason; however, if SGS incurs any cost, liability, loss or damage as a result of any actions or omissions of You or Your employees, including any that relate to any party making a finding of any joint employer status, You will fully indemnify SGS for any such cost, liability, loss and damage;
- W. have Internet access and an e-mail address. You must use the Internet website and email address(es) provided by SGS and pay to SGS or its designated vendors the annual hosting and maintenance fees for the website and monthly email account fees. You cannot use any other website to promote the Business and cannot use other domain names (with or without the Trademarks as part of the name) that are pointed or linked to the Internet website provided by SGS without the written permission of SGS. You cannot use any other email address and related mail server than the one provided by SGS to conduct business activities. The exception is bulk email which must be sent through an approved email service (bulk email is any email sent to more than 100 recipients). If SGS discovers You have obtained or are using another website, domain name or email address for or in connection with Your

Business without SGS' written permission, SGS shall notify You and upon notice, You shall immediately transfer and assign the same to SGS. SGS will, at its discretion, determine the content and use of Your website and will establish the rules under which franchisees may or will use their websites or separately use the Internet or other on-line communications in the operation of the Business. Without the written permission of SGS, You cannot use Internet tools such as but not limited to search engine optimization for the purpose of promoting Your Business to customers in the designated territory of another SGS franchisee. SGS will retain all rights relating to the website and may alter or terminate the website upon 30 days' notice to You. Your general conduct on the website or other on-line communications and specifically Your use of the Trademarks or any advertising on the website or other on-line communications (including the domain name and any other Trademarks SGS may develop as a result of participation in the website or other on-line communications) will be subject to the provisions of this Agreement. Your right to use the website or otherwise use the Trademarks or System on the Internet or other on-line communications will terminate when this Agreement expires or terminates;

- X. effect such items of modernization, refurbishing and/or replacement of equipment, computers and software, displays or display kits and other improvements, as SGS deems reasonably necessary to permit Your Business to conform to the standards then prescribed by SGS for similarly situated new **SuperGreen Solutions** businesses. You acknowledge and agree that the requirements of this Section Six X are both reasonable and necessary to ensure continued public acceptance and patronage of **SuperGreen Solutions** businesses and to avoid deterioration or obsolescence in connection with the operation of Your Business. Each and every transfer of any interest in this Agreement or business conducted hereunder governed by Section Fifteen also is expressly conditioned upon compliance with the foregoing requirement without regard to the number of years since the last modernization, refurbishing and/or replacement;
- Y. Purchase all of Your Products and Services from SGS' approved suppliers in such categories as SGS may designate from time to time in writing to You;
- Z. Comply with SGS' policies with regard to the use of social media to promote Your Business, or any use of social media in connection with Your use of the System and Trademarks and Your participation in the Franchise Network; and
- AA. Attend a SGS regional meeting a minimum of once in every 24 month period.

Seven: INITIAL TRAINING

- A. You or Your initial Manager will complete approximately 40 hours of online training courses and then SGS will train You or Your initial Manager in the operation of the System at your onsite location for six days. You or Your initial Manager must complete the online training at least four weeks before you commence your Business. The duration of online training and SGS' initial onsite training program may vary as SGS updates its training programs.

- B. The initial franchise fee paid by You pursuant to Section Ten A.(i) and Your purchase of the Equipment Package pursuant to Section Six A shall cover the charge for such training for one person. SGS shall not compensate You for any service performed during this initial (or any) training period. If You bring additional persons to the initial training, You will pay a training fee of \$495.
- C. SGS may at any time during training, by notice in writing, inform You that any person submitted for training is not suitable due to blatant criminal activities, disreputable behavior, poor attendance and/or disturbing fellow trainees. In this event, SGS' obligations in respect to the first trainee shall be regarded as discharged and any further training for any replacement for the first trainee shall be provided at Your expense.
- D. SGS shall have the right to require You to attend further training courses at any time during the Term of this Agreement if:
 - i. SGS considers attendance at such courses to be advisable;
 - ii. SGS wishes to train You in new and improved techniques that have been devised and which You will be required to put into effect in operating the Operations System; or
 - iii. a regularly scheduled training program is scheduled or in session.

There will be no training fee or charge for these additional training classes; however, all additional costs of attendance shall be at Your sole expense.

Eight: CONTINUING TRAINING

- A. SGS will train any subsequent Manager, replacement staff, or any trainee of Yours in any place SGS may require, and at Your expense. There will be a training fee of \$495 or the then current fee.
- B. You shall establish and maintain a training program for Your staff in accordance with the requirements contained in the SGS Operating Manual.
- C. SGS shall make available training for new equipment (whether provided by SGS or its vendors or others) at Your expense.
- D. You and SGS acknowledge and agree that the training provided by SGS as described in this Section and Section Seven above are provided to You for Your benefit and to ensure a uniform image and quality of services in all **SuperGreen Solutions** businesses. You further acknowledge and agree that You shall be solely responsible for training Your Manager and staff; and SGS is not an employer, co-employer or joint employer with You of Your employees. You further acknowledge and agree that You are solely responsible for all employment matters, decisions and relationships in connection with the Business.
- E. All training programs and courses, including online courses, provided by SGS as described in Section Seven and this Section Eight are at the sole discretion of SGS. SGS has the right

to refuse to provide any training program and/or course to any individual where SGS deems in its sole judgment such training is against its interests, or the interests of any SuperGreen Solutions franchisee or any affiliate.

Nine: IMPROVEMENTS

A. If SGS develops new and improved methods of conducting a business in accordance with the System, SGS agrees to make these improvements available to You at the earliest possible opportunity. You in turn will notify SGS of any improvements, additions, modifications or innovations in Your method of operation which You believe would assist in the development of the System.

B. In order that You, SGS, and its other franchisees may all benefit from the free interchange of ideas, You shall permit SGS to introduce into the System and/or the Operating Manual any improvements, additions, modifications, or innovations which may have been conceived or developed by You without any payment being made to You.

Ten: FEES

In consideration of the grant of the franchise herein, You shall pay to SGS the following:

- A. **Initial Franchise Fee.** Upon the execution hereof, You shall pay SGS an initial franchise fee of \$29,500. The initial franchise fee shall be deemed fully earned and non-refundable upon the execution of this Agreement. A deposit of \$9,500, if submitted prior to this Agreement, shall be credited against the Franchise Establishment Fee with the (\$20,000) balance due and owing upon signing this Agreement.
- B. **Royalty Fees.** Beginning in the second full month after You open for business, You shall pay to SGS a monthly Royalty Fee equal to the greater of (x) 5% of Your Gross Revenues for the month or (y) the minimum monthly Royalty Fee listed below:

Your minimum monthly Royalty Fee shall be:

- (i) Months 2-13 -- \$300.00 per month
- (ii) Months 14-25 -- \$500.00 per month
- (ii) After 25 months of operation -- \$700.00 per month

No minimum monthly royalty shall be required to be paid for the first full month after Your setup is completed and You are open for business.

- C. **Initial Membership Fee; Marketing Fees.** At the signing of this Agreement, You shall pay to SGS an Initial Advertising Fund Membership Fee of \$500. During the term of this Agreement, You will pay to the SuperGreen Solutions Advertising Fund (the "Fund") or its successors and assigns a monthly Marketing Fee of the greater of 1% of your gross revenue per month or \$200 per month. Payment of the minimum Marketing Fee shall be required starting with the second full month after the month in which Your setup is completed and You are open for business.

- D. **Technology Fee.** During the term of this Agreement, commencing with the first full month after the month in which Your setup is completed, You will pay to SGS, or a designated vendor, a monthly fee for license(s) to a business management application or electronic point of sale system and for the hosting and maintenance of a website, domain name(s) and email account(s) of \$75 or the then current fee. SGS may add, remove, or change the software and services provided in exchange for the Technology Fee.
- E. For the purposes of this Agreement, “Gross Revenue” means the entire amount of all of Your revenues arising out of the ownership or operation of the Business or any business at or about the Business. This amount is to include, without limitation, revenues derived from or relating to all sales and fees charged for Products ordered from or sold by and Services rendered by, or completed for delivery through, or from the Business (including installation charges). The revenues are determined regardless of whether they are evidenced by cash, credit, checks, services, property or other means of exchange, excepting only the amount of any sales taxes that are collected and paid to the taxing authority and freight charges. Cash refunded and credit given to customers, shall be deducted in computing Gross Revenue to the extent that such cash or credit represent amounts previously included in Gross Revenue on which Royalty and Marketing Fees were paid. Gross Revenue shall be deemed received by You at the time the Products, or Services from which they were derived is completed regardless of whether same has been delivered or rendered. Gross Revenue consisting of property or services shall be valued at the prices applicable, at the time such Gross Revenue are received, to the Products or Services exchanged for such Gross Revenue.
- F. You shall report to SGS Your Gross Revenue by the 3rd day of the month by submitting electronically, or in such other form as SGS may designate from time to time, a monthly Royalty Fee and Marketing Fee Statement.
- G. Payment of the Royalty Fee, Marketing Fee and the Technology Fee will be through electronic withdrawal from Your bank account and shall be done during the period from the 4th through the 7th day of the month following the month to which the fee applies. SGS reserves the right to change the method of payment from electronic transfer to such other manner of payment that SGS deems appropriate.
- H. Upon execution of this Agreement and/or at any other time thereafter at SGS’ request, You shall sign an authorization substantially in the form attached to this Agreement as Schedule C and all other documents necessary to permit SGS to withdraw funds from Your designated bank account by electronic funds transfer in the amount of the Royalty Fee, the Marketing Fee and all other fees and amounts described in this Agreement. Any fee calculated by reference to Gross Revenue shall be based on the information in the applicable fee statement submitted pursuant to Section Ten E above or, if the statement has not been submitted on a timely basis, SGS may process an electronic transfer for the subject month based on the average of the three most recent fee statements provided by You to SGS plus a late report fee of \$100. If the fee statement(s) for the subject month is subsequently received and reflects (i) that the actual amount of the fee(s) due SGS or the Fund was greater than the amount withdrawn, then SGS shall be entitled to withdraw additional funds from Your bank account for the difference; or (2) that the actual amount

of the fee due was less than the amount of the withdrawal, then SGS shall credit the excess amount to the payment of Your future obligations or other amounts due to SGS or the Fund. Should any electronic funds transfer not be honored by Your Bank for any reason, You agree that You shall be responsible for that payment plus any service charge applied by SGS or its bank. If any payments due SGS under this Agreement, whether to be paid by electronic funds transfer or otherwise, are not received when due, interest on the amount past due will be charged interest by SGS at the rate of 18% per annum or the maximum rate of interest permitted by law, whichever is less plus a late charge of \$10 per day for each day the payment is late. You acknowledge and agree that You have no right to withhold payment of the fees due under this Section Ten by right of Your dissatisfaction with SGS' performance of its obligations under this Agreement and that if You are so dissatisfied, You will pursue other remedies at law which may be available. Additionally, in the event of non-payment by You of any of Your obligations under this Agreement and the failure to cure such non-payment within 15 days of the due date of the payment, or other uncured defaults under this Agreement by You, SGS, at its option, may withhold services from You including, but not limited, business support, email access, remote support, website access and Fund-sponsored services.

- I. As security for all Your monetary and other obligations to SGS, You hereby grant to SGS a first priority security interest in all of Your assets used in connection with the Business and wherever located, including, without limitation, all furniture, fixtures, machinery, equipment, inventory, and all other property, (tangible or intangible), now owned or hereafter acquired by You, as well as all contractual and related rights of You under this Agreement and all other agreements between the parties. You agree to execute such financing statements, continuation statements, notices of lien, assignments, or other documents as may be required in order to perfect and maintain SGS' security interest. SGS agrees to subordinate its security interest to any working capital lender of Yours and to the purchase money security interest of an approved equipment vendor for any equipment purchased by You and used in the operation of the Business. You shall pay all filing fees and costs for perfecting SGS' security interest. You acknowledge that this Agreement constitutes a security agreement for the purposes of the attachment, perfection, and enforcement of the foregoing security interest. Upon the occurrence of any default under this Agreement, SGS shall have and be entitled to exercise all rights to which a secured party may be entitled under the version of the Uniform Commercial Code of the state where your Business is located.

Eleven: ACCOUNTING AND REPORTING

- A. You shall:
 - i. install and use the electronic point of sale, accounting software or business management application ("EPOS") specified by SGS. You shall accurately record all transactions through the EPOS and shall ensure that SGS shall have access to Your EPOS at all times for the purpose of obtaining information relating to the Business. In the event of any failure of the EPOS, during the operation of the Business, You shall manually keep accurate records which shall be entered into the EPOS as soon as may be practicable following rectification of the cause of the

breakdown. Upon SGS's request, You shall modify, upgrade and replace the EPOS from time to time, but not more frequently than once every three years, and shall also execute additional license agreements in connection with such modifications, upgrades and replacements of the EPOS. If the EPOS is modified, upgraded, or replaced in its entirety, You shall install and use the modified, upgraded or new EPOS in accordance with this Section;

- ii. maintain in a form approved by SGS (and preserve the same for at least six years after the end of the financial year to which they relate and thereafter for so long as any dispute shall remain outstanding between the parties) full and accurate balance sheets and profit and loss statements and all underlying or supporting records and vouchers (including the cash register rolls, bank statements, deposit slips and tax returns) relating to the Business. You shall permit SGS (or any person, firm or company nominated by SGS) during business hours to inspect and take copies of Your books of account and records including, but not limited to, records stored within Your EPOS, cash register rolls, bank statements, deposit slips, tax returns and other financial books of account and records. At SGS' request, You shall promptly transmit or send copies of Your books of account and records to SGS (or any person, firm or company nominated by SGS) for review and inspection. If, on any such inspection, a discrepancy greater than 2% of Gross Revenue is found between the sums reported as Gross Revenue and the actual Gross Revenue for any reporting period, then You shall, without prejudice to any other rights which SGS may have, reimburse SGS for all costs incurred in conducting such inspection including travel, hotel, subsistence, salaries, and fees;
- iii. for each of Your accounting years supply to SGS financial statements (including a balance sheet and profit and loss statement) for Your full accounting year prepared by Your accountant which shall be certified by You to SGS as correct. Such certificate and financial statements shall be delivered to SGS within 90 days from the end of the said accounting year. You shall also supply to SGS a profit and loss statement within 10 days after the end of each calendar month. You agree to have such annual and monthly financial statements prepared separately for the Business and not on a consolidated basis with the assets or liabilities or profits or losses of any other business with which You are associated reflected therein; and
- iv. for each of Your tax years supply to SGS copies of Your federal and state business tax returns and sales tax returns or in lieu of federal tax returns supply to SGS each tax year IRS Form 4506-T (or any successor form designated by the IRS), executed by You and authorizing the IRS to send SGS a copy of Your Tax Return Transcript. You agree to prepare and file such returns separately for the Business and not on a consolidated basis with the income, sales, expenses or deductions of any other business with which You are associated reported therein.

B. SGS shall:

- i. have the right to verify all of Your sales directly with customers; and

- ii. have the right to verify all of Your purchases and other expenses directly with Your suppliers, vendors, and employees.
- C. You acknowledge that SGS has the capability to and will access remotely all EPOS data on Your computer and other data which may be hosted on servers and SGS can use such data for such business purposes as it deems proper provided that SGS will not sell, transfer or share such data to or with any other person or entity during the term of this Agreement except in connection with (i) the transfer of this Agreement as permitted under Section Fifteen I of this Agreement; (ii) the compilation of operating statistics on all franchises, or groups thereof, for public distribution; (iii) sales rankings for publications to franchisees via SGS' Intranet; (iv) financial performance representations for publication in SGS' franchise disclosure documents for prospective franchisees; (v) comparative sales charts and tables for publication to franchisees via SGS' Intranet; and (vi) other similar data compilations.
- D. You shall not combine or commingle Your Business operations with that of any other business. You shall not use the bank account or EPOS designated for the Business to process transactions or sales, make deposits or pay expenses for another business. You agree to keep the financial books of account and records of Your Business separate and apart from Your personal financial books and records and/or from the books and records of any other business with which You are associated. You shall not file consolidated tax returns for the Business which consolidate the income or deductions of the Business with those of another business.

Twelve: ADVERTISING/MARKETING

- A. You must participate in any national, regional or local advertising cooperatives that SGS designates. You shall pay into the SGS Marketing Fund a monthly Marketing Fee as specified in Section Ten C. SGS reserves the right to: (i) modify or terminate the Marketing Fund; and/or (ii) create or establish a new marketing fund in the future. If SGS exercises any of these rights, You must pay SGS, its affiliate, or another entity designated by SGS, the monthly Marketing Fee and comply with all requirements relating to the Marketing Fund or any new fund SGS establishes. SGS also reserves the right to enforce the obligations of the Marketing Fund and distribute the proceeds of any settlement or judgment in the manner that SGS deems appropriate, and to suspend or reduce a franchisee's obligation to participate in the Marketing Fund or any other advertising cooperative. SGS will have the right to use the Marketing Fees in its absolute judgment and apply it to advertising, marketing, public relations, and promotional programs and activities, and related overhead (including without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce and e-marketing programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; and administrative and overhead expenses related to the Marketing Fund (including the compensation of SGS's employees working on marketing and for accounting, bookkeeping, reporting, legal and other expenses related to the Marketing Fund). The methods of marketing and promoting, media employed and contents, terms

and conditions of marketing campaigns and promotional programs will be within the sole discretion of SGS. SGS will not be required to pay Marketing Fees in its role as franchisor; however, all **SuperGreen Solutions** businesses that are owned and operated by SGS (or an affiliate of SGS) will be required to pay Marketing Fees in the same manner as franchisees.

- B. You shall be responsible for all Your own direct marketing and local advertising of the Business. In addition to the Marketing Fee paid to the Marketing Fund, You shall expend at least an amount equal to 5% of all gross revenues on direct marketing or local and regional advertising (including public relations) in each year. SGS also believes in and encourages You to participate in cooperative advertising where available. For the purposes of this Paragraph, the term "direct marketing or local and regional marketing" shall mean all marketing and public relations, sales personnel costs, advertising and promotions effected through the medium of the Internet, mobile marketing, email and other digital communications media advertising and promotions effected through the medium of local radio or television broadcasts, newspapers, periodicals, telephone and yellow pages directories, billboard advertising and public relations.
- C. You shall comply with the criteria and/or guidelines that SGS will establish from time to time for marketing and advertising (including public relations) activities. SGS will require that Your advertising materials include contact information for obtaining information regarding SGS franchises and the SGS franchise system. SGS may, from time to time, provide samples of certain marketing materials that You may duplicate and use. You alone at all times shall be responsible for ensuring Your marketing materials and activities conform to applicable laws and regulations, do not infringe the intellectual property rights of any third party, including but not limited to, trademarks, trade names, patents, copyrights, designs and images belonging to any third party and the intellectual property rights of third parties whose brands, designs, trademarks, trade names or logos appear on the Products and Services offered for sale at the Business, and conform to any applicable guidelines, directions or permissions published or provided by third parties in relation to the marketing, sale or promotion of the Products and Services that contain or are associated with the brands, trademarks, trade names or logos of third parties. In addition, reproduction proofs of newspaper advertising from time to time, which, if observed, will not require any consent from SGS.
- C. All marketing campaigns or promotional activities (including public relations) conducted by You shall be subject to the prior written approval of SGS whose decision will not be unreasonably delayed. All marketing campaigns must be presented for SGS review and approval at least 30 days prior to run unless otherwise authorized. You and SGS acknowledge and agree that SGS' review and approval of Your marketing campaigns or promotional activities is not a warranty of any kind. You cannot actively or directly market in the Designated Territory of other SuperGreen Solutions franchisees.
- D. You shall, upon being requested to do so, provide SGS with details of Your proposed marketing, advertising and promotional activities in a timely manner. You acknowledge that SGS has explained the importance of the creation and maintenance of a full-time marketing program. You further acknowledge that a vital factor to the success of any

business lies in the creation and maintenance of a full-time marketing program. You agree to create and continuously conduct, during the Term a full-time and ongoing marketing program, either personally or through an employee or outside marketing agency, to conducting such a marketing program. You further agree to create a marketing file and record all marketing activities therein. This file shall be available to SGS to review upon reasonable notice.

- E. You acknowledge that nothing in this Agreement imposes upon SGS or the Marketing Fund the duty or the obligation to provide direct or indirect marketing or promotion in relation to the Business. Neither SGS nor the Marketing Fund can ensure that its marketing or promotional activities will benefit You directly or be proportionate or equivalent to the Marketing Fees that You pay to the Fund.

Thirteen: INSURANCE

- A. You are required to obtain and maintain at Your cost and expense such policies of insurance in such amounts and from such carriers as may reasonably be required by SGS from time to time throughout the Term. You shall provide SGS with such proof as SGS may require from time to time that You have obtained and are maintaining the insurance coverage required hereunder. Such insurance shall include, without limitation:
 - i. comprehensive general liability policy with a minimum combined single limit covering bodily injury and property damage with respect to the products, and completed operations of \$1,000,000;
 - ii. owned auto insurance with a minimum combined single limit covering bodily injury and property damage of \$1,000,000; and
 - iii. all insurance required by applicable law, including workers compensation and disability (limits may vary according to geographical location). If the applicable laws in Your state do not require the owners of a business to be covered by workers compensation insurance, You shall elect coverage for Yourself.
- B. Your policies (other than Workers Compensation) must: name SGS and its affiliates as an additional named insured on all insurance policies required hereunder which policies shall be considered as primary in the event of loss or claim; include a waiver of subrogation in favor of SGS and its affiliates; be primary and non-contributing with any insurance carried by SGS or its affiliates, and; stipulate that SGS shall receive 30 days' prior written notice of cancellation.
- C. You shall not terminate any insurance policy required to be obtained and maintained hereunder, nor modify or amend the terms thereof, without SGS' prior written consent, which consent shall not be unreasonably withheld, and each policy must provide that it shall not be canceled, modified or subjected to non-renewal, without at least 10 days prior written notice to SGS.
- D. This Section Thirteen references minimum requirements. You agree to consult with Your local insurance agent and/or legal counsel, and to ensure Your Business is adequately

insured, You have all insurance required by law or by the terms of any agreement to which You are a party.

Fourteen: TRADEMARKS

- A. You shall only use the Trademarks in connection with the operation of the Business and only in a form and manner approved by SGS. All domain names and e-mail addresses used in Your business that include the word **SuperGreen Solutions** must be approved in writing by SGS and will be the property of SGS.
- B. In no circumstances shall You apply for registration with respect to any of the Trademarks or which would conflict with the Trademarks, nor shall You take any action or refuse or decline to take any action which may result in harm to the Trademarks or put any registrations or applications to register at risk.
- C. You shall comply with SGS' instructions in filing and maintaining the requisite fictitious, trade or assumed name registrations for the Trademarks.
- D. You shall, in all representations of the Trademarks on the Products, attach in a manner approved by SGS such inscription as is usual or proper for indicating that such Trademarks are registered.
- E. You acknowledge that the use of the Trademarks outside the scope of this Agreement, without SGS' prior written consent, is an infringement of SGS' rights in the Trademarks, and You expressly covenant that during the Term, and after the expiration or sooner termination of this Agreement, You shall not, directly or indirectly, commit an act of infringement or contest, or aid in contesting the validity or right of SGS to the Trademarks, or take any other action in derogation of such rights.
- F. In the event of any claim of infringement, unfair competition or other challenge to Your right to use the Trademarks, or in the event You become aware of any use of or claims to the Trademarks by persons other than SGS or its franchisees, You shall promptly (but in no event more than 15 days later) notify SGS in writing. You shall not communicate with anyone except SGS and its counsel in connection with any such infringement, challenge, or claim except pursuant to judicial process. SGS shall have sole discretion as to whether it takes any action in connection with any such infringement, challenge or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge or claim relating to the Trademarks. You must sign all instruments and documents, render any assistance, and do any acts that SGS' attorneys deem necessary or advisable in order to protect and maintain SGS' interest in any litigation or proceeding related to the Trademarks or otherwise to protect and maintain SGS' interests in the Trademarks.
- G. If it becomes advisable at any time, in SGS' sole discretion, to modify or discontinue the use of any of the Trademarks and/or use one or more additional or substitute names or marks, for reasons including, but not limited to, the rejection of any pending registration or revocation of any existing registration of any of the Trademarks, or the superior rights

of senior users thereof, You will immediately, upon written notice from SGS and at Your expense, make all changes or modifications to the Trademarks as specified by SGS.

Fifteen: ASSIGNMENT & RESALE (SALE OF BUSINESS)

- A. You shall have the right to assign the Franchise and to sell the Business only with the prior written consent of SGS, which consent shall not be unreasonably withheld and subject to the conditions listed in Section C below.
- B. SGS will grant to a purchaser of the Business who is acceptable to it a franchise for a period equal to the term then being granted by SGS to new franchisees (commencing the date of the sale of the Business) and upon the terms and conditions to SGS' then current form of franchise agreement, excluding the payment of an initial fee.
- C. Subject to Sections D through F below, the conditions required to obtain the written consent of SGS to the sale of the Business by You shall be that:
 - i. any prospective purchaser shall submit his offer in writing, shall be bona fide and at arms' length, and shall meet SGS' standards with respect to the selection of new franchisees;
 - ii. the prospective purchaser or its management team must agree to successfully complete SGS' initial training program prior to assuming the daily duties of the Business;
 - iii. the prospective purchaser must enter into a new franchise agreement prior to attending such training as may be required by SGS;
 - iv. You must turn over to SGS all digital assets, including, but not limited to, all digitally-stored content (such as images, photos, videos and text files), whether stored locally at the Business or accessible via the internet, the cloud, or another digital storage device (such as a USB drive or zip drive) or stored with a third-party digital-storage provider (such as OneDrive or Dropbox); and all user names and passwords for any and all email accounts, social networking websites (such as Facebook, Twitter, LinkedIn, Google+, YouTube, Pinterest, Instagram, Tumblr, Flickr, Reddit, Snapchat, and WhatsApp), blogs, review websites (such as Yelp or Angie's List), and any other online communities where the Business created or shared online content, or held itself out as speaking for or representing the Business.
 - v. Your Business is in compliance with SGS' current standards (including but not limited to brand standards) for equipment, point of sale or business management systems, displays and improvements or must be brought into compliance prior to the completion of the transfer to the prospective purchaser;
 - vi. You or the prospective purchaser shall pay to SGS a transfer fee of the greater of \$19,500.00 or the then current transfer fee charged under the then current agreement;

- vii. You must not, at the time of Your application for consent, be in breach of any of Your obligations to SGS under the terms of this Agreement;
 - viii. payment is made by You of all costs and all obligations by or of You to SGS and any suppliers are discharged without any right of deduction or set-off; and
 - ix. You must execute a general release of SGS in a form satisfactory to SGS, and execute such other transfer documentation as SGS may require.
- D. You shall, as soon as possible, submit to SGS a copy of each written offer or full details of any other offer which You receive from any prospective purchaser to purchase Your Business from You, together with the following information:
- i. a financial statement and the business history of the prospective purchaser; and
 - ii. details of all terms that may have been agreed or proposed between You and the prospective purchaser.
- E. SGS shall, in addition to its other rights under this Agreement, have an option to purchase the Business for the same amount and upon the same terms as the prospective purchaser has offered. In the event of (i) a transfer or assignment of stock, share capital or similar ownership interest or (ii) Your insolvency or bankruptcy, the offer shall be for Your interest in this Agreement, and the equipment, displays and inventory used in the operation of the Business. An amount and terms of purchase under these conditions shall be established by a qualified third party appraiser selected by the parties.
- F. SGS shall have a period of 10 days after receipt of written notice and the information referred to in Section D above, to exercise its option to purchase by notice in writing to You. The sale and purchase shall be completed within 15 days following the service of SGS' Notice.
- G. For the purpose of this Section, any change in Your beneficial ownership of the issued share capital or of Your true control shall be deemed to be an assignment of this Agreement. In addition, in the event of any attempt by You to circumvent the provisions of this Section by selling or transferring all or any portion of the assets of the Business without transferring Your rights under this Agreement, You shall be liable to SGS for damages resulting from a default of the Franchise Agreement, including but not limited to, the full amount of the fee due SGS under Section Fifteen C.(iv) of this Agreement.
- H. In the event of Your death or incapacity, where You are an individual, or in the case that You are a corporation, then in the event of the death or incapacity of the owner, this Agreement will be transferable without additional fee or penalty, provided that the transferee meets SGS' approval, as noted above in this Section Fifteen, which shall not be unreasonably withheld.
- I. SGS reserves the right to sell or assign, in whole or in part, its interest in this Agreement. Any sale or assignment shall inure to the benefit of any assignee or other legal successor.

Sixteen: TERMINATION

- A. SGS may terminate this Agreement by written notice to You without any opportunity to cure if:
- i. You fail to commence the Business within the period of 90 days from the date of this Agreement;
 - ii. You fail to keep the Business open for business for a consecutive period of 10 days unless this is because of major equipment refurbishment or repair or because of the effects of explosion, flood, fire, natural disaster or for a reason to which SGS has given its prior written consent;
 - iii. in Your franchise application or supporting details You have provided SGS with information which contains any false or misleading statements or omits any material fact which may make any statement misleading;
 - iv. You become insolvent, adjudicated a bankrupt, have a voluntary or involuntary petition in bankruptcy or any other arrangement under the bankruptcy laws filed by or against You, make an assignment for the benefit of creditors, or if a receiver or trustee in bankruptcy is appointed to take charge of Your affairs or property;
 - v. You commence dissolution proceedings or have such proceedings commenced against You;
 - vi. You permit a judgment against You to remain unsatisfied or un-bonded of record for 30 days;
 - vii. You knowingly maintain false, inaccurate, or incomplete books or records, or knowingly submit false report to SGS;
 - viii. You receive 2 or more prior notices of default hereunder from SGS during any twelve 12 consecutive-month period, notwithstanding that such defaults were cured;
 - ix. You are charged with, plead guilty or no-contest to, or is convicted of a felony;
 - x. You commit any act or are credibly accused of any act that in SGS's opinion is reasonably likely to materially and unfavorably affect the System or the Franchise Network;
 - xi. there shall be a purported or deemed assignment of this Agreement or of the Business other than a sale of the Business under and in accordance with the provisions of Section Fifteen; or
 - xii. SGS suspects, on reasonable grounds, that any material proprietary information concerning SGS' business, the System, or particulars of any communication from SGS to the You is being or has been communicated in any way to any competitor

of SGS by You or at Your direction, by any of Your employees, agents or representatives.

- B. In addition to the immediate termination rights set forth in Section Sixteen A, SGS may terminate this Agreement by written notice to You if You neglect or fail to perform any of Your other obligations under this Agreement including failure to pay any amounts due to SGS under this Agreement or any other obligation of Franchisee to SGS or submit reports, or You fail to provide the Services to the standards required by SGS as set out in the Operating Manual, and You fail to remedy such default, neglect or failure to SGS' satisfaction within (i) 15 days after written notice from SGS in the case of a failure to provide monthly sales reports or pay royalty, marketing fees, technology fees and other associated monthly fees SGS determines necessary to effective business operations or, (ii) in the case of any other default, neglect or failure, within 30 days after written notice from SGS.
- C. All Your rights under this Agreement shall cease if SGS terminates this Agreement under the provisions of this Section Sixteen.
- D. THIS LICENSE AGREEMENT MAY BE TERMINATED ONLY BY SGS AND NO PROVISION IS MADE IN THIS AGREEMENT FOR THE UNILATERAL TERMINATION OF THIS AGREEMENT BY YOU.

Seventeen: CONSEQUENCES OF TERMINATION

Upon the expiration or sooner termination of this Agreement:

- A. You will immediately discontinue the use of the Trademarks, signs, cards, notices and other display or advertising matter indicative of the Trademarks, or of any association with SGS or of the Business or Products or Services, and will make or cause to be made such changes in signs, cards, notices and other display or advertising matter, buildings and structures as SGS shall direct so as effectively to distinguish the business from its former public image and marketing image as a Business including but not by way of limitation a change in the colors used. If within 30 days of such direction You fail or omit to make or cause to be made any change, then SGS shall have the power (without incurring any liability to You), without Your consent, save this consent that You give irrevocably, to make or cause to be made any such change, at Your expense, which expense You shall pay on demand. In addition, all items that may have been loaned to You by SGS, including the original and any physical or digital copies of the Operating Manual, shall be returned immediately to SGS at Your expense. You shall also forthwith pay to SGS (without any deduction or right of set-off) all sums of money which may be payable or owing (whether or not then due for payment) from You to SGS or the Fund.
- B. You shall further and forthwith:
 - i. provide SGS with a list (including names addresses and telephone numbers) of all customers and all customer databases and files including all past invoices, address card-file entries, and business cards; a copy of the customer list may not be sold or otherwise transferred to any person or entity without our written consent; and

copies of such information can only be retained by You to the extent needed to file required tax returns and You may not use such information for any other purposes;

- ii. assign to SGS in such form as SGS shall require, the benefit of such contracts with customers as SGS may specify and pay over to SGS any sums received on account of such contracts (without any deduction or right of set off);
 - iii. join with SGS in canceling any permitted user of the Trademarks;
 - iii. turn over to SGS all intellectual property associated with the Business and the System, including, but not limited to the following:
 - a. any and all confidential information;
 - b. any and all operations manuals;
 - c. any and all materials, whether physical or digital, which display the Trademarks associated with the System; and
 - d. any and all digital assets, including, but not limited to, all digitally-stored content (such as images, photos, videos and text files), whether stored locally at the Business or accessible via the internet, the cloud, or another digital storage device (such as a USB drive or zip drive) or stored with a third-party digital-storage provider (such as OneDrive or Dropbox); and all user names and passwords for any and all email accounts, social networking websites (such as Facebook, Twitter, LinkedIn, Google+, YouTube, Pinterest, Instagram, Tumblr, Flickr, Reddit, Snapchat, and WhatsApp), blogs, review websites (such as Yelp or Angie's List), and any other online communities where the Business created or shared online content, or held itself out as speaking for or representing the Business.
 - iv. cease the use of all material of whatever nature of which the copyright is vested in SGS or where its continued use would in any way infringe SGS' copyright;
 - v. cease all use, directly or indirectly, use any of the Trademarks, Confidential Information, or any aspect of the System. You shall not represent Yourself as a present or former SuperGreen Solutions franchisee or in any other way associate Yourself with the System or the Trademarks; and
 - vi. maintain the System and other information relating to the conduct of the Business in strict confidence and secret, and not use, disclose, publish, or otherwise make it available to any third party.
- C. You shall change and, if requested, assign to SGS, any listed telephone numbers, fax numbers, domain names and e-mail address relating to the Business and also execute any and all documentation necessary to assign any such telephone and fax numbers, domain names and e-mail address to SGS. You hereby authorize and irrevocably constitute and appoint as Your attorney-in-fact for such limited purpose SGS to take such actions and to

make, execute, and deliver such documents for and on Your behalf as may be required to assign to SGS the right to use and own such telephone and fax numbers, domain names and e-mail address, the foregoing power being a power coupled with an interest, and hereby direct the appropriate telephone company, domain name registry and internet service provider to so transfer the ownership of said numbers, domain names and e-mail address as may be directed by SGS, in accordance with the Assignment of Telephone Numbers, Domain Names and E-Mail Addresses signed herewith, a copy of which form is attached as Schedule B.

D. You shall not maintain call forwarding telephone number referral with respect to any telephone numbers formerly used in connection with the Business.

E. Non-compete Covenant:

- i. Upon the transfer, expiration, or termination of this Agreement and for a period of two years thereafter, You shall not, within Your Designated Territory or the designated territory of any other **SuperGreen Solutions** franchisee, be engaged, concerned, or interested in any capacity whatsoever in a business which competes with the **SuperGreen Solutions** Business or any other business within the Franchise Network (except as the holder of not more than 5% of the shares in any company whose shares are listed or dealt in any Stock Exchange or other recognized public market).
- ii. You shall not, for a period of one year after the transfer, expiration or termination of this Agreement, solicit for business from any person who was, during the period of two years prior to such expiration or termination, a regular customer of or in the habit of dealing with the Business.
- iii. You acknowledge and confirm that the length of the term and geographical restrictions contained in this Section are fair and reasonable and not the result of overreaching, duress, or coercion of any kind. You further acknowledge and confirm that Your full, uninhibited, and faithful observance of each of the covenants contained in this Paragraph will not cause You any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in this Section will not impair Your ability to obtain employment commensurate with Your abilities and on terms fully acceptable to You, or otherwise to obtain income required for the comfortable support of Your family, and Your satisfaction of the needs of Your creditors. You acknowledge and confirm that Your special knowledge of the business of a **SuperGreen Solutions** business (and anyone acquiring such knowledge through You) is such as would cause SGS and its franchisees serious injury and loss if You (or anyone acquiring such knowledge through You) were to use such knowledge to the benefit of a competitor or were to compete with SGS or any of its franchisees.
- iv. In the event any court shall finally hold that the time or territory or any other provision stated in this Section constitutes an unreasonable restriction upon You, You agree that the provisions of this Agreement shall not be rendered void, but

shall apply as to time and territory or to such other extent as such court may judicially determine or indicate constitutes a reasonable restriction under the circumstances involved.

- F. SGS shall have the option (but not the obligation) to be exercised by providing written notice of intent to do so, within 30 days after the expiration or sooner termination of this Agreement, to purchase any items bearing the Trademarks or other assets owned by You, including, without limitation, any or all signs, advertising materials, supplies, inventory, equipment, furnishings, fixtures, or other items at a price equal to Your cost or fair market value, whichever is less. If the parties cannot agree on fair market value within a reasonable time, a third party independent appraiser shall be designated by SGS whose costs shall be borne equally by the parties, and his or her determination shall be final and binding. The fair market value of tangible assets shall be determined without reference to good will, going concern value, or other intangible assets. If SGS elects to exercise its option to purchase, it shall have the right to set off all amounts due from You under this Agreement, and the cost of the appraisal, if any, against any payment to You. Should You fail or refuse to execute and deliver the necessary documents to transfer good title to Your assets to SGS, or its nominee, SGS shall be entitled to apply to any court of competent jurisdiction for a mandatory injunction to compel You to comply with the rights granted in this Agreement. All costs and expenses relating to such litigation, including SGS' reasonable attorneys' fees and costs, shall be payable by You to SGS, upon demand, and may be credited by SGS to the agreed purchase price.

Eighteen: ENTIRE AGREEMENT; FAILURE TO EXERCISE RIGHTS NOT TO BE A WAIVER

- A. You acknowledge:
- i. that You have been told that if there are any pre-contractual statements which You consider have been made to You which have induced You to enter into this Agreement, You are obliged to submit the particulars thereof to SGS so that any misconceptions or misunderstandings can be resolved. In such case, an agreed form of pre-contractual statements upon which You relied on may be annexed to and made part of this Agreement;
 - ii. You have been given the opportunity to provide SGS particulars of any pre-contractual statements which You consider have been made to You which have induced You to enter into this Agreement; and
 - iii. this Agreement therefore contains the entire agreement between the parties and accordingly no pre-contractual statements shall add to or vary this Agreement or be of any force or effect unless such pre-contractual statements are either contained in this Agreement or in an annex to it, and You waive any right You may have to sue for damages and/or rescind this Agreement for any pre-contractual statements not contained in this Agreement or an annex to it. Nothing in this Agreement or any related agreement is intended to disclaim, or shall be considered a waiver of

reliance by You of, the representations made in the Disclosure Document or its exhibits or amendments.

- B. In this Section, the expression “pre-contractual statements” includes written or oral pre-contractual statements or agreements, financial statements, profit projections, representations, warranties, inducements or promises whether or not made innocently or negligently.
- C. Your waiver contained in this Section shall be irrevocable and unconditional, but it is expressly provided that such waiver shall not exclude any liability of SGS for pre-contractual statements made by it fraudulently.
- D. No failure of SGS to exercise any power given to it under this Agreement or to insist upon strict compliance by You with any obligation and no custom or practice of the parties at variance with the terms of this Agreement shall constitute any waiver of any of SGS’ rights under this Agreement.
- E. Waiver by SGS of any particular default by You shall not affect or impair SGS’ rights in respect to any subsequent default of any kind by You nor shall any delay or omission of SGS to exercise any rights arising from any of Your defaults affect or impair SGS’ right in respect to said default or any other default of any kind.

Nineteen: INDEPENDENT CONTRACTOR

- A. This Agreement does not create a fiduciary relationship or the relationship of principal and agent between You and SGS. SGS is an independent contractor and, except as expressly permitted under this Agreement for certain rights of SGS, neither You nor SGS will under any circumstances, act or hold itself out as an agent or representative of the other nor incur any liability or create any obligation whatsoever in the name of the other.
- B. You agree to take such affirmative action as may be requested by SGS to indicate that You are an independent contractor, including placing a notice on all stationery, emails, business cards, sales literature, contracts, and similar documents which states that the **SuperGreen Solutions** Business is independently owned and operated by You. The content of such notice is subject to the prior written approval of SGS.
- C. You further agree to take any and all affirmative actions necessary to ensure that at all times Your Manager and staff are conspicuously aware and have knowledge of the proper identity of their employer which is You and not SGS and are also aware that notwithstanding any advice, guidance, standards and specifications provided by SGS to Your Business, SGS is not an employer, co-employer or joint employer with You of Your employees.

Twenty: ACKNOWLEDGEMENTS AS TO ADVICE GIVEN AND OTHER MATTERS

- A. You hereby acknowledge the exclusive right of SGS in and to the System as presently developed or as it may be improved and expanded during the term of this Agreement,

including practices, know-how, trade secrets, designs, marks, logos, signs, and slogans presently in use and to be used hereafter.

- B. You understand and acknowledge the importance of SGS' high standards of quality and service and the necessity of operating the business franchised hereunder in strict conformity with SGS' standards and specifications.
- C. You acknowledge that SGS, in giving advice to and assisting You in establishing the Business (including but without prejudice to the generality of the foregoing recommending equipment and materials, and the assessment of Your suitability) bases its advice and recommendations on experience actually obtained in practice and is not making or giving any representations, guarantees or warranties except that its advice is based upon such previous experience as it has and the degree of success or lack of success in its dealings on its own account and with its franchisees. You acknowledge that You have been advised by SGS to discuss Your intention to enter into this Agreement with other franchisees of SGS and Your business advisors and that You must decide on the basis of Your own judgment of what You have been told by SGS or such other franchisees whether or not to enter into this Agreement. You further acknowledge that You recognize that the business venture contemplated by this Agreement involves business risks and that Your success will be affected by Your ability and commitment as an independent businessperson.
- D. Except where the context otherwise requires, each of the restrictions contained in this Agreement and in each Section and Paragraph shall be construed as independent of every other restriction and of every other provision of this Agreement, and the existence of any claim or course of action by You against SGS whatsoever shall not constitute a defense to the enforcement by SGS of said restrictions or of any of them.
- E. It is expressly agreed between the parties hereto that having regard to the recitals and other provisions of this Agreement, each of the restrictive covenants contained in this Agreement and in each Section and Paragraph is reasonably necessary for the protection of SGS, SGS' intellectual property rights and the other franchisees of SGS and does not unreasonably interfere with the freedom of action by You. You acknowledge that You have been advised by SGS to obtain independent legal advice before executing this Agreement, and that You are fully aware of its provisions and accept that they are fair and reasonable in all the circumstances known to or in the contemplation of SGS and You as of the date of this Agreement. In particular, You acknowledge that the provisions of this Agreement relating to the limits on Your right to make deductions or set offs (to which You may claim to be entitled) against payment of Royalties are fair and reasonable. You recognize that Your failure or refusal to make payments of such fees or contributions because of Your dissatisfaction with SGS' performance may result in Your continued involvement in the Franchise Network being subsidized by other franchisees who make payment of such fees and contributions. You also recognize that Your failure to pay such fees and contributions may adversely and materially affect the provision of services to franchisees who are members of the Franchise Network. You accept that the remedies available to You are not affected by the set-off or deduction provisions of this Agreement and the remedies are sufficient for Your purposes including as they do a right to sue for damages.

- F. YOU SPECIFICALLY ACKNOWLEDGE THAT THERE IS NO **SUPERGREEN SOLUTIONS** BUSINESS THAT MAY BE CONSIDERED TO BE A “TYPICAL” OR “AVERAGE” BUSINESS. SGS MAKES NO REPRESENTATIONS OR GUARANTEES AS TO NET/GROSS SALES, PROFITS, COSTS OR EARNINGS YOU CAN EXPECT. YOU ARE NOT ENTITLED TO ANY COMPENSATION OR REIMBURSEMENT FOR LOSS OF PROSPECTIVE PROFITS, ANTICIPATED SALES, OR OTHER LOSSES OCCASIONED BY CANCELLATION OR TERMINATION. NO PERSON IS AUTHORIZED TO GIVE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN OR INCORPORATED IN THIS FRANCHISE AGREEMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.
- G. You acknowledge that You have received from SGS a Franchise Disclosure Document with all exhibits and supplements thereto, at least 14 days prior to: (i) the execution of this Agreement and every other agreement imposing a binding obligation on You in connection with the sale of a franchise; and (ii) any payment by You of any consideration in connection with the sale, or proposed sale, of a franchise.
- H. You represent to SGS that You (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any competitor, and (iii) are not listed or “blocked” in connection with, and are not in violation under, any anti-terrorism law, regulation or executive order.

Twenty-One: NO WARRANTIES WITHOUT AUTHORITY

You shall make no statements, representations, or claims and shall give no warranties to any customer or prospective customer in respect to the Products sold by You or the Services or the System or any of them, except such as are implied by law or may have been specifically authorized in writing by SGS.

Twenty-Two: ACTIONS AGAINST FRANCHISEE

In the event any claim, demand, action, or proceeding is brought against You, or if You are notified of any violation of an applicable rule or statute, You will immediately (but in no event later than five days of such notification) notify SGS thereof, giving full particulars, and will diligently and expeditiously defend, compromise, cure, or satisfy such claim, action, demand, proceeding, or violation.

Twenty-Three: ADDITIONAL REMEDIES OF SGS

- A. You recognize that the business franchised hereunder is intended to be one of a large number of businesses identified by the Trademarks in selling to the public the Products and Services associated with the Trademarks, and hence the failure on the part of a single franchisee to comply with the terms of its franchise agreement is likely to cause irreparable damage to SGS, and damages at law would be an inadequate remedy. Therefore, You agree that in the event of a breach or threatened breach of any of the terms of the Agreement

by You, SGS shall be entitled to seek an injunction restraining such breach and/or decree a specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and costs incurred in obtaining said equitable relief. The foregoing equitable remedy shall be in addition to all remedies or rights that SGS may otherwise have by virtue of any breach of this Agreement by You. SGS shall be entitled to seek such relief without the posting of any bond or security, and if a bond shall nevertheless be required by a court of competent jurisdiction, the parties agree that the sum of \$100 shall be a sufficient bond.

- B. SGS shall also be able to seek injunctive relief to prohibit any act or omission by You or Your employees that constitutes a violation of any applicable law, is dishonest or misleading to Your customers of other businesses, or constitutes a danger to Your employees or customers or to the public or which may impair the goodwill associated with the Trademarks.
- C. You expressly consent and agree that SGS may, in addition to any other available remedies, obtain an injunction to terminate or prevent the continuance of any existing default or violation, and/or to prevent the occurrence of any threatened default by You of this Agreement.
- D. SGS reserves the right to discontinue supplies or services upon default. While You are in default or breach of this Agreement, SGS may: (i) require that You pay cash on delivery for products or services supplied by SGS; (ii) stop selling or providing any products and services to You or suspend its performance of any obligations under this Agreement; and/or (iii) request third-party vendors or suppliers not to sell or supply products or services to You. No such action by SGS shall be a breach or constructive termination of this Agreement, change in competitive circumstance or similarly characterized, and You shall not be relieved of any obligations under this Agreement because of any such action. Such rights of SGS are in addition to any other right or remedy available to SGS.

Twenty-Four: NOTICES

- A. All notices that SGS is required or may desire to give to You under this Agreement may be delivered personally or may be sent by certified mail or registered mail, postage prepaid, addressed to You at either the business premises address, or Your home address as noted in this agreement. All notices which You may be required or desire to give to SGS shall be sent by certified mail or registered mail, postage prepaid, addressed to: Legacy Environmental Solutions, Inc at 16A Bel Air South Parkway Bel Air, MD 21015. The addresses herein given for notices may be changed at any time by either party by written notice given to the other party as herein provided. Notices shall be deemed given upon personal delivery or 2 business days after deposit in the U.S. Mail.
- B. You must provide SGS with immediate written notice of any breach of this Agreement, or any other agreement between You and any of the following parties, that You believe to have been committed or suffered by SGS, its affiliates, or their respective owners, officers, directors, employees, or representatives. Notice of such breaches extends, without limitation, to breaches arising out of, or related to, the negotiation or performance of this

Agreement by SGS or concerning misrepresentations or any acts of misfeasance or nonfeasance. If You fail to give SGS written notice within one year from the date of any such breach, then such breach shall be deemed to have been waived by You and, thereupon, You shall be permanently barred from commencing any action relating to such believed breach.

Twenty-Five: DISPUTE RESOLUTION

- A. Any controversy or claim arising out of or relating to this Agreement, the business franchised hereunder or the relationship between the parties, including any claim that this Agreement, or any part thereof, is invalid, illegal, or otherwise void, will be determined exclusively in the Circuit Court in and for Harford County, Maryland, each party waives any objection to the jurisdiction of the Harford County, Maryland courts over them, agrees that, except as to Federal Lanham Act claims, Maryland law will apply to this Agreement and waives any right to objection to the jurisdiction or venue of the Harford County, Maryland courts. However, prior to any suit, action or legal proceeding taking place, either party may, at its option, submit the controversy or claim to non-binding mediation before the American Arbitration Association in accordance with its Commercial Mediation Procedures, to occur in Harford County, Maryland, in which event both parties shall execute a confidentiality agreement reasonably satisfactory to SGS. Upon submission, the obligation to attend mediation shall be binding on both parties. Each party will bear its own costs with respect to the mediation, except the fee for the mediator will be split equally. In the event of arbitration or litigation, the reasonable attorney fees and costs of the prevailing party shall be paid by the non-prevailing party.
- B. The provisions of this Section Twenty-Five shall be construed as independent of any other covenant or provision of this Agreement; provided that if a court of competent jurisdiction determines that any such provisions are unlawful in any way, such court shall modify or interpret such provisions to the minimum extent necessary to have them comply with the law.
- C. SGS and You (and their respective owners) waive to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it.
- D. In the event of termination of this Agreement prior to the expiration of the term due to Your default, SGS's actual damages will include its lost future income from Royalty Fees and other amounts that You would have owed to SGS but for the termination.
- E. This Section shall be deemed to be self-executing and shall remain in full force and effect after the expiration or sooner termination of this Agreement.
- F. You acknowledge and agree that it is the intent of the parties that mediation, arbitration or litigation between SGS and You shall be of SGS' and Your individual claims, and that none of Your claims shall be mediated, arbitrated or litigated on a class-wide basis or on a joined or consolidated claim basis.

Twenty-Six: MISCELLANEOUS PROVISIONS

- A. This Agreement shall be binding upon the parties hereto, their heirs, successors, and permitted assigns. All persons signing as You shall be jointly and severally liable for its obligations to SGS under this and any other agreements between the parties.
- B. As to any provision in this Agreement wherein approval is required, or modification desired, such approval or modification must be in writing and signed by the party to be charged.
- C. If any portion of this Agreement is declared to be invalid by any court, such determination shall not affect the balance of this Agreement and the same will remain in full force and effect.
- D. The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Harford County, Maryland, and that, therefore, each of the parties irrevocably and unconditionally: (a) agrees that any suit, action or legal proceeding arising out of or relating to the offer, negotiation, performance, validity or interpretation of this Agreement, shall be brought only in the courts of record of the State of Maryland in Harford County; (b) consents to the jurisdiction of each such court in any suit, action or proceeding; (c) waives any objection which he, she or it may have to the laying of venue of any such suit, action or proceeding in any of such courts; and (d) agrees that service of any court paper may be effected on such party by mail, as provided in this Agreement, or in such other manner as may be provided under applicable laws or court rules. Notwithstanding the foregoing, if SGS deems it necessary to commence an action in Your jurisdiction to more fully or expeditiously determine, interpret or protect its rights, it may do so.
- E. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.; Federal Trademark Dilution Act of 1995, 15 USC §§ 1051 et seq.), this Agreement and any other agreement relating to this Agreement and all transactions contemplated by this Agreement and any other agreement relating to this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Maryland without regard to principles of conflicts of laws, provided, however, that any Maryland law for the protection of franchisees (including the Maryland Franchise Registration and Disclosure Law) will not apply unless its jurisdictional requirements are met independently without reference to this Section 26.E.
- F. The captions herein are inserted for convenience only, and will not be deemed or construed to be a part of this Agreement or to define or limit the contents of the paragraph thereof.
- G. You acknowledge that Local, State and Federal law may require the SGS to disclose Your home address in particular circumstances. You agree and give Your consent to use the same.
- H. SGS expressly reserves the right to revise, amend and change from time to time brand and branding standards, its standards, specifications and methods of establishing, developing and operating Businesses and all such revisions, amendments, changes and improvements

developed by SGS, You or other franchisees shall become the sole and absolute property of SGS, and SGS shall have the sole and exclusive rights to copyright, patent, register and protect such improvements in SGS's own name, and You agree to abide by and conform to any such changes.

- I. THIS AGREEMENT AND THE SCHEDULES ATTACHED HERETO AND MADE A PART HEREOF CONTAIN THE ENTIRE AGREEMENT OF THE PARTIES. NO OTHER AGREEMENTS, WRITTEN OR ORAL, SHALL BE DEEMED TO EXIST, AND ALL PRIOR AGREEMENTS AND UNDERSTANDINGS, EXCEPT FOR OR OTHER THAN THOSE CONTAINED IN THE DISCLOSURE DOCUMENT AND ANY ADDENDUMS OR AMENDMENTS THERETO, ARE SUPERSEDED HEREBY. THIS AGREEMENT SHALL NOT BE BINDING UPON SGS UNTIL EXECUTED BY AN AUTHORIZED OFFICER THEREOF. THIS AGREEMENT CANNOT BE MODIFIED OR CHANGED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY ALL OF THE PARTIES HERETO.

NOTHING IN THE AGREEMENT OR IN ANY RELATED AGREEMENT IS INTENDED TO DISCLAIM THE REPRESENTATIONS SGS MADE IN THE FRANCHISE DISCLOSURE DOCUMENT.

[Signatures Contained On Next Page]

THE PARTIES HERETO acknowledge that they have read and fully understand all of the above and foregoing. By signing below, each party agrees to abide by all of the terms and conditions contained in this Agreement.

FRANCHISOR:

LEGACY ENVIRONMENTAL SOLUTIONS, INC.

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

STATE OF ILLINOIS

ADDENDUM TO FRANCHISE AGREEMENT

Illinois law governs the franchise agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the 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.

Agreed to by:

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

STATE OF MARYLAND

ADDENDUM TO THE FRANCHISE AGREEMENT

1. Sections Twenty-Four B and Twenty-Six D of the Franchise Agreement are amended by adding the following language:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

2. Section Two E of the Franchise Agreement is amended by adding the following language:

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

Nothing in this Franchise Agreement or any related Agreement requiring You to assent to a release, estoppel, or waiver of liability is intended to nor act as a release, estoppel, or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

Agreed to by:

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

STATE OF MINNESOTA

ADDENDUM TO FRANCHISE AGREEMENT

1. Section Two E. of the Franchise Agreement is amended by adding the following language:

“The general release that is required as a condition of a renewal, sale, or transfer of the franchise shall not apply to liability of the Franchisor under the Minnesota Franchisor Act, MINN STAT §80C.01-22.”

2. Section Sixteen B. of the Franchise Agreement is amended by adding the following language:

“Minnesota Law provides franchises with certain termination and non-renewal rights. Minn. Stat. Sec. 80C. 14, Subd. 3, 4, and 5 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. Section Twenty D. of the Franchise Agreement is amended by adding the following language:

“Minn. Stat. 80C21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document or this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights as provided for by the laws of the jurisdiction.”

Agreed to by:

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

Signature: _____

Name: _____

Date: _____

(Corporate/LLC Name)

By: _____

Name: _____

Date: _____

STATE OF NORTH DAKOTA

ADDENDUM TO FRANCHISE AGREEMENT

1. Section Two E of the Franchise Agreement is amended by the following:

The Commissioner has determined that franchise agreements which require the franchisee to sign a general release upon renewal of the franchise agreement are unfair, unjust, and inequitable with the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

2. Section Seventeen F of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Covenants not to compete upon termination or expiration of a franchise agreement are generally considered unenforceable in the State of North Dakota.

3. Section Twenty-Five of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Any provision that provides that the parties waive their right to claim punitive, exemplary, incidental, indirect, special, or consequential damages or any provision that provides that parties waive their right to a jury trial may not be enforceable under North Dakota Law.

The Commissioner has determined that franchise agreements which provide that parties agree to the litigation of disputes at a location that is remote from the site of the franchisee's business are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Section 51-19-09 of the North Dakota Franchise Investment Law provides that any provision in a franchise agreement that requires jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

4. Section Twenty-Six E of the Franchise Agreement is amended by substituting State of North Dakota for State of Maryland as the applicable law.

Agreed to by:

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

Signature: _____

Name: _____

Date: _____

(Corporate/LLC Name)

By: _____

Name: _____

Date: _____

STATE OF RHODE ISLAND

ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the State of Rhode Island Franchise Investment Act §19-28.1 et seq., the Franchise Agreement for Legacy Environmental Solutions, Inc. for use in the State of Rhode Island, is amended as follows:

1. **Section Twenty-Six D.** shall be amended to read: §19-28.1-21 (a) A person who violates any provision of this act is liable to the franchisee for damages, costs, and attorneys and experts fees. In the case of a violation of §§19-28.1-5, 19-28.1-8, or 19-28.1-17(1)-(5), the franchisee may also sue for rescission. No person shall be liable under this section if the defendant proves that the plaintiff knew the facts concerning the violation. (b) Every person who directly or indirectly controls a person liable under this section, every principal executive officer or director of the liable person, every person occupying a similar status or performing similar functions, and every agent or employee of a liable person, who materially aids in the act or transaction constituting the violation, is also liable jointly and severally with and to the same extent as the person liable under this section, unless the agent, employee, officer, or director proves he or she did not know, and in the exercise of reasonable care could not have known of the existence of the fact by reason of which the liability is alleged to exist.

2. **Section Twenty-Six E.** shall be amended to read: §19-28.1-14 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.

Agreed to by:

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

STATE OF WASHINGTON

AMENDMENT TO FRANCHISE AGREEMENT

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

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

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

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

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

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

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

Agreed to by:

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

Signature: _____

Name: _____

Date: _____

(Corporate/LLC Name)

By: _____

Name: _____

Date: _____

SCHEDULE A

COMMERCIAL BUILDING ENERGY AUDITOR

As a SuperGreen Solutions franchisee, you will receive training that will allow you to take a Commercial Building Energy Auditor exam. The result is your ability to conduct commercial building energy assessments. This is a key component of being able to guide commercial clients as to what is the best energy solution(s) for their building and/or business. Then, there will be some field work.

LED TRAINING

As a SuperGreen Solutions franchisee, you will be trained by one of our LED supplier manufacturers on lighting, and specifically LED lighting. You will have the opportunity to test for Lighting Fundamentals – Lighting 101, Lighting Fundamentals – Intermediate and Lighting Fundamentals – Advanced.

SOLAR SALES AND MARKETING TRAINING

As a SuperGreen Solutions franchisee, this online course will teach you how to grow your solar offerings by identifying and qualifying customers and taking advantage of rebates and incentives. With the advanced technical knowledge presented in this course, you'll be able to provide your clients with innovative solar solutions and adapt to any situation you encounter on the job site.

FLIR SPOT THERMAL CAMERA and PLUG POWER METER

The FLIR Spot Thermal Camera uses infrared technology to let you see unseen hot and cold spots for instant troubleshooting. It allows you to store images and data to show customers that can be included in client reports. The Plug Power Meter will read wattage of power flowing through it for monitoring and management of power usage. Utilizing these two tools together will help you quantify problems and create solutions for your clients.

BUSINESS MANAGEMENT SOFTWARE

The Business Management Software gives you access to a suite of desktop applications that is designed specifically to be used for office or business use. A separate program is provided to allow for easy project, portfolio and resource management.

TABLET

We supply you with a new tablet.

MARKETING AND PRINTED MATERIALS PACKAGE

A collection of letterhead, envelopes, and notecards will be provided to formalize all communications with your clients. Business cards and handbill flyers will be custom printed with your contact information to make customer introduction and follow up easy. Trifold brochures, stickers and vendor inserts will be provided to hand out to your potential clients to give a full explanation of the products and services you provide as a SuperGreen Solutions owner.

ACCOUNTING SOFTWARE

The Accounting Software can be used to record monthly sales & expenses, handle payroll, generate business reports and create customer mailing lists. A one-year subscription will be provided.

PROMOTIONAL PRODUCTS

These promotional items will give you the opportunity to leave a lasting impression with anyone you come in contact with and are also used to advertise your brand.

APPAREL PACKAGE

An initial supply of embroidered SuperGreen Solutions woven dress shirts and polo shirts are included for you, the owner. This will help with brand awareness and market your business even more. (1 Person only)

WEB PAGE

This customizable web page will showcase your services on the Internet. The website is complete with a contact page and photos. Your website and all hosting and maintenance fees are included for the first month.

WEBSITE LAUNCH

An SGS approved marketing company will assist you in setting up the database and location to the database and spin your local site. You will attend a webinar to review updates necessary for localization and how to utilize the administrator function. They will localize title tags and descriptions and make other requested localization. Finally, they will establish Google Analytics profile, access to which you will be provided.

LOCAL PRESENCE SETUP AND MANAGEMENT

An SGS approved marketing company will manually setup local listings on the Top 10 portals, such as Google Plus, Yelp, Bing, and more. They will also submit your listing profile details to the primary data aggregators.

SOCIAL MEDIA SET UP

Besides setting up your website, we will also set up your Facebook, Instagram and Twitter pages and run a small 'like' campaign to generate enough likes to generate a custom URL for the page and also to generate some initial interest. We will establish local listings with the top ten portals.

ONLINE COMMUNICATION

Access to our communication portal known as Base Camp, which is used to easily find vendors, get product information, communicate with other franchisees and receive internal messages, and download files with the click of a mouse.

SHIPPING AND DELIVERY

Shipping, delivery and installation are included in the package.

Equipment Total \$8,496
*** Plus Tax for all Equipment**

Because we are constantly improving our products and equipment, we reserve the right to revise, change and/or substitute product features, dimensions, specifications and designs without notice. Prices are subject to change without notice.

SCHEDULE B

**ASSIGNMENT OF TELEPHONE NUMBERS, DOMAIN NAMES
AND EMAIL ADDRESSES**

Date: _____

This assignment shall be effective as of the date of termination of the Franchise Agreement entered into between Legacy Environmental Solutions, Inc., d/b/a SuperGreen Solutions (“SGS”) and _____ (“Franchisee”). Franchisee hereby irrevocably assigns to SGS or its designee the telephone number or numbers and listings, domain names and email addresses issued to Franchisee with respect to each and all of Franchisee’s **SuperGreen Solutions** businesses. Franchisee agrees to pay all amounts, whether due and payable or not, that any domain name registry (“Registry”) or internet service provider (“ISP”) may require in connection with such transfer. This assignment is for collateral purposes only and SGS shall have no liability or obligation of any kind whatsoever arising from this assignment, unless SGS desires to take possession and control over the telephone numbers, domain names and email addresses.

SGS is hereby authorized and empowered upon termination of the Franchise Agreement and without any further notice to Franchisee to notify the telephone company, as well as any other company that publishes telephone directories (“telephone companies”), the Registry and the ISP to transfer the telephone numbers, domain names and email addresses to SGS or such other person or firm as is designated by SGS. In furtherance thereof, Franchisee hereby grants an irrevocable power of attorney to SGS and appoints SGS as its attorney-in-fact to take any necessary actions to assign the telephone numbers, domain names and email addresses including but not limited to, executing any forms that the telephone companies, the Registry or the ISP may require to effectuate the assignment. This assignment is also for the benefit of the telephone companies, the Registry and the ISP and the telephone companies, the Registry and the ISP may accept this assignment and SGS’ instructions as conclusive evidence of SGS rights in the telephone numbers, domain names and email addresses and SGS’ authority to direct the amendment, termination or transfer of the telephone numbers, domain names and email addresses as if they had originally been issued to SGS. In addition, the Franchisee agrees to hold the telephone companies, the Registry and the ISP harmless from any and all claims against them arising out of any actions or instructions by SGS regarding the telephone numbers, domain names and email addresses.

FRANCHISOR:

LEGACY ENVIRONMENTAL SOLUTIONS,
INC.

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

SCHEDULE C

ELECTRONIC FUNDS TRANSFER
AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE
TO LEGACY ENVIROMENTAL SOLUTIONS, INC. ("PAYEE")

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, "debits") drawn on such account which are payable to the above named Payee. It is agreed that Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by Depositor. It is further agreed that if any such debt is not honored, whether with or without cause and whether intentionally or inadvertently, Depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

- (1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.
- (2) To indemnify Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.
- (3) To defend at Depositor's own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or Payee's participation therein.

Name of Depository: _____

Name of Depositor: _____

Designated Bank Acct.: _____
(Please attach one voided check for the above account)

BusinessLocation: _____

Business #:(EIN): _____

Address: _____

Phone: _____

Name of Franchisee/Depositor (please print)

By _____
Signature and Title of Authorized Representative

Date _____

EXHIBIT B
FINANCIAL STATEMENTS

Legacy Environmental Solutions, Inc.

Audited Financial Statements

December 31, 2020

LEGACY ENVIRONMENTAL SOLUTIONS, INC.

TABLE OF CONTENTS

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Financial Statements:	
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Statement of Cash Flows	4
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MILBERY & KESSELMAN
CERTIFIED PUBLIC ACCOUNTANTS

To Management
Legacy Environmental Solutions, Inc.
Bel Air, MD

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Legacy Environmental Solutions, Inc., which comprises the balance sheet as of December 31, 2020, and the related statement of income and retained earnings, and cash flows for the period then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Legacy Environmental Solutions, Inc. as of December 31, 2020, and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

Milbery & Kesselman, CPAs

Milbery & Kesselman, CPAs, LLC
February 16, 2021

Legacy Environmental Solutions, Inc.
Balance Sheet
December 31, 2020

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 49,970
Accounts Receivable (net of Allowance for Doubtful Accounts)	36,733
Contract Assets	176,469
Note Receivable	26,556
Other Receivable	6,370
Current Portion of Prepaid Expenses	150,000
Total Current Assets	446,098
Other Assets	
Prepaid Expenses, net of current portion	300,000
TOTAL ASSETS	\$ 746,098

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 4,000
Accrued Expenses	6,929
Income Tax Payable	23,436
Current Portion of Long Term Debt	150,000
Total Current Liabilities	184,365
Long Term Liabilities	
Long Term Debt, net of current portion	300,000
TOTAL LIABILITIES	484,365

STOCKHOLDERS' EQUITY

Common Stock	1
Additional Paid in Capital	199,999
Retained Earnings	61,733
Total Stockholders' Equity	261,733
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 746,098

See accompanying independent auditor's report and notes to financial statements

Legacy Environmental Solutions, Inc.
Statement of Income and Retained Earnings
For the period ended December 31, 2020

Income		
Franchise Fees	\$	-
Cost of Goods Sold		-
Gross Profit	<u>\$</u>	<u>-</u>
Expenses		
Bank Service Charges		30
Professional Fees		4,000
Taxes		<u>7,026</u>
Total Expenses		<u>11,056</u>
Net Loss before Other Income	<u>\$</u>	<u>(11,056)</u>
Other Income		
Gain on Bargain Purchase		89,199
Net Income before Income Taxes	<u>\$</u>	<u>78,143</u>
Income Tax Expense		16,410
Net Income	<u>\$</u>	<u>61,733</u>
Retained Earnings, November 25, 2020		-
Retained Earnings, December 31, 2020	<u>\$</u>	<u>61,733</u>

See accompanying independent auditor's report and notes to financial statements

Legacy Environmental Solutions, Inc.
Statement of Cash Flows
For the period ended December 31, 2020

Cash Flows from Operating Activities	
Net Income	\$ 61,733
 Adjustments to Reconcile Net Income to Net Cash used in Operations:	
Increase in Accounts Receivable	(36,733)
Increase in Contract Assets	(176,469)
Increase in Note Receivable	(26,556)
Increase in Other Receivable	(6,370)
Increase in Prepaid Expenses	(450,000)
Increase in Accounts Payable	4,000
Increase in Accrued Expenses	6,929
Increase in Income Taxes Payable	23,436
Cash used in Operating Activities	(600,030)
 Cash Flows from Investing Activities	
Cash provided by Investing Activities	-
 Cash Flows from Financing Activities	
New borrowings:	
Short Term	150,000
Long Term	300,000
Proceeds from issuance of stock	200,000
Cash provided by Financing Activities	650,000
Increase in Cash	49,970
Beginning Balance, November 25, 2020	-
Ending Balance, December 31, 2020	\$ 49,970

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the year:

Interest	\$ -
Income Taxes	\$ -

See accompanying independent auditor's report and notes to financial statements

Legacy Environmental Solutions, Inc.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of business – Legacy Environmental Solutions, Inc. (the “Company”), a Delaware Corporation was formed on November 25, 2020 and are headquartered in Bel Air, Maryland. Operations started on January 1, 2021. The Company sells franchises that allow the purchaser to operate a Supergreen Solutions business, which offers sustainability advisory services, energy auditing, sustainability planning, energy efficient products, and other related products and services.

The Company has elected a year end of December 31.

Basis of accounting – The financial statements have been prepared on the accrual basis of accounting. Accordingly, they reflect all significant receivables, payable, and other liabilities.

Cash concentration - The Company maintains its cash in one bank account which, at times, may exceed the federally-insured limits. The Company has not experienced any loss in such accounts. The Company believes it is not exposed to any significant credit risk on such accounts.

Accounts receivable - Trade receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis; thus trade receivables do not bear interest, although a finance charge may be applied to such receivables that are more than 30 days past due.

Accounting estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition - Initial franchise fees are recognized as revenue when services required under the franchise agreement have been performed by the Company. Franchise royalty revenues are based on franchisees’ sales and are recognized as earned. Product and equipment revenue is recorded when legal title is transferred to the customer, generally when the product is shipped.

Credit risk - The Company performs on-going credit evaluations of each franchisee’s financial condition. Accounts receivables are principally with franchises that are secured under the franchise agreements. The franchise agreements provide the Company with certain collateral, including inventory and fixed assets. Consequently, risk of loss is considered minimal.

Income taxes - The Company has elected to be taxed as a corporation for federal income tax purposes.

The Company accounts for income taxes and the related accounts under the liability method. Deferred tax liabilities and assets are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted rates expected to be in effect during the year in which the basis differences reverse.

Legacy Environmental Solutions, Inc.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Adoption of new accounting standard - In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, “Revenue from Contracts with Customers (Topic 606)”. The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Company adopted the new standard effective November 25, 2020, the first day of the Company’s fiscal year using the modified retrospective approach.

As part of the adoption of the ASU, the Company elected the following transition practical expedients: (i) to reflect the aggregate of all contract modifications that occurred prior to the date of initial application when identifying satisfied and unsatisfied performance obligations, determining the transaction price, allocating the transaction price; and (ii) to apply the standard only to contracts that are not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients.

The impact of applying this ASU for the period ended December 31, 2020 resulted in no adjustment to the financial statements.

Subsequent events – Management evaluated events or transactions subsequent to the balance sheet date for potential recognition or disclosure in the financial statements through February 16, 2021, which is the date the financial statements were available for issuance.

Note 2 Cash and Cash Equivalents

The Company maintains cash balances at one financial institution. Accounts at the institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. At December 31, 2020, the Company didn’t have any uninsured cash balances.

Note 3 Accounts Receivable

Accounts receivable at December 31, 2020 consisted of the following:

Franchise fees receivable	\$ 517,472
Allowance for doubtful accounts	<u>(304,270)</u>
	<u>\$ 213,202</u>

The bad debt deducted for the year ended 2020 was \$0.

Legacy Environmental Solutions, Inc.

Notes to Financial Statements

Note 4 Note Receivable

The Company has a note receivable with a franchisee. The note is non-interest bearing and is fully collectible in 2021.

Note 5 Long Term Debt

Long term debt of the Company consists of the following at December 31, 2020:

Note payable to an entity, payable in three annual installments in varying amounts, including interest at 5.00% per annum, through December, 2023, unsecured by collateral.	\$ 450,000
Less: current portion	<u>(150,000)</u>
Total long term portion	<u>\$ 300,000</u>

The following is a summary of principal maturities of long term debt:

For the year ending December 31,	
2021	\$ 150,000
2022	150,000
2023	<u>150,000</u>
Total	<u>\$ 450,000</u>

Note 6 Business Combination

On December 30, 2020 the Company purchased 100% of the assets of Greener Energy, LLC pursuant to a contract for asset purchase and sale. The following table summarizes the consideration paid of \$150,000, and the fair value of the assets acquired at the acquisition date:

Accounts Receivable, net	\$ 213,202
Notes Receivable	26,556
Sales Tax Payable	(559)
Gain on Bargain Purchase	<u>(89,199)</u>
Purchase Price	<u>\$ 150,000</u>

As part of the acquisition, the Company paid \$150,000 at closing.

Legacy Environmental Solutions, Inc.

Notes to Financial Statements

Note 7 Income Taxes

The provision (benefit) for income taxes is comprised of:

Current federal	\$ 16,410
Deferred federal	<u>-</u>
Provision for income tax expense	<u>\$ 16,410</u>

Note 8 Revenue Recognition in Accordance with FASB ASC 606

Contract balances

Contract balances from contracts with customers were as follows as of December 31, 2020:

Contract assets	\$ 176,469
Contract liabilities	-

Disaggregation of revenue

The Company derives its revenues primarily from the sale of franchises. Revenue from performance obligations satisfied at a point in time consists of franchise fees, royalties, and other income. Revenue from performance obligations satisfied over time consists of the sale of master licenses and renewal franchise fees.

Performance obligations

For performance obligations related to the franchise fees, control transfers to the customer at a point in time. Revenues are recognized when the franchisee training is completed and the equipment is delivered.

For performance obligations related to royalties and other income, control transfers to the customer at a point in time. Royalty revenues are recognized monthly based on the monthly sales from the franchisees.

For performance obligations related to master licenses and renewal franchise fees, control transfers to the customer over time. Revenues are recognized over the term of the contract.

Significant judgments

The Company sells franchises for an agreed upon contract amount. For fixed fee contracts, the Company is entitled to payment upon signing of the franchise agreement and recognizes the revenues when the performance obligations have been met.

EXHIBIT C

TABLE OF CONTENTS FOR OPERATING MANUAL

OVERVIEW 8 PAGES

MARKETING AND SALES..... 42 PAGES

SUSTAINABILITY SERVICES..... 27 PAGES

PERSONNEL..... 41 PAGES

GENERAL OPERATIONS 6 PAGES

TOTAL PAGES 124 PAGES

EXHIBIT D

AGENTS FOR SERVICE OF PROCESS / STATE ADMINISTRATORS

CALIFORNIA
California Department of Financial Protection
and Innovation
State of California
320 West 4th Street, Suite 750
Los Angeles, California 90013-1105
Telephone: 213-576-7500

Commissioner of the Department of
Financial Protection and Innovation
State of California
320 West 4th Street, Suite 750
Los Angeles, California 90013-1105
Telephone: 213-576-7500

HAWAII
Commissioner of Securities of the State of
Hawaii
335 Merchant Street
Room 205
Honolulu, Hawaii 96813

ILLINOIS
Attorney General State of Illinois
500 South Second Street
Springfield, Illinois 62706

INDIANA
Agent for Service of Process
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204

State Administrator
Securities Commissioner
Indiana Securities Division
302 West Washington, Room E-111
Indianapolis, Indiana 46204

MARYLAND
Agent to Receive Process
Securities Commissioner
Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202-2020

State Authority
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

MICHIGAN
Consumer Protection Division
Attn.: Franchise
G. Mennen Williams Building, First Floor
525 West Ottawa Street
Lansing, Michigan 48933

MINNESOTA
Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East
Suite 280
St. Paul, Minnesota 55101

NEW YORK
Agent to Receive Process
Secretary of State
State of New York
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001

State Administrator
New York State Department of Law
Bureau of Investor Protection and Securities
28 Liberty St. 21st Floor
New York, New York 10005

NORTH DAKOTA
North Dakota Securities Department
State Capital, 5th Floor
600 East Boulevard Avenue
Bismarck, North Dakota 58505
Telephone: (701) 328-4712

RHODE ISLAND
Rhode Island Department of Business
Regulation
Securities Section
Building 68-2
1511 Pontiac Avenue
Cranston, Rhode Island 02920

SOUTH DAKOTA
Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, South Dakota 57501

VIRGINIA

Agent to Receive Process
Clerk of the State Corporation Commission
Tyler Building, 1st Floor
1300 E. Main Street
Richmond, Virginia 23219

State Administrator
State Corporation Commission
Division of Securities and Retail Franchise
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

WASHINGTON

Director
Department of Financial Institutions
Securities Division
150 Israel Rd S.W.
Tumwater, Washington 98501

WISCONSIN

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way
Madison, WI 53705

EXHIBIT E

LIST OF CURRENT FRANCHISEES

As of January 1, 2021:

SGS Domestic Franchisees	Addresses	Telephone No.
Basel Almashat - Laguna Hills, CA	23034 Lake Forest Drive, Unit B., Laguna Hills, CA, 92653	(949) 916-6670
Karl Moltimer - Fort Lauderdale, FL	6555 Powerline Rd, Unit 409, Fort Lauderdale, FL 33309	(305) 780-1776
Ron Mealey - Des Moines, IA	1975 Northwest 92nd Ct. Suite 15 Clive, IA 50325	(515) 249-4996
John Traub - Glenview, IL	1641 Monterrey Dr, Glenview, IL 60026	(847) 902-9004
Gregory Pierson – Lexington, KY	120 Marketplace Circle, Suite C354, Georgetown, KY 40324	(859) 948-2949
Bryan Pax – Ellicott City, MD	8001 Hillsborough Road, Suite K, Ellicott City, MD, 21043	(240) 602-3332
Reginald Vanlonden – St. Cloud, MN	56 33rd Ave S. #305, St. Cloud, MN 56301	(320) 380-5033
James and Robyn Hall, Winston - Salem, NC	6220 Hackers Bend Court Suite E, Winston-Salem, NC 27103	(336) 577-3335
Diego Pietrosevoli - Cary, NC	111 Weston Parkway. Cary, NC 27513	(919) 525-5950
Meyrick Mancebo – Nashua, NH	379 Amherst Street, PMB 205, Nashua, NH 03063	(603) 263-0303
Daniel Hancock – Charleston, SC	4531 Piggly Wiggly Drive, Suite 201, Charleston, SC 29405	(843) 790-4365
Franco Pedraza - Salt Lake City, UT	2682 South Highland Drive, Unit #103, Salt Lake City, UT 84106	(435) 513-1961
Curt Nuenighoff – Henrico, VA	2900 Rutgers Lane, Henrico, VA 23233	(540) 239-9235

EXHIBIT F

LIST OF TERMINATED, CANCELLED OR NOT RENEWED FRANCHISEES

The following franchisees had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

Victor Chavez	111 E. Dunlap Ave, Suite I-119 Phoenix AZ 85020 (602) 595-3336
Belinda Vega	5155 Stevens Creek Blvd., Suite 100 Santa Clara CA 95051 408-244-2887
Shawn Tufts	450 State Road 13 North, Suite 106 PMB 404 Saint Johns FL 32259 757-748-7637
Rene Ayala	5305 Technology Drive, Suite 6 Tampa FL 33647 813-447-2373
Michael Boyd	6901 Okeechobee Blvd., #D5-M9, West Palm Beach, FL 33411 (239) 273-3735
Michael Freeman & Anita Freeman	1503 S. Broadway Boise ID 83706 208-297-5029
Carl Brown	811 E. Quincy Street Griggsville IL 62340 844-787-7476
Zain Awan	163 Hampshire Street Cambridge MA 02139 617-945-1714
Phillip Murphy	775 East Falmouth Hwy. #2143 East Falmouth MA 02536 (508) 388-7535
Mark Minea	789 Providence Drive Shakopee MN 55379 (952) 994-9919
Michael Fritz	168 Cook Ave E St. Paul MN 68873 (651) 788-0907
Sammi Cook-Kuehn & Paul Lockbaum	1670 S. Robert Street PMB 252 St. Paul MN 55118 (651) 426-3703
Michael Milosovich	17209 Chesterfield Airport Road Chesterfield MO 63005 (314) 341-5402
Daryl Cavin	7427 Matthews-Mint Hill Rd. Suite 105 #254 Mint Hill NC 28227 (704) 560-8627
Andrew Myers	1871 Route 70 East, Suite 11 Cherry Hill NJ 08003 (856) 751-7300
Mohammad Karim	433 Route 202 Flemington NJ 08822 (908) 751-0450
Carlos Leute Megroz	Urb. Floral Park San Juan PR 00917 787-398-5835
Bryan Metoyer	3620 Pelham Rd #70 Greenville SC 29615 (864) 354-0291
Jeffrey Binkley & Melissa Binkley	20540 Hwy 46W, Suite 115-611 Spring Branch TX 78070 (830) 885-2545

EXHIBIT G
GENERAL RELEASE AGREEMENT

GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (“Agreement”) is made between **Legacy Environmental Solutions, Inc.**, a Delaware Corporation d/b/a **SuperGreen Solutions** (hereinafter referred to as the “Franchisor”) and _____ whose business is located at _____ (hereinafter referred to as the “Franchisee”).

INTRODUCTION

The Franchisor and the Franchisee entered into a Franchise Agreement (the “original Franchise Agreement”) dated _____, pursuant to which the Franchisor granted the Franchisee a franchise or license (the “Franchise”) to operate a franchise business (the “Franchise Business”).

A. The parties desire to terminate the original Franchise Agreement on the terms and conditions set forth in this Agreement.

B. This Agreement has been supported by full and adequate consideration, receipt of which is hereby acknowledged by both the Franchisee and the Franchisor.

The parties agree as follows:

1. **Termination of Franchise Agreement.** The parties agree that, subject to Section 3 hereof, the original Franchise Agreement and all obligations of the Franchisee and Franchisor under or arising from the original Franchise Agreement are hereby terminated.

2. **Mutual General Releases.** Subject to Section 3 hereof, the Franchisee, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisor and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which the Franchisee ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the original Franchise Agreement, the Franchisor’s offer, sale or negotiation of the Franchise, the relationship of the parties arising therefrom, or the Franchisor’s conduct in obtaining and entering into agreements.

Subject to Section 3 hereof, the Franchisor, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisee and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which the Franchisor ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the original Franchise Agreement.

3. **Post-Term Covenants; Special Stipulation.** The termination and release provided in this Agreement shall have no effect on those obligations of the Franchisee (and its owners and guarantors, if any) arising out of the original Franchise Agreement or any other agreement which otherwise expressly or by their nature survive the termination of the original Franchise Agreement, including, without limitation, obligations pertaining to the Franchisee’s indemnification obligations and non-disclosure of the Franchisor’s confidential information. In addition, all obligations of the parties, if any, in the original

Franchise Agreement pertaining to mediation, litigation and arbitration of disputes and jurisdiction and venue for dispute resolution, shall apply with equal force to the terms and conditions of this Agreement, as if set forth herein. Such obligations shall continue in full force and effect in accordance with their terms subsequent to termination of the original Franchise Agreement and until they are satisfied or by their nature expire. The Franchisee acknowledges and agrees it has no right, title or interest in and to the trademarks associated with Franchisor's franchise system, including, without limitation, "SuperGreen Solutions", and any colorable imitation thereof. The Franchisee represents it has returned (or turned over) all intellectual property associated with the Franchise Business and Franchisor's franchise system to Franchisor (or a Successor Franchisee, if applicable) which is acknowledged to belong exclusively to Franchisor including, but not limited to, all materials containing confidential information, operations manuals, customer lists, customer databases, customer records, customer files and any materials which display the trademarks associated with the Franchise system. Franchisee agrees to return and turn over to Franchisor all digital assets, including, but not limited to, all digitally-stored content (such as images, photos, videos and text files), whether stored locally at the business or accessible via the internet, the cloud, or another digital storage device (such as a USB drive or zip drive) or stored with a third-party digital-storage provider (such as OneDrive or Dropbox); and all user names and passwords for any and all email accounts, social networking websites (such as Facebook, Twitter, LinkedIn, Google+, YouTube, Pinterest, Instagram, Tumblr, Flickr, Reddit, Snapchat, and WhatsApp), blogs, review websites (such as Yelp or Angie's List), and any other online communities where the Franchise Business created or shared online content, or held itself out as speaking for or representing the Franchise Business. Franchisee acknowledges and agrees it has no right, title or interest in and to the intellectual property associated with the Franchise Business or the Franchise system and no right to retain physical copies, disclose or make further use of such intellectual property, except with regard to customer records for tax purposes.

4. **Confidentiality.** It is acknowledged by the Franchisee that the terms of this Agreement are in all respects confidential in nature, and that any disclosure or use of the same by the Franchisee may cause serious harm or damage to the Franchisor, and its owners and officers. Therefore, the Franchisee agrees, either directly or indirectly by agent, employee, or representative, not to disclose the termination, this Agreement or the information contained herein, either in whole or in part, to any third party, except as may be required by law.

5. **Non-Disparagement.** The parties agree that at no time will they make any derogatory statements about or otherwise disparage, defame, impugn or damage the reputation of integrity of the others, provided that nothing in this paragraph will preclude any party from providing truthful information in response to compulsory legal process. The parties further agree not to, and to, use their best efforts to cause any of the parties' agents, employees or affiliates not to, disparage or otherwise speak or write negatively, directly or indirectly, of the parties' brands, systems, or any other service-marked or trademarked concept of the parties or the parties' affiliates, or which would subject such brands, systems or concepts to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of the parties or their brands, systems or service-marked or trademarked concepts.

6. **Binding Effect.** All of the terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, heirs, successors, and permitted assigns.

7. **Interpretation.** Each of the parties acknowledge that they have been or have had the opportunity to have been represented by their own counsel throughout the negotiations and at the execution of this Agreement and all of the other documents executed incidental hereto, if any, and, therefore, the parties agree that none of the provisions of this Agreement or any of the other documents should be construed against any party more strictly than against the other.

8. **Entire Agreement.** This Agreement, including any Schedules attached hereto (which are considered a part of this Agreement), represent the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersede all other negotiations, understandings and representations if any made by and between the parties.

9. **Governing Law.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.; Federal Trademark Dilution Act of 1995, 15 USC §§ 1051 et seq.), this Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Maryland without regard to principles of conflicts of laws.

10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Confirmation of execution by telex, telecopy facsimile or digital signature page shall be binding upon any party so confirming or telecopying.

11. **Effectiveness of Agreement.** This Agreement shall not be effective until it has been signed by the Franchisee and the Franchisor and delivered fully executed to the Franchisee and the Franchisor.

THE UNDERSIGNED have read, fully understand, and, by executing below, agree to the terms and conditions of this Agreement.

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

SCHEDULE A

ADDITIONAL TERMS AND CONDITIONS **FOR TRANSFER AND ASSUMPTION OF FRANCHISE**

The Franchisee desires to transfer its rights to operate its SuperGreen Solutions franchise operated under the original Franchise Agreement (the “SuperGreen Solutions Business”) to a successor franchisee, _____ (“Successor Franchisee”). The Successor Franchisee desires to continue operating such SuperGreen Solutions Business pursuant to a Successor Franchise Agreement with Franchisor. The terms and conditions of this Schedule “A” supplement the terms and conditions of the foregoing General Release Agreement of which this Schedule forms a part.

The parties agree that the foregoing recitals are true and correct, and for good and valuable consideration, the receipt of which is acknowledged by each of the parties, the parties agree as follows:

1. **Transfer.** Effective as of the date of this Agreement, the Franchisee does hereby bargain, sell, assign, convey, and transfer all of Franchisee’s rights to the Successor Franchisee to operate the SuperGreen Solutions Business, pursuant to the Successor Franchise Agreement and any related written agreements between the Successor Franchisee and Franchisor. Subject to the terms of such Successor Franchise Agreement and related written agreements with Franchisor, the Successor Franchisee hereby accepts and assumes the rights and obligations of the Franchisee to operate the SuperGreen Solutions Business. If for any reason the sale of Franchisee’s business to Successor Franchisee is not completed, the General Release Agreement will be deemed null and void and Franchisee shall continue to operate the SuperGreen Solutions Business under the terms of the original Franchise Agreement. Unless otherwise provided in a written agreement between Franchisee and Successor Franchisee, the Franchisee, during the period from the date hereof to the final closing date of the sale of the SuperGreen Solutions Business to the Successor Franchisee, shall operate the SuperGreen Solutions Business for his/her own account.

2. **Successor Agreements and Payments.** The Successor Franchisee is hereby delivering to Franchisor its duly signed Successor Franchise Agreement and any related agreements that may be required as a result of this transaction under the original Franchise Agreements. The Successor Franchise Agreement means the current standard form of Franchise Agreement required by the Franchisor, subject to any modifications consented to in writing by Franchisor. The Successor Franchisee is also hereby delivering to Franchisor a transfer fee in the amount of \$19,500. No initial franchise fee shall be due under the Successor Franchise Agreement from the Successor Franchisee.

3. **Consents, Subordination and Acknowledgments.** The Franchisor consents to the transfer to and assumption by the Successor Franchisee in accordance with this Agreement. Such consent does not constitute approval of, nor agreement with, any of the provisions of any agreement (other than this Agreement) between the Franchisee and Successor Franchisee. The Franchisee and Successor Franchisee specifically acknowledge that the Franchisor is not a party to any such agreements. The Franchisee agrees that its rights, pursuant to any agreements with the Successor Franchisee, are subject to and subordinate in all respects to Franchisor’s rights under the Successor Franchise Agreement and all related agreements, if any, between the Franchisor and Successor Franchisee, including all renewals, modifications, and extensions, if any, to such agreements. The Successor Franchisee agrees that its rights concerning the Franchisor exist pursuant only to the written agreements entered between the Franchisor and Successor Franchisee, and in the event of any conflict with the terms of this Agreement, except regarding the waiver of the payment of an initial franchise fee, the terms of such other agreements shall control. The Successor Franchisee acknowledges that it has received and reviewed the General Release Agreement of which this Schedule “A” forms a part. The Successor Franchisee further acknowledges that, except as expressly provided in this Agreement, the Franchisor has no liability with respect to, related to, or arising out of, any

transaction between the Franchisee and Successor Franchisee, and releases, indemnifies and holds the Franchisor harmless from same.

FRANCHISOR:

LEGACY ENVIRONMENTAL
SOLUTIONS, INC.

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

SUCCESSOR FRANCHISEE:

Signature: _____
Name: _____
Date: _____

(Corporate/LLC Name)

By: _____
Name: _____
Date: _____

EXHIBIT H
COMPLIANCE CERTIFICATION

Legacy Environmental Solutions, Inc.
SUPERGREEN SOLUTIONS COMPLIANCE CERTIFICATION

You are preparing to enter into a Franchise Agreement for the establishment and operation of a SuperGreen Solutions Franchise Business. The purpose of this Compliance Certification is to determine whether any statements or promises were made to you that Legacy Environmental Solutions, Inc. (the “Franchisor”) has not authorized and that may be untrue, inaccurate, or misleading.

Please review each of the following statements carefully and answer whether each statement is true or false.

	TRUE	FALSE
1. You understand all the information in Franchisor’s Disclosure Document.	_____	_____
2. You acknowledge that success or failure of your Franchised Business will depend in large part upon your skills, abilities and efforts and those of the people you employ, as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs, and the marketplace.	_____	_____
3. No person acting on Franchisor’s behalf made any statement or promise regarding the costs involved in operating a SuperGreen Solutions franchise that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.	_____	_____
4. No person acting on Franchisor’s behalf made any claim or representation to you, orally, visually, or in writing, that contradicted the information in the Disclosure Document.	_____	_____
5. No person acting on Franchisor’s behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money Franchisee may earn, or the total amount of revenue a SuperGreen Solutions franchise will generate, that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.	_____	_____
6. No person acting on Franchisor’s behalf made any statement or promise or agreement, other than those matters addressed in this Agreement, concerning advertising, marketing, media support, market penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Disclosure Document.	_____	_____
7. You understand that the Franchise Agreement contains the entire agreement between Franchisor and you concerning the SuperGreen Solutions franchise, which means that any oral or written statements not set out in the Franchise Agreement will not be binding.	_____	_____
8. In deciding to enter into the Franchise Agreement, you did not rely on any statement, promise, claim, or representation by the Franchisor that is not expressly set forth in the Franchise Agreement or in the Disclosure Document	_____	_____
9. You have had the opportunity to discussed the benefits and risks of establishing and operating a SuperGreen Solutions Business with an attorney, accountant, or other professional advisor	_____	_____

If you answer "FALSE" to any of the questions above, please explain:

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they be construed as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Signed by:

FRANCHISE APPLICANT:

Signature: _____

Print Name: _____

Date: _____

(If applicable)

Corporation Name:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT I
DEPOSIT RECEIPT



DEPOSIT RECEIPT LETTER

By this receipt, **Legacy Environmental Solutions, Inc.** d/b/a SuperGreen Solutions acknowledges that it has received a fully refundable deposit of **\$9,500.00 (U.S.D.)** from:

Name: _____

Address: _____

together with an application for a **SuperGreen Solutions** Franchise Business.

We've reviewed your application within our offices and would be pleased to move forward with you.

The deposit you paid will, at the time of signing your Franchise Agreement, be credited to the remainder of the franchise fee. In the event that you decide not to accept the Franchise Agreement for any reason, your deposit will be fully refunded.

Thank you for your sincere interest in purchasing a **SuperGreen Solutions** Franchise Business. We believe we have assembled the best products, support staff, and system in our industry. We look forward to proving this to you and welcoming you into our franchise system. Please note, when you present a check as payment, you authorize us to deposit your check, make a one-time electronic fund transfer (EFT), or a substitute check, in which case funds may be withdrawn from your account on the same day payment is made and you will not receive a cancelled check back from your financial institution.

Sincerely,

Legacy Environmental Solutions, Inc.

By: _____

SuperGreen Solutions CANDIDATE:

Signature

Date

Print

EXHIBIT J

EMPLOYEE NON-COMPETITION AND CONFIDENTIALITY AGREEMENT

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

THIS NONDISCLOSURE AND NONCOMPETITION AGREEMENT (this “Agreement”) made as of the ____ day of _____, 20____, (“Effective Date”) is by and between _____, (“FRANCHISEE”) d/b/a a SuperGreen Solutions franchise (the “SuperGreen Solutions Franchise”), Legacy Environmental Solutions, Inc., a Delaware company (“COMPANY”) d/b/a SuperGreen Solutions and _____ a resident of the State of _____ (“INDIVIDUAL”) (collectively, the “Parties”).

WITNESSETH:

WHEREAS, FRANCHISEE is a party to that certain franchise agreement dated _____ (the “Franchise Agreement”) by and between FRANCHISEE and COMPANY; and

WHEREAS, FRANCHISEE desires INDIVIDUAL to have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, FRANCHISEE is required by the Franchise Agreement to have INDIVIDUAL execute this Agreement prior to providing INDIVIDUAL access to said Trade Secrets and other Confidential Information; and

WHEREAS, INDIVIDUAL understands the necessity of not disclosing any such information to any other party or using such information to compete against COMPANY, FRANCHISEE or any other franchisee of COMPANY in any business (i) that offers or provides services or products the same as or similar to those provided by FRANCHISEE or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of FRANCHISEE, or COMPANY, any affiliate of COMPANY or COMPANY’s other franchisees (hereinafter the “Competitive Business,” as more particularly described below);

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the Parties hereby mutually agree as follows:

1. Trade Secrets and Confidential Information

INDIVIDUAL acknowledges and understands FRANCHISEE possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

a) For the purposes of this Agreement, a “Trade Secret” is information in any form (including, but not limited to, materials and techniques, technical or nontechnical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords and lists of actual or potential customers or suppliers) related to or used in the development and/or operation of SuperGreen Solutions franchises that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement, “Confidential Information” means technical and nontechnical information used in or related to the development and/or operation of SuperGreen Solutions franchises that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the operating manual and training guides and materials. In addition, any other information identified as confidential when delivered by FRANCHISEE shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of INDIVIDUAL; (ii) INDIVIDUAL can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure by FRANCHISEE pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by COMPANY or FRANCHISEE as “Trade Secrets” or “Confidential Information” shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve INDIVIDUAL of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. INDIVIDUAL understands FRANCHISEE’s providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between INDIVIDUAL and FRANCHISEE with respect to the Trade Secrets and other Confidential Information.

d) For the purposes of this Agreement, a “Competitive Business” is any business which provides one or more of the following services: sustainability advisory services; energy auditing; sustainability planning; and/or energy efficient products.

e) The term “Competitive Business” shall not apply to any business operated by FRANCHISEE under a Franchise Agreement with COMPANY.

2. Confidentiality/NonDisclosure

a) INDIVIDUAL shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of FRANCHISEE, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, INDIVIDUAL must take all steps reasonably necessary and/or requested by COMPANY and FRANCHISEE to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. INDIVIDUAL must comply with all applicable policies, procedures and practices that COMPANY and FRANCHISEE have established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) INDIVIDUAL’s obligations under paragraph 2(a) of this Agreement shall continue in effect after termination or expiration of INDIVIDUAL’s relationship with FRANCHISEE, regardless of the reason or reasons for termination or expiration, and whether such termination or expiration is voluntary or involuntary, and FRANCHISEE and/or COMPANY are entitled to communicate INDIVIDUAL’s obligations under this Agreement to any future customer or employer to the extent deemed necessary by FRANCHISEE and/or COMPANY for protection of their rights hereunder and

regardless of whether INDIVIDUAL or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in an SuperGreen Solutions Business.

3. NonCompetition

a) During the term of INDIVIDUAL's relationship with FRANCHISEE and for a period of two (2) years after the expiration or termination of INDIVIDUAL's relationship with FRANCHISEE, regardless of the cause of expiration or termination, INDIVIDUAL shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, divert or attempt to divert any business or customer of FRANCHISEE to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with COMPANY's trademark "SuperGreen Solutions" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as COMPANY designates to be used in connection with SuperGreen Solutions franchises.

b) During the term of INDIVIDUAL's relationship with FRANCHISEE, INDIVIDUAL shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business anywhere within the United States or any other International Country without the express written consent of FRANCHISEE and COMPANY.

c) For a two (2) year period following the term of INDIVIDUAL's relationship with FRANCHISEE, regardless of the cause of termination, INDIVIDUAL shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business within the Designated Marketing Area of FRANCHISEE's SuperGreen Solutions Franchise or within the Designated Marketing Area of any other SuperGreen Solutions franchise without the express written consent of FRANCHISEE and COMPANY.

d) During the term of INDIVIDUAL's relationship with FRANCHISEE and for a period of two (2) years thereafter, regardless of the cause of termination, INDIVIDUAL shall not, directly or indirectly, solicit or otherwise attempt to induce or influence any other SuperGreen Solutions franchise or franchisee to compete against, terminate or modify his, her or its business relationship with COMPANY.

4. Reasonableness of Restrictions

INDIVIDUAL acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of FRANCHISEE, COMPANY, and COMPANY's Trade Secrets and other Confidential Information, COMPANY's business system, network of franchises and trade and service marks, and INDIVIDUAL waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable.

If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then INDIVIDUAL shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the Parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

5. Relief for Breaches of Confidentiality, NonSolicitation and NonCompetition

a) INDIVIDUAL further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause FRANCHISEE and COMPANY immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, FRANCHISEE and COMPANY shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by INDIVIDUAL of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that FRANCHISEE and COMPANY may have at law or in equity.

b) In addition, in the event of a violation of the covenants contained in the Agreement, the Parties agree that damages for such violations would be difficult to quantify. Due to the difficulty in the quantification of resulting damages, the Parties agree that COMPANY would be entitled to liquidated damages in the amount of at least \$85,500 per event of violation.

6. Miscellaneous

a) This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between INDIVIDUAL, COMPANY and FRANCHISEE with respect to the subject matter hereof. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the Parties.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Maryland (without reference to its conflict of laws principles). References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

c) Any action brought by any of the Parties, shall only be brought in the appropriate state court located in or serving HARMFORD COUNTY, MARYLAND. The Parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may also be brought by COMPANY or FRANCHISEE where FRANCHISEE is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the Parties to confirm or enforce judgments or awards in any appropriate jurisdiction.

d) INDIVIDUAL agrees if any legal proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation, all fees, taxes, costs and expenses incident to appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding.

e) This Agreement shall be effective as of the Effective Date and shall be binding upon the successors and assigns of INDIVIDUAL and shall inure to the benefit of FRANCHISEE and COMPANY and their subsidiaries, successors and assigns.

f) The failure of any Party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of the other Parties with respect thereto shall continue in full force and effect.

g) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

h) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

i) This Agreement may be modified or amended only by a written instrument duly executed by INDIVIDUAL, FRANCHISEE and COMPANY.

j) The existence of any claim or cause of action INDIVIDUAL might have against FRANCHISEE or COMPANY will not constitute a defense to the enforcement by FRANCHISEE or COMPANY of this Agreement.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon FRANCHISEE or COMPANY pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF THE FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT

CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

IN WITNESS WHEREOF, FRANCHISEE and COMPANY have hereunto caused this Agreement to be executed by its duly authorized officer, and INDIVIDUAL has executed this Agreement, all being done in triplicate originals with one (1) original being delivered to each Party.

FRANCHISEE:

By:_____

INDIVIDUAL:

Signature:_____

Name Printed: _____

COMPANY:

By:_____

Its:_____

EXHIBIT K
DISCLOSURE DOCUMENT ADDENDA

STATE SPECIFIC ADDENDA TO DISCLOSURE DOCUMENT

STATE OF CALIFORNIA

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION, NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, AND NOT MISLEADING.

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.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the Commission may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

Item 3 of the Disclosure Document is amended to add:

The franchisor, and the persons and franchise brokers listed in Item 2 of the Disclosure Document are not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

Item 6 of the Disclosure Document is amended to add:

The highest interest rate allow in California is 10% annually.

Item 10 of the Disclosure Document is amended to add:

We do not offer direct financing to you, however, if offered in the future, we will comply with all appropriate laws governing any direct financing offered by us to you including, if applicable, the California Finance Lenders Law.

Item 17 of the Disclosure Document is amended to add:

You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

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

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement requires application of the laws of the State of Maryland. This provision may not be enforceable under California law.

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

The franchise requires binding arbitration. The arbitration will occur in Harford County, Maryland with the costs being borne equally by the parties. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as the 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.

STATE OF HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:
Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states:

2. A proposed registration or filing is or will be shortly on file in the following states: California, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, Virginia, Washington, Wisconsin
3. No states have refused, by order or otherwise to register these franchises.
4. No states have revoked or suspended the right to offer these franchises.
5. The proposed registration of these franchises has not been withdrawn in any state.

STATE OF ILLINOIS

The following information applies to franchises and franchisees subject to the Illinois Franchise Disclosure Act of 1987. The Item number corresponds to those in the main body.

Item 17 g. and h. of the Disclosure Document entitled “RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION” is amended by adding the following language:

The conditions under which a franchise can be terminated and rights upon non-renewal may be affected by the Illinois Franchise Disclosure Act, Sections 19 and 20.

Item 17(v) of the Disclosure Document entitled “CHOICE OF FORUM” and Item 17(w) of the Disclosure Document entitled “CHOICE OF LAW” are amended to add the following language:

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

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

STATE OF MARYLAND

1. Item 17 (f) of the Disclosure Document is amended by adding the following language:

“Termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law. (11USC Section 101 et seq)”

2. Item 17 (m) of the Disclosure Document is amended by adding the following language:

“A general release required as a condition of renewal, sale or transfer shall not apply to liability under the Maryland Franchise Registration and Disclosure Law.”

3. Item 17 (v) of the Disclosure Document is amended by adding the following language:

“Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

4. Item 17 (w) of the Disclosure Document is amended by adding the following language:

“A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

STATE OF MINNESOTA

1. Item 17 (f) of the Disclosure Document is amended by adding the following language:

“Minn. Stat. Sec 80C.14 Subds. 3, 4, and 5 require except in certain cases that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days for non-renewal of the franchise agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.”

2. Item 17 (v) of the Disclosure Document is amended in its entirety to read as follows:

“Minn. Stat. Sec 80C.21 and Minn. Rule 2860.440J prohibit us from requiring litigation to be conducted outside of Minnesota.”

3. Trademarks. The following is added at the end of Item 13:

To the extent required by the Minnesota Franchises Act, we will protect your rights to use the trademarks, service marks, trade names, logo types, or other commercial symbols related to the trademarks or indemnify you from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the trademarks.

4. Minnesota Rule 2860.4400(D) prohibits us from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT G OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT, HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

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, violation of franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable 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 ten 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, anti fraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.
- D. Except as disclosed above, no such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under 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 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.

3. The following is added at the end of Item 4:

Except as disclosed above, neither the franchisor, its affiliates, its predecessors, officers, or general partner during the ten year period immediately before the date of the Disclosure Document: (a) filed as a debtor (or had filed against it) a petition to start an action under the United States Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code during or within one year after that officer or general partner of franchisor held this position in the company or partnership

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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

However, to the extent required by applicable law, all rights you enjoy and any cause 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 the General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the “Summary” section of Item 19(d), entitled “**Termination by Franchisee**”:

- You may terminate the franchise agreement on any grounds available by law.
7. The following is added to the end of the “Summary” section of Item 17(j), entitled “**Assignment of contract by franchisor**”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the franchise agreement.

8. The following is added to the end of the “Summary” section of Item 17(v), entitled “**Choice of Forum**”, and Item(w), entitled “**Choice of Law**”:

The forgoing 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.

9. The following is added to the end of Item 19:
REPRESENTATIONS REGARDING EARNINGS CAPABILITY

LEGACY ENVIRONMENTAL SOLUTIONS, INC. DOES NOT FURNISH OR AUTHORIZE ITS SALESPERSONS TO FURNISH ANY ORAL OR WRITTEN INFORMATION CONCERNING THE ACTUAL OR POTENTIAL SALES, COSTS, INCOME OR PROFITS OF A FRANCHISE. ACTUAL RESULTS VARY FROM UNIT TO UNIT AND LEGACY ENVIRONMENTAL SOLUTIONS, INC. CANNOT ESTIMATE THE EARNINGS OF ANY PARTICULAR FRANCHISE.

STATE OF NORTH DAKOTA

1. Item 17 of the Disclosure Document is amended by the addition of the following language to the original language that appears therein:

The Commissioner has determined that franchise agreements which require the franchisee to sign a general release upon renewal of the franchise agreement are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Covenants not to compete upon termination or expiration of a franchise agreement are generally considered unenforceable in the State of North Dakota.

The Commissioner has determined that franchise agreements which provide that parties agree to the arbitration of disputes at a location that is remote from the site of the franchisee’s business are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Section 51-19-09 of the North Dakota Franchise Investment provides that a provision in a franchise agreement that requires jurisdiction or venue shall be in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

2. Item 17(w) of the Disclosure Document entitled “CHOICE OF LAW” is amended to read as follows:
“North Dakota Law”

STATE OF RHODE ISLAND

In recognition of the requirements of the State of Rhode Island Franchise Investment Act §19-28.1 et seq., the Franchise Disclosure Document for use in the State of Rhode Island, is amended as follows:

1. Item 17 (u) shall be amended to read: §19-28.1-21 (a) A person who violates any provision of this act is liable to the franchisee for damages, costs, and attorneys and experts fees. In the case of a violation of §§19-28.1-5, 19-28.1-8, or 19-28.1-17(1)-(5), the franchisee may also sue for rescission. No person shall be liable under this section if the defendant proves that the plaintiff knew the facts concerning the violation. (b) Every person who directly or indirectly controls a person liable under this section, every principal executive officer or director of the liable person, every person occupying a similar status or performing similar functions, and every agent or employee of a liable person, who materially aids in the act or transaction constituting the violation, is also liable jointly and severally with and to the same extent as the person liable under this section, unless the agent, employee, officer, or director proves he or she did not know, and in the exercise of reasonable care could not have known of the existence of the fact by reason of which the liability is alleged to exist.
2. Item 17 (v)(w) shall be amended to read: §19-28.1-14 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.

STATE OF VIRGINIA

Item 17(h) of the Franchise Disclosure Document is amended to add:

“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 does 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.”

EXHIBIT L

STATE EFFECTIVE DATES

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

This 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:

California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

EXHIBIT M
DISCLOSURE DOCUMENT RECEIPT

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Legacy Environmental Solutions, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Legacy Environmental Solutions, Inc does not deliver this disclosure document on time, or if it contains a false or misleading statement, or 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, or to your state agency listed in Exhibit D.

The name, principal business address and telephone number of each franchise seller offering the franchise is:

Dan Dubell	16A Bel Air South Parkway, Bel Air, MD 21015, (888) 978-7374
Garry McDowall	16A Bel Air South Parkway, Bel Air, MD 21015, (888) 978-7374

Issuance Date: February 17, 2021

I received a disclosure document dated February 17, 2021, that included the following Exhibits:

- | | |
|---|--|
| A. Franchise Agreement | G. General Release Agreement |
| B. Financial Statements | H. Compliance Certification |
| C. Table of Contents for Operating Manual | I. Deposit Receipt |
| D. Agents for Service of Process | J. Non-Competition and Confidentiality Agreement |
| E. List of Current Franchisees | K. Addenda to Disclosure Document |
| F. List of Terminated, Cancelled or Not Renewed Franchisees | L. State Effective Dates |

Signature: _____

Print Name: _____

Date Received: _____

Keep This Copy For Your Records

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This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Legacy Environmental Solutions, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

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Signature: _____

Print Name: _____

Date Received: _____

Return This Copy To Us